

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Tuesday, January 20, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|-------------------------------------|--|--|
| | Organizational Meeting-Rule Review | Chairman Thompson |
| | Presentation on the Regional Quagga/Zebra Mussel Prevention Strategy and a brief report from legislators on the energy picture in surrounding states and provinces | Matt Morrison, Pacific NorthWest Economic Region |
| <u>58-0101-1402</u> | Rules for the Control of Air Pollution in Idaho | Curt Fransen, Director Idaho Department of Environmental Quality Tiffany Floyd, Idaho Department of Environmental Quality |
| <u>58-0101-1403</u> | Rules for the Control of Air Pollution in Idaho | Tiffany Floyd, Department of Environmental Quality |
| <u>58-0102-1301</u> | Water Quality Standards | Barry Burnell, Department of Environmental Quality |
| <u>58-0102-1401</u> | Water Quality Standards | Barry Burnell, Department of Environmental Quality Note: Letter in folder |
| <u>58-0105-1401</u> | Rules and Standards for Hazardous Waste | Orville Green, Department of Environmental Quality |
| <u>58-0110-1401</u> | Rules Regulating the Disposal of Radioactive Materials Not Regulated Under the Atomic Energy Act of 1954, as Amended | Orville Green, Department of Environmental Quality |

* LEHI Alumni Meeting to Follow in the
Committee Room *

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, January 20, 2015

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** None

GUESTS: Curt Fransen, Department of Environment Quality; Doug Conde, Department of Environment Quality; Kari Kostka, Department of Environment Quality; Jesse Taylor, Bear Lake Watch; Barry Burnell, Department of Environment Quality; Tiffany Floyd, Department of Environment Quality; Orville Green, Department of Environment Quality; Paula Wilson, Department of Environment Quality; Elizabeth Criner, NorthWest Food Processors Association/Far West Agribusiness Association/Simplot; John Chatburn, Office of Energy; Jim Lowe, Food Producers of Idaho; Mitch Ryer, Food Producers of Idaho; Will Hart, Idaho Consumer Owned Utilities Association; Justin Hayes, Idaho Conservation League; John Z. Williams, Bonneville Power Administration; Jayson Ronk, Idaho Association of Commerce and Industry; Evan Mortimer, Idaho State Bar; Neil Colwell, Avista Corporation.

Chairman Thompson called the meeting to order at 1:30 p.m.

Chairman Thompson welcomed the legislators and introduced legislative attachés **Audra Curtis** and **Heidi McKay**. All the committee members introduced themselves and the district they represent.

Megan Levy Pacific NorthWest Economic Region (PNWER) Program Manager - Cybersecurity, Center for Regional Disaster Resilience, Invasion Species and Transportation, gave a presentation about using cost-effective coordinated responses to prevent mussels from entering non infested areas and to contain aquatic invasive species (AIS) at their source. The Water Resources Development Act (signed June 2014) authorizes \$20 million to establish a program to prevent and manage AIS in the Columbia River Basin in Idaho, Montana, Oregon, and Washington. There is a need for support in reforming the Lacey Act to include Quagga Mussels as injurious and make it illegal to transport them across state lines. There is a need to discuss the economic and environmental effects of invasive species on Idaho's agricultural, recreational and other industries with other state legislators.

In response to comments, **Ms. Levy** explained the funds would be used to monitor bodies of water from the Columbia River Basin for preventing invasive species. It would also be used for intercepting contaminated boats, protecting Idaho from a prohibited invasive species.

Alana DeLong, Member of the Legislative Assembly in Alberta, gave a presentation about Emissions and Carbon Greenhouse Reduction. She said the United States should purchase Canadian oil because they get 90 cents on the dollar returned, since Canada tends to buy American.

In response to comments, **Ms. DeLong**, explained the budget to capture CO2 is captured and transferred underground to the oil. This innovative way is not big or expensive and is actually an investment for Alberta.

DOCKET NO. 58-0101-1402: **Curt Fransen**, Director of the Idaho Department of Environment Quality (IDEQ), introduced **Tiffany Floyd**, to present the rule changes for 2015 and DEQ administration. Mr. Fransen briefly outlined the relationship between federal environmental programs and Idaho's environmental programs. He stated that all the changes in the rules were due to a requirement to be in compliance with federal requirements. These boundaries lead to regulations almost identical to federal statute.

