

Nuclear power on ice for 18 months

Analysis by
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Of the Emerald

SALEM — The legislature has finally settled on its response to Three-Mile Island. Monday, the Senate passed a compromise moratorium saying "no more plants until Nov. 15, 1980." The House concurred Tuesday.

Actually, passage of HB 2570 doesn't make a firm decision on the future of nuclear power in Oregon. In what will probably be the final floor vote on the issue, the legislature banned new plants until after the next general election. If the voters want to end 'em, they'll have to do the job by referendum. People like Sen. Ted Kulongoski, D-Junction City, say petitions are the only way to insure meaningful action.

"If the people don't come out and make energy the issue in the next election, we'll have no one to blame but ourselves. For me, that's going to be the most vital question for candidates in the next election. If they don't support the moratorium until the waste problems are solved, I don't want to talk to them."



Emerald graphic

Actually, it's been a rough session for the utilities, but the governor's office has been on their side. Nuclear power is stumbling, and utilities are turning to government for help. Judging by Gov. Vic Atiyeh's first five months in office, Oregon companies came to the

right place. Early in his tenure, Atiyeh called for a partnership between state government and the utilities. The groundwork for that alliance was laid well before the governor's January inauguration.

Although Atiyeh was supported heavily by timber interests,

one member of his steering committee, Doug Heider, is a vice-president of and chief lobbyist for Portland General Electric. Another sits on the firm's board of directors. From the industry point of view, the two backed the correct candidate.

In January, Atiyeh considered merging the Oregon Department of Energy with the Public Utility Commission, a move environmentalists feared. Many, like the Oregon Environmental Council, the League of Women Voters and Oregon Common Cause, contended that the department should remain independent. Atiyeh eventually chose to leave the agency alone.

To head the Department of Energy, Atiyeh first nominated Dr. Kelly Woods, an appointment eventually rejected by the Senate. Woods' background is in nuclear power, and he was rejected because of what many perceived as his nuclear bias.

Four months later, the governor nominated Lynn Frank, a 28-year-old budget analyst with the executive department, to head the agency. Frank describes himself as an administrator and those who feel innovative action is needed to meet the energy problem charge Atiyeh with making a poor choice. According to Kulongoski, Frank knows little or nothing about energy and can add little to discussions of power.

Atiyeh's relation to the energy facility-siting council was also questioned by anti-nuclear types. The board will act on the Pebble Springs siting certificate — in effect, the building permit — and any request to expand

on-site storage of nuclear waste at Trojan.

The governor has replaced, with the approval of the Senate, certain members of the council.

Atiyeh's first nomination to the council, Kenneth O'Connell, former chief justice of the Oregon supreme Court, was withdrawn when committee questioning revealed that he owned stock in utilities that would benefit from the Pebble Springs project.

The next nomination was Salem Teamster Harvey Risewick, a man legislators like Sen. Ed Fadeley, D-Eugene, claim was hand-picked for Atiyeh by Risewick's boss, pro-nuclear Senator L.B. Day, R-Salem.

For changing the council, Atiyeh has been attacked by a number of statewide institutions, including the Oregon Democratic Party. In an effort to shield himself from the heat, the governor observed that former Gov. Bob Straub could have renewed the terms of Bill Luch and John Thorpe, the two members who have expressed the most concern about nuclear power, but didn't.

Straub answered that he doesn't remember why he didn't reappoint the pair to full terms, but that he always wanted to keep the council intact until a Pebble Springs decision was reached.

"My record was very clear," says the former governor. "I wanted to continue the current board because they had the background and expertise. I think my position was correct."

"Vic Atiyeh looked at it differently. He has a perfect right to do that. He's the governor. He can impose his thinking on what he does."

Oregon gas draws drillers

By PHILIP EMERSON
For the Emerald

The discovery of the state's first three wells capable of producing natural gas in commercial quantities has touched off what amounts to a land rush in predominantly rural Columbia County.

Representatives of nearly every major oil company and several of the independents, close to 60 in all, have descended on Columbia and Clatsop counties in search of exploration leases on private lands.

