

Economic Realities Dictate Organizational Lobbying: Restrictions Must be Removed

by **Walter A. Thomasson, SR/WA**
International President-Elect

*"Impermanence is here to stay."
Peter Devries*

But failure to change organizational structure when necessary . . . , will result in the ultimate stagnation and death of the organization.

Walter A. Thomasson, SR/WA, will assume the Presidency on July 1, 1983. Prior to his assuming office, the Board of Directors will be voting at the Albuquerque Seminar on a proposal that will allow the members to vote on whether they wish to remove the restriction of political action that currently is stated within the Articles of Incorporation. All changes in the Articles must be approved by a majority of the membership.

All progress is change, but many changes that occur daily seem to operate against us as right of way professionals. As Director of Right of Way and Environmental Affairs Division of Northwest Pipeline Corporation, a natural gas transportation company which operates in seven western states, I try to adapt technologically and philosophically to the changes that affect right of way acquisitions. As President-Elect of the International Right of Way Association, I believe that the time has come for IR/WA to do likewise. But first I would like to give you some background experience that relates to the changes that are needed.

Northwest Pipeline buys and sells natural gas. Our company has gained a reputation for professionalism and part of this is due to organizational structure and how management operates within that structure. At Northwest we have a Senior Vice-President controlling four divisions:

1. Gas Procurement, headed by a Vice President and operating out of Salt Lake City, with

- offices in Denver and Houston, buys gas the company processes, transports and sells.
2. Engineering, under a Chief Engineer, surveys, designs and constructs our pipelines and facilities.
3. Operations, coordinated through a Director, manages and maintains the pipeline systems from the well head through the gasoline plants, compressor stations, storage fields, LNG tanks, etc., to our customers at the designated delivery points.
4. Right of Way and Environmental Affairs, headed by a Director, coordinates the procurement of Land, Permits, License and Rights of Way, plus the development of Environmental Impact Statements or Environmental Assessments.

Right of Way and Environmental Affairs is divided into three departments, each headed by a Manager: Right of Way/Gathering Systems,

Right of Way/Special Projects, and Environmental Affairs.

Environmental Affairs Department handles all environmental concerns for the Company.

Right of Way/Gathering Systems handles new well tie-ins and gathering facilities. The Producer who contracts with Northwest for his gas is interested in how quickly he can tie in his well so he can start his cash register running; this puts pressure on us to perform more quickly than our competition. We must buy right of way at a reasonable cost, whatever that is, in the shortest possible time. The average time of release for right of way is two months. This volume of work necessitates a reliable current project status which we have developed through specific computer-generated reports to coordinate priorities and efficient operation. These reports were designed out of necessity to meet our company's changing economic realities and rapid growth of the 1970's.

As soon as right of way is purchased, we release it to Engineering for construction. The paperwork

that releases the project for construction also gives them the stipulations or construction requirements we have negotiated on each particular parcel of land. Current project status is maintained in the computer and is available to Gas Procurement and Engineering for their use in answering Producer queries and planning work schedules.

Right of Way/Special Projects Department normally has more acquisition time, but otherwise acquisition procedures are similar. This Department handles larger projects, such as our recent Pan Alberta Project, 350 miles of 24 and 30 inch high pressure natural gas pipeline.

Right of way acquisition is so much different from any other aspect of a pipeline company's operations that it requires a special expertise. It requires people with enough vision to foresee the results of their decisions before the decisions are made, especially when deadlines must be met.

I am aware that each company or agency operates differently, depending on corporate policy or government regulations. Some Right of Way Departments report to the Legal Department, others to the Engineering Department, still others to some other division or department of the company.

Engineers are best at making engineering decisions. When they make right of way decisions, they generally weigh them very heavily towards short term economics. It is not likely that they will look down the road and determine how those decisions are going to affect future acquisitions of right of way. This is also true in all other departments or divisions of the company; if people who are not familiar with right of way make right of way decisions, the effects will show up by rapidly escalating future rights of way costs.

I know that it is not easy to change corporate structures. Some want right of way in one department and some want it in another, and once its set up, it's hard to change. But failure to change organizational structure when necessary, whether it be corporate or professional, will

result in the ultimate stagnation and death of the organization.

One fact of which I made our company aware is that in every aspect of the pipeline business, except right of way acquisition, there is a willing buyer and a willing seller. When an unwilling seller and a willing buyer exist, it is very difficult for people not familiar with right of way to really understand the conditions involved. This is where true professionalism can be recognized.

I don't believe we have been very good salesmen in selling our companies, or our bosses, on the professionalism gained through IR/WA, but if we don't do it no one else will. I had a very rare opportunity in March 1981 to go before the Board of Directors of Northwest Energy and tell them about my division. I had 15 minutes to explain what we do in Right of Way and Environmental Affairs. I believe that these 15 minutes were the most important 15 minutes in my career. Within those 15 minutes the vision of an effective organization had to be clearly communicated. It is sometimes

difficult, but if we expect others to recognize our professionalism, we have to sell it, practice it, preach it, promote it and prepare ourselves to be worthy of it.

I am excited about the International Right of Way Association and the professional direction we are taking. Recertification is a step forward, but we must be ready for future changes. I was asked in my presentation to Northwest Energy to say something about what I saw in the future. What I see today for right of way people is the increasing importance of their contribution to corporate and governmental development. Because of changes in the social climate, it is going to cost more money to acquire right of way. I know of two projects that were recently built in which the right of way costs exceeded construction costs.

This is our future. As right of way costs increase, importance of the right of way profession will increase. Increased economic responsibility draws more attention, but if we are not prepared to meet these new re-

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