In response to comments, Mr. Fransen explained the Environmental Protection Agency (EPA) does have review and approval functions for the whole docket or none at all. The Idaho statutes and rules cover issues that are not federal rules creating more stringent regulations.

Tiffany Floyd, Air Quality Division Administrator IDEQ presented **Docket No. 58-0101-1402** to the committee. Idaho State Implementation Plan (SIP) is necessary for federal approval to ensure consistency and minimize burden on regulated facilities. Ms. Floyd highlighted the changes and explained they added definitions to avoid duplication between the state and federal rules.

In response to comments, **Ms. Floyd** explained the federal government science committee evaluates standards and decides if they are still adequate. They set the standard based on health research. These are evaluated year to year for consistency.

Ms. Floyd also discussed the clarifications on state privacy non metallic process plants, also known as rock crushers, which operate under a facility emissions cap (FEC). Ms. Floyd reviewed the difference between a minor and major processing plant, saying a major processing plant emits more than 100 tons of pollutants a year. Clarification was also made on sulfur and fuel limiting combustion, which can be high, as long as it does not negatively affect the air quality.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 58-0101-1402**. **Motion carried by a voice vote.** **Rep. Nate** and **Rep. Scott** requested to be recorded as voting **NAY**.

DOCKET NO. 58-0101-1403: **Tiffany Floyd**, Air Quality Division Administrator with IDEQ presented **Docket No. 58-0101-1403** to the committee. This rule ensures Idaho state consistency with federal regulations and is necessary to maintain program primacy. She reviewed updates of National Air Quality Standards (NAAQS), revisions to test methods and testing regulations, and removal of some Code of Federal Regulations (CFR) elements that have been vacated by the courts. During the rule making process no rule negotiations were necessary and no comments were received during the comment period and public hearing.

In response to comments, **Ms. Floyd** clarified the tribes of Idaho were also informed of the meetings.

MOTION: **Rep. Nielsen** made a motion to approve **Docket No. 58-0101-1403**. **Motion carried by a voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:28 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Thursday, January 22, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|------------------------------|--|--|
| | Presentation | Alex Labeu, Idaho Association of Commerce and Industry |
| 58-0102-1301 | Water Quality Standards | Barry Burnell, Department of Environmental Quality |
| 58-0102-1401 | Water Quality Standards | Barry Burnell, Department of Environmental Quality Note: Letter in folder |
| 58-0105-1401 | Rules and Standards for Hazardous Waste | Orville Green, Department of Environmental Quality |
| 58-0110-1401 | Rules Regulating the Disposal of Radioactive Materials Not Regulated Under the Atomic Energy Act of 1954, as Amended | Orville Green, Department of Environmental Quality |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, January 22, 2015
TIME: 1:30 P.M.
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
**ABSENT/
EXCUSED:** Rep. Hartgen
GUESTS: Alex LaBeau Idaho Association of Commerce and Industry; John J. Williams, Business Professionals of America; Orville Green, Barry Burnell, Curt Fransen, Doug Conde, Paula Wilson, Idaho Department Environmental Quality; Brent Olmstead, MPIDAHO; Elizabeth Criner, Simplot/Northwest Food Processors Association/Far West Agriculture Association; Ian Tolleson, Northwest Food Processors Association; Evan Mortimer, Idaho State Bar Association Water Law Section; Justin Hayes, Idaho Conservative League.

Chairman Thompson called the meeting to order at 1:30 p.m.

Chairman Thompson Requested **Representative Beyeler** and **Jordan** be the minute proof readers for the session.

Alex LaBeau, President of the Idaho Association of Commerce and Industry explained the importance of having primacy which gives Idaho the ability to address and negotiation with the Federal Government what is the best way to comply with federal regulations. This gives the state the choice of how to operate in ways that keep the state in federal compliance with issues such as clean air acts or water acts. Primacy defends the states right to review rules, few state have this right. The State is able to have more flexible to modify the needs of Idaho. It will also keep fees and fines in the state instead of going to the Federal Government.

Chairman Thompson turned the gavel over to **Representative Anderst**.

DOCKET NO. 58-0102-1301: **Barry Burnell**, Air Quality Division Administrator with the Idaho Department of Environment Quality (IDEQ) presented **Docket No. 58-0102-1301** to the committee. The purpose is to make revisions to water standards, and understand when discharge is small or insignificant. The rule also cleans up total daily max loads.

In response to comments, **Mr. Burnell** explained that capacity is defined as the difference between current conditions and water criteria.

MOTION: **Rep. Trujillo** made a motion to approve **Docket No. 58-0102-1301**. **Motion carried by voice vote.** **Rep. Scott** requested to be recorded as voting **NAY**.

DOCKET NO. 58-0102-1401: **Barry Burnell**, Air Quality Division Administrator with the Idaho Department of Environment Quality (IDEQ) presented **Docket No. 58-0102-1401** to the committee. **Mr. Burnell** explained the purpose of the changes are to correct inconsistencies, clarify language and update the rule adopted over 20 years ago. The agency offered three public opportunities for negotiated rule making meetings, two policy papers regarding unreasonable interference and effluent mixing in non-flowing waters. The rule adds or amends definitions for Bioaccumulative Pollutants, Thermal Shock, and Zone of Initial Dilution. It also deletes definitions for mixing zones for outstanding resource waters, and determines the necessity of size and location of mixing zones to protect aquatic life.

In response to comments, **Mr. Burnell** explained the rule is not retroactive for cases of mix zone authorization is in effect as long as the permit is in effect. Each new permit issued by DEQ is consistent with current practice.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 58-0102-1401**. **Motion carried by voice vote.** **Rep. Scott** and **Rep. Chaney** requested to be recorded as voting **NAY**.

DOCKET NO. 58-0105-1401: **Orville Green**, Air Quality Division Administrator with the Idaho Department of Environment Quality (IDEQ) presented **Docket No. 58-0105-1401** to the committee. The proposed changes to the rule is not broader in scope nor more stringent than federal regulations. The proposed changes do not regulate an activity not regulated by the Federal Government. The rule includes conditional exclusions for solvent contaminated wipes and conditional exclusions for carbon dioxide streams in geological sequestration. It also corrects a CFR mistake omitting regulatory language for recycled used oil and provides technical corrections.

MOTION: **Rep. Rubel** made a motion to approve **Docket No. 58-0105-1401**. **Motion carried by voice vote.**

DOCKET NO. 58-0110-1401: **Orville Green**, Air Quality Division Administrator with the Idaho Department of Environment Quality (IDEQ) presented **Docket No. 58-0110-1401** to the committee. The reason for this rule making is in reference to **S1260** revising the definition of restricted hazardous waste. This rule making harmonizes regulatory rule language with statutory language. The proposed changes are broader in scope than federal regulations and regulate an activity not regulated by the Federal Government. There is a fiscal benefit of approximately \$100,000 per fiscal year to the General Fund and it allows additional federal agencies to dispose unregulated radiological materials at a permitted hazardous waste site (USEI).

MOTION: **Rep. Chaney** made a motion to approve **Docket No. 58-0101-1402**. **Motion carried by voice vote.**

Representative Anderst turned the gavel over to **Chairman Thompson**.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:43 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Monday, January 26, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|-------------------------------------|---|--|
| <u>58-0101-1401</u> | Rules for the Control of Air Pollution in Idaho | Tiffany Floyd, Department of Environmental Quality |
| | | Roger Batt, Idaho Heartland Coalition |
| | Presentation: General Energy Overview Office of Energy Resources and Utilities | John Chatburn, Idaho Office of Energy Resources |
| | Overview of the Electrical Transmission System in Idaho | Mitch Colburn and Jared Ellsworth, Idaho Power Company |
| | Natural Gas Major Pipelines and Distribution System | Gordon Hamilton, District Manager Williams Pipeline |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Monday, January 26, 2015

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Representative Vander Woude and Nielsen

GUESTS: Brent Olmstead, Milk Producers; Gordon Hamilton, Williams NWP; Matt Wiggs, Office of Energy Resources; John Chatburn, Office of Energy Resources; Kari Kostka, Tiffany Floyd, Jess Byrne, Department of Environmental Quality; Scott Pugrud, Office of Energy Resources; John J. Williams, BPA; Roger Batt, Idaho Heartland Coalition; Mike Tatko, Paul Kimmell, Neil Colwell, Avista Utilities; Will Hart, Idaho Consumer Owned Utilities; Elizabeth Crimer, NWFPA/FWAA; Ken Miller, Sanke River Alliance; Sean Ellis, Capital Press; Jason Shaw, Administrative Rules

Chairman Thompson called the meeting to order at 1:30 p.m.

**DOCKET NO.
58-0101-1401:** **Tiffany Floyd**, Air Quality Division Administrator with the Idaho Department of Environment Quality (IDEQ) presented **Docket No. 58-0101-1401** to the committee. The docket was initiated by the agricultural community to define agricultural activities and generally recognized agricultural practices. The purpose is to ensure operating in conformance and reasonable control of fugitive dust.

In response to comments, **Ms. Floyd** explained that it is unusual for the community to come to the committee and they wanted clarification.

Rodger Batt, representing Idaho Heartland Coalition, gave a presentation in full support of the rules. The situation began when a complaint was filed with DEQ about a feedlot that was grinding hay to feed their animals. DEQ investigated and fined the feedlot owner for violating Idaho's Fugitive Dust rules. It was discovered that Idaho's current Fugitive Dust rules left farming and ranching operations vulnerable to violations and fines for common farming and ranch practices. As a result of these findings a Core Group was established and began working together on a solution to protect these operations. The Agricultural Industry and the DEQ formulated a reasonable solution, that is the solution proposed amendments.

MOTION: **Rep. Trujillo** made a motion to approve **Docket No. 58-0101-1401. Motion carried by voice vote.**

John Chatburn, Office of Energy Resources (OER), gave a presentation providing an overview of Idaho's electricity and natural gas systems. Approximately 85% of Idaho's electricity consumers are serviced by three investor owned electric utilities. Approximately 15% of our consumers are serviced by 11 municipal utilities and 17 rural electric cooperatives/mutuals. Idaho's natural gas consumers are serviced by three investor owned utilities. While prices can vary, Idaho has some of the lowest average electricity rates in the United States and natural gas rates are comparable to those in our neighboring states. Of our largest sources of electricity, many of them are located outside the state of Idaho or on the border with Oregon. In 2013 78% of Idaho's net in-state electricity generation came from renewable energy sources including hydro, wind, geothermal, bioenergy, and solar. Idaho imports approximately 35% of its electricity, mostly from coal plants in neighboring states

that are partially owned by Idaho utilities. Idaho's actual electricity generation mix changes on a daily basis and will continue to move toward more renewables as evidenced by the recent approval of 401 MW of utility scale solar.

In response to comments, **Mr. Chatburn** explained in Idaho hydro is considered a renewable energy while EPA may not consider it as renewable. While coal plants are closing all over the country the office of energy resources and PUC is actively looking into the effects of utility rates in Idaho. Only one coal fire power plant is scheduled for closure in 2020 and Idaho does not receive much coal energy from the plant.

Mitch Colburn and **Jared Ellsworth** provided a presentation on the electric transmission system. Federal Energy Regulatory Commission (FERC) is designated as the Electric Reliability Organization (ERO) for the United States. They regulate the interstate transmission of electricity and oversees North American Electric Reliability (NERC) in the US. The NERC develops and enforces mandatory reliability standards for North America. They also coordinate reliability through eight Regional Reliability Organizations (RRO's) like Western Electricity Coordination Council (WECC). The WECC is the RRO for the Western US and develops regional criteria and standards. They can be more restrictive than NERC.

Distribution voltage is 12,500 volts that runs through lines up and down our streets. These service approximately 2,000 customers. Sub-transmission voltage runs at 138,000 volts transmitting energy between substations on boulevards or state highways. This power is equivalent to 80,000 residential customers. Transmission voltage runs at 345,000 volts transmitting voltage for long distance, bulk energy near interstate highways. Power is equivalent to 150,000 residential customers. Larger transmission voltage of 500,000 volts are used for efficient long distance, bulk energy transmission along freeway through Los Angeles. This power is equivalent to 300,000 residential customers. There are some development challenges, large projects can take up to 10 years to obtain a permit. There are limited corridors and the risk of cost, cost recovery, and time.

In response to comments, **Mr. Colburn** explained that only fractions of energy is lost in transmission. Depending on the distance, it can be up to 5%. Idaho does export at times. During the winter months the Northwest peaks in use and in the summer the south peaks so Idaho transfers both ways. The preferred system is to provide the lowest cost power to consumers whether in state or out.

Gordon Hamilton provided an overview of Idaho's Interstate Natural Gas Pipeline system operated by Williams Northwest Pipeline. Williams operates three major natural gas pipeline systems which are Transco, Northwest Pipeline, and Gulfstream which delivers approximately 12% of natural gas consumed in US. There are 15,000 miles of interstate natural gas pipelines.

The Northwest Pipeline is a 3,900 mile pipeline system that crosses the states of Washington, Oregon, Idaho, Wyoming, Utah and Colorado creating the ability to deliver 3.9 million dekatherm cubic feet of natural gas each day. Transmission Pipelines are high-strength steel pipe ranging in diameter from 6 to 48 inches moving trillions of cubic feet of natural gas thousands of miles from producing regions to market.

According to the U.S. Department of Transportation, pipelines are the safest way to transport energy. Seventy percent of fatalities involving pipelines are due to damage from outside forces. Pipeline markers alert excavators of the presence of pipelines with an easement containing the name of the operator and emergency contact information. Williams' Pipeline Integrity Management Program is designed to protect public safety. Elements include prevention maintenance, detection, assessment, mitigation and monitoring exceeding federal requirements for inline inspections, investigation and repair. Inspections are completed by sophisticated tools known as "smart pigs" that allow inspection of both the inside and outside of the steel pipe.

Federal law requires highly populated areas be evaluated at least every seven years. Gas control center is the heart of pipeline operations operating 24 hours a day 365 days a year. In the event of an emergency the control center can immediately shut down the pipeline and isolate the source of the leak. Annual meetings are held with emergency officials to coordinate emergency response efforts through training, mock drills, and table top training exercises. One-call centers assist in locating underground pipelines by dialing 811.

In response to comments, **Mr. Hamilton** explained that locations and proposals for new locations go through environment assessment and extensive research done on the environmental impact statement before construction can proceed. This can take up to 10 years to start building.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:42 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Wednesday, January 28, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------------------------|---|--|
| | State Entity Presentations | John Chatburn, Idaho Office of Energy Resources |
| | • Idaho Governor's Office of Energy Resources | John Chatburn, Office of Energy Resources (OER) |
| | • Idaho Strategic Energy Alliance | John Chatburn, OER |
| | • Idaho Public Utilities Commission | Paul Kjellander, Commission President |
| | • Idaho Energy Resources Authority | Ron Williams |
| | • Idaho Oil and Gas Conservation Commission | Marg Chipman, Commissioner |
| | • Northwest Power and Conservation Council | Jim Yost, Council Member |
| | • Idaho Department of Environmental Quality | Director Curt Fransen |
| <u>RS23226C1</u> | Community Reinvestment Pilot Initiative | Orville Green, Department of Environmental Quality |
| <u>RS23205</u> | Public Drinking Water System Loans | Curt Fransen, Department of Environmental Quality |
| <u>RS23276C1</u> | Water Quality/Effect of Drinking Rules Provisions | Barry Burnell, Department of Environmental Quality |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, January 28, 2015

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Representative(s) Jordan

GUESTS: Jack Lyman, Idaho Mining Association; John Chatburn, Matt Wiggs, Idaho Office of Energy Resources; Marg Chipman, Idaho Oil and Gas Conservation Commission; Barry Burnell, Orville Green, Bruce Wicherski, Jess Byrne, Tiffany Floyd, Carl Brown, Curt Fransen, Department of Environmental Equality; John J. Williams, Bonnaville Power Administration; Russell Westerberg, Good Government; John Carver; Doug Paddock, IORC; Kelsey Nunez, Ron Williams, Snake River Alliance; Will Hart, Idaho Consumer Owned Utility Association; Suzanne Budge, SBS Associates; Neil Colwell, Avista Corporation

Chairman Thompson called the meeting to order at 1:30 p.m.

MOTION: **Rep. Beyeler** made a motion to approve the minutes of January 20, 2015. **Motion carried by voice vote.**

John Chatburn, Office of Energy Resources (OER), gave a presentation providing an overview of Idaho's Office of Energy Resources executive order 2012 to coordinate energy planning and policy development in Idaho. Also to coordinate the state's comments on all federal energy policy issues and documents along with serving as Idaho's clearinghouse for energy information. OER represents Idaho in regional and national energy policy forums and processes, administer loan and financial assistance programs, and coordinate the Idaho Strategic Energy Alliance (ISEA). OER's current major activities include transmission projects, federal regulations, energy efficiency in Idaho, and to participate in regional energy policy forums. Their other current activities are an energy loan program, industrial energy efficiency awards, biomass energy development, government leading by example and ISEA coordination.

Mr. Chatburn reviewed OER's major transmission projects including the Gateway West Transmission Line project, the Boardman to Hemmingway Transmission Line project, and the Hooper Springs Transmission Line project.

Mr. Chatburn gave an overview of the Federal Regulations from OER including the Clean Air Act 111 (d) Rule for carbon emissions standards for existing power plants, the BLM Hydraulic Fracturing on Federal and Indian lands by OER, and third, the federal regulation BLM Natural Gas Lease Sale in Western Idaho.

Mr. Chatburn said OER provides energy efficiency in Idaho by participating in the Idaho Energy Code Collaborative, Idaho Power's Energy Efficiency Advisory Group, Weatherization Policy Advisory Council, and provides energy use benchmarking for state buildings on the Capital Mall. OER participates in the following Regional Energy Policy forums: Wester Governor's Association, Western Interstate Energy Board, State and Provincial Steering Committee on Regional Transmission Expansion Planning as the Governor's representative, Northwest Energy Efficiency Alliance on the Board of Directory Executive committee and Commercial Advisory Committee, Western Interconnection Regional Advisory Board, Committee on Regional Electric Power Cooperation and Northwest Industrial Energy Efficiency Summit Steering Committee.

Mr. Chatburn explained OER also has a state energy loan program that loans to home owners, businesses, and agriculture. The loan terms are four percent interest with a five year repayment period. OER has provided twelve loans so far in fiscal year 2015.

In response to comments, **Mr. Chatburn** explained that a small portion of the Transmission Project is on public and state land.

John Chatburn, Office of Energy Resources (OER), gave a second presentation providing overview of the Idaho Strategic Energy Alliance (ISEA). ISEA's mission by **Governor Otter**, through Executive Order 13-01, tasked the ISEA Board of Directors to provide information and policy analysis to elected officials, stakeholders, and the public on the following: Increase Idaho's production of affordable, reliable, and sustainable energy. Increase cost-effective energy efficiency and conservation within Idaho. Improve cooperation, collaboration and communication among public and private sector entities in the areas of energy efficiency conservation and affordable and sustainable energy development. Also to seek new and innovative means to increase energy production in Idaho.

Mr. Chatburn said the main work of the ISEA is performed by over 190 volunteers participating on task forces focused on specific energy issues. Each task force includes experts in that particular field as well as interested individuals from government agencies, non-governmental organizations, industry, universities, and the public. The task forces analyze energy issues and data in order to make reports on energy options to the Board.

Mr. Chatburn also explained that Idaho Strategic Energy Alliance developed the Idaho Energy Primer as a source of facts and information on energy resources, production, distribution, and use in the state. The Idaho Energy Primer is intended to be a resource to help the citizens of Idaho make informed decision regarding Idaho's energy future.

Paul Kjellander, Idaho Public Utilities Commission (PUC) President stated the Commission was established by the Twelfth Session of the Idaho Legislature in 1913. The Governor appoints and the Senate confirms commissioners for six year terms. The Commission's role is regulatory compact, in return for the utility's obligation to serve customers and be subject to regulatory oversight, the utility is entitled to recover its incurred expenses and have an opportunity to earn a rate of return on its investment. The PUC's role is best summarized by these three points: assurance of adequate earnings, assurance of safe and reliable service and establishing reasonable rates. The PUC regulates investor owned electric, gas and water utilities, natural gas pipeline and rail safety, eight small, rural telephone companies, and larger telephone companies, but only for customer service issues, not rates.

In response to comments, **Mr. Kjellander** explained the relationship with Federal Energy Structure is building and is better than last year after being sued in federal court and negotiated a settlement with state and federal cooperation.

Ron Williams, Idaho, Energy Resources Authority (IERA), stated in 2005 the Idaho Consumer-Owned Utilities Association (ICUA) proposed and successfully passed legislation establishing the IERA. The Act established an energy related lending financing Authority, not unlike the Housing Authority, with the ability to borrow money including issuing revenue bonds. The Act also allows Idaho's municipal electric systems to jointly own electric facilities without lending the city's credit to the other joint participants that are not municipalities. Activities of the Authority are narrowly targeted, it cannot originate the development of electric facilities, it can only do so at the request of a participating utility. Facilities within the Act only include electric generation, transmission and distribution facilities, and renewable energy facilities. Participating utilities include electric co-ops, municipal electrics, investor owed utilities, renewable energy developers and the Bonneville Power Administration (BPA).

Mr. Williams stated legislation is needed since BPA has asked IERA to amend the Act so greater assurance can be provided, through statute, that anything the IERA does for the benefit of Bonneville is insulated from any other financings the IERA may do for other parties. BPA is also considering financing conservation expenditures. If Bonneville chooses to do so, it would like the option of financing its acquisition of conservation measures through the IERA.

In the future, the Idaho Energy Resources Authority expects to facilitate the low-cost financing of electrical transmission and substation facilities for the Bonneville Power Administration and its customers in Idaho and the northwest region. It is likely the Authority will do hundreds of millions of financing of facilities over the next several years, as BPA and the regional transmitting utilities seek to overcome current transmission bottlenecks.

In response to comments, **Mr. Kjellander** explained the primary source of funds borrowed are Federal Government money with a cap reached in seven to eight years before going to a third party.

Margaret Chipman, Vice Chairman, Idaho Oil and Gas Conservation Council (IOGCC) stated that **Governor Otter** and the Idaho Legislature approved a bill proposed by the Idaho Department of Lands during the 2013 session that changed the composition of the IOGCC to include subject matter experts in oil and gas, geology and water, along with two landowners, one who owns mineral rights and the other owns only the surface estate. The members are appointed by the Governor and approved by the Senate. Prior to this change the Commission was made up of the same five constitutional officers who served on the Land Board.

The authority of the Commission states its duty is to regulate the exploration for and production of oil and gas, prevent waste of oil and gas and to protect correlative rights, and otherwise to administer and enforce Idaho's laws pertaining to conservation of oil and gas. The Commission was designed to preside over the industry, provide for a regulatory framework and rational development of the industry in a way that protects the interests of the State of Idaho and land owners, protects Idaho's environment, including water, and provide for a fair and level playing field with standards and rules that are aligned with best practices and commonly accepted industry standards in other states.

Ms. Chipman said the structure and makeup of the Commission is consistent with other states, and is designed to encompass the expertise needed for efficient and effective development of the industry while acting in the best interest of the State of Idaho and its citizens. With Idaho's position as one of the most recent states to develop an oil and gas industry, the Commission was been able to learn from the many other states with mature industries, many of which border Idaho. Idaho has the good fortune of benefiting from other states' experience.

In response to comments, **Ms. Chipman** explained all negotiations and payment agreements are between the company and the individual. When disputes arise a hearing is conducted.

Jim Yost, Idaho Oil and Gas Conservation Council (IOGCC) explained the budget process for BPA with a twenty year power plan and five year action plan. IOGCC makes recommendations to BPA ensuring Idaho water laws are carefully