In addition, the Bureau of Land Management (BLM) reports inquiries concerning a million acres of its land in Oregon and southwest Washington. The wells were drilled as a joint venture of Northwest Natural Gas (NNG), Reichold Energy of Tacoma and Diamond Shamrock (a Cleveland, Ohio corporation). They produce a combined total of 6 million cubic feet of gas per day, which is equivalent to 5 percent of NNG's residential demand, according to company estimates.

"I'm sure this find will increase exploration activity in Northwest Oregon," says Vern Newton of the Oregon Department of Geology and Mineral Industries. "The activity of the oil companies in Oregon has increased dramatically since the find at Mist."

Currently, helicopters and dynamite-charged seismic soundings are taking place in several parts of Columbia County. Drilling trucks of exploration laboratories can also be found on local logging roads.

The NNG-Reichold-Diamond Shamrock group began drilling a fourth well on June 24, at a site one mile from the previous wells.

"There is no way to predict the total contents of this pool without extensive further drilling," says John van Bladderin, NNG's chief engineer. "So far, we have been drilling wells in a straight line. When we

come up with a dry hole, we will move in another direction, eventually determining the size of the field."

Van Bladderin noted that the wells have a high pressure, but said "this is not necessarily indicative of large quantity."

In any case, the partners have indicated their interest in constructing a pipeline to remove the gas from the area. Presently two routes are being considered, one directly to an NNG trunkline, eight miles away, and one to St. Helens, considerably further away.

Reichold, one of the most prominent leaseholders in the area, operates an ammonia area fertilizer plant in St. Helens and the nitrogen-rich natural gas flowing from the Mist wells is ideally suited for use at the plant. Diamond Shamrock, a large mid-western corporation, produces, refines and markets petroleum products and natural gas, as well as chemicals and manufactured goods.

According to Paul Hathaway, vice-president in charge of supply for Northwest Natural Gas, the firm's share of the production at Mist will probably be marketed to NNG's customers in the winter of 1981. He said, however, that due to the "relatively small" quantity of the cheaper domestic gas coming into the market, the price structure would "not be greatly affected."

Petroleum companies have explored in Oregon for almost fifty years and presently Mobil and Shell are exploring in the state.

"The drilling has historically been sporadic, and lacked the systematic and close well-spacing you need to get accurate information in Oregon's complex geology," says Newton, who has worked for the state since the early 1950's.

He characterizes the presence of extensive hydrocarbon deposits under most of Western Oregon as "very encouraging."

Newton doesn't know if there

is a possibility Oregon will become a significant oil or gas producing area, but he can't say no either.

Meanwhile, leaseholders are combing the hills and valleys of Northwest Oregon rounding up contracts based on a flat fee per acre, plus a royalty figure should anything be found. "They're all such nice young men," says Reta Kerry, Columbia County clerk. "They were very secretive, but polite and cheerful. I guess we'll miss them a little when they go."

Columbia County stands to make a good income from the wells at Mist, because it owns the mineral rights to the land where the gas was found. Kerry estimates the royalties on the gas already discovered to be \$360,000 a year, which in the mostly rural county will be a big boost to the revenue base. "I think it will be a great thing for the people of the county," she says. "At least I hope so."

Many of the farmers in Mist do not feel the same way. Wayne Rogers has lived just outside of the town for 50 years and his feelings are ambivalent.

"I like things the way they are," he says. "I'll tell you something. They need us (the gas companies). We don't need them."

"It's money in my pocket, I've nothing against that," says Tom Murray. "But I've always been poor anyway and it doesn't mean that much to me. But if they do hit it big and there are oil wells all around, I'd be rich and sorry too — sorry for what happened to my home."

Mist is a sleepy little town tucked away in a corner of Oregon where things have not changed much over the years. The Mist store is 105 years old, and is the oldest continuous retail establishment in Oregon.

Many residents feel that Mist and Columbia County will never change. That opinion explains why, while a lot of people are excited about the find, a good portion of the local citizens couldn't care less.

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