

## ENERGY REPORT TO COLORADANS

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### Water Is Key Factor In Energy

Any energy-producing industry will draw on the supply of Colorado's most vital and important natural resource - our water. Protecting the rights of farmers, ranchers, cities and towns while allowing increased energy production presents us with a unique dilemma.

On the federal level, there are decisions being made which will affect Colorado water. I will continue to fight any attempts to institute a national water policy which seeks to supercede the rights of the state. However, almost any energy decision the Congress makes on increased production will affect Colorado water.

Take for example, the proposal to grant eminent domain to coal slurry

pipeline companies. Coal slurry pipelines - which carry a mix of equal parts of water and coal - are an efficient and inexpensive way to transport the fuel from the coal-rich west to the South. Should the Congress encourage these pipelines, millions of gallons of Colorado water will be needed.

While slurry pipelines may be an environmentally acceptable way to transport coal, I will oppose any slurry proposal which uses Colorado water unless the pipeline has a "closed loop" which returns the water or the State is guaranteed an equal amount of water from outside sources.

Water is also a necessary ingredient in the actual mining and

production of coal, oil shale, and other resources.

Water will be a factor in almost any decision we make on energy development. As a member of the Senate Energy Committee, I will continue to bring the Colorado perspective to the committee's attention.

### SOLAR LOANS APPROVED

The nation's first solar loan program for homeowners, a plan I introduced after a solar energy hearing in Golden, Colo. last spring, has cleared the Energy Conference Committee and will be part of the package sent to the President.

This is a major step toward commercialization of solar energy. Under the plan, an agency of the Department of Housing and Urban Development (HUD) will subsidize the interest rate on solar loans for home heating and cooling. HUD would guarantee 90 per cent of the loan to local banks and savings institutions, eliminating much of the risk factor - a factor which has been a major roadblock in front of increased solar usage.

Up to \$8,000 can be borrowed for a solar system, at rates as low as 7 per cent. A recent Library of Congress study indicates that the plan will spur as many as 86,000 solar homes within 5 years.

### ENERGY PACKAGE STATUS

As a member of the House-Senate Energy Conference Committee, I am hopeful a workable package will be sent to the President by the end of December which is fair to consumers and will encourage government, industry and the public to conserve our dwindling fossil fuels.

The Conference Committee is a unique institution of the Congress where Representatives and Senators take their respective versions of the bill, and reconcile the differences.

In the case of the energy bills, there is considerable distance between the House and the Senate versions. Many major issues remain to be resolved in Conference. Among the proposals I have supported and will continue to support are:

- The President's natural gas plan, which in the end will cost consumers far less than de-regulation. Given the astronomical rise in natural gas prices, the President's plan allows gas companies adequate

incentive to explore for new gas, while keeping the lid on prices.

- Inclusion in the final Coal Conversion bill of an energy-impact section which will help states like Colorado deal with increased growth due to energy development.
- A measure which would curb the bias against solar and wind power systems by utility companies.
- An outright ban on new cars which do not meet minimum mileage requirements.
- A lifeline rate where senior citizens on fixed incomes are protected from the undue burden of ever-rising utility bills.

### SOLAR HIRING

The National Solar Energy Research Institute (SERI) at Golden is aggressively pursuing an affirmative action program aimed at placing minorities and women in top level positions.

If you are interested, call Peter Chavez, 234-7171 or send your resume to him at 1536 Cole Blvd., Golden, Colo., 80401.



Meeting with President Carter on water policy.

## Small Communities Affected

# Colorado Faces Energy Impact

As the nation turns to ways of expanding energy supplies, Colorado will be called upon to provide a greater share of coal, shale and crude oil, natural gas, uranium and alternative energy technology.

From the increased white-collar work force for Golden as a result of the Solar Energy Research Institute to the thousands of workers necessary for expanded coal production on the western slope, the impact of energy development will change the face of our state.

Availability of housing, water, local government services, transportation, and schools will dictate the shape and limits of new growth.

All too often, the federal planning effort becomes a stumbling block rather than a program which provides needed aid. While the energy boom is still on the horizon for most Colorado communities, the Wyoming towns of Rock Springs, Hanna and Rawlins have experienced incredible growth in the past 5 years with little or no assistance from the federal government.

With the passage of the Payments-In-Lieu-of-Taxes bill and the Coal Leasing Act of 1976, the Congress established its intent to make local governments the beneficiaries of funds they have been entitled to, but funds which have historically been administered by the federal government. As a prime sponsor of both pieces of legislation, I believe the bills have laid the groundwork, but considerably more needs to be accomplished.

As Chairman of the Senate Subcommittee on Energy Production and Supply, I have spent considerable time this session on coal-related issues. In November the subcommittee continued its probe into energy impact with two hearings in Colorado, one in Brighton on November 15, the second in Grand Junction on November 16.

Given the expected increase in Colorado coal production - expected to triple by 1985 - cities and counties

located near our coal reserves will mushroom. Yet today, those cities and counties are, by and large, wholly unprepared for the onslaught.

In a criticism of the federal impact effort to date, the Western Governors' Conference has termed existing programs "narrow and too strictly drawn."

Socio-economic impact, the Conference says, should not be viewed looking down from above, but should be viewed from the shoes of a bewildered small-town Mayor. He holds office because no one else will take it, earns \$50 a month for his after-hours efforts, holds a full-time job, and has lived in town all his life. He has just learned that his town of 243 people will have a new coal mine and a 1250 megawatt electrical generating plant.

The mayor didn't ask for the development and probably would prefer it didn't come. But he needs to

turn to someone for aid. He is dimly aware of HUD and Farmers Home programs, but has never experienced the countless forms, phone calls and red tape.

Soon the mayor finds out he needs a town planner. The mayor must now be a full-time engineer, financing expert, grant administrator and public relations man. The town needs a new water system, a sewer plant, new roads and a town survey even before the newcomers arrive. When they do arrive, the pressures on housing, law enforcement, recreation facilities - on almost all facets of town life - are overwhelming.

Energy-impact legislation will be a top priority over the coming months. Working with mayors, county commissioners, and citizens in affected areas is essential for a balanced approach to this complex problem.

## GASOHOL: Today's Fuel

Converting excess and spoiled crops into energy to power automobiles and farm machinery is not as far-fetched a proposition as many believe. The 1977 Farm Bill, which was signed by the President last month, contains funds to guarantee loans for four pilot "Gasohol" plants.

Gasohol - a blend of unleaded gasoline and alcohol - can power most motor vehicles without modification. Gasohol proponents claim that its nationwide use would enable the United States to meet President Carter's goal of reducing gasoline consumption by 10 per cent over the next eight years.

In an effort to locate one of the pilot gasohol plants in Colorado, a task force has been formed consisting of farmers, engineers, interested citizens, businessmen and others in the energy field.

After two meetings with

Agriculture Secretary Bob Bergland and considerable correspondence with those in the USDA gasohol program, I have assurances Colorado will be given good consideration during the site selection process.

## IMPACT AID OKAYED

House-Senate energy conferees have accepted my proposal to provide \$180 million in aid to energy-impacted communities affected by expanded coal and uranium production. The appropriation, available during 1979 and 1980, will allow local communities to plan for expanded growth and services due to increased energy production.

This section is part of the total energy package which will be sent to President Carter sometime in December.



U.S. Senator  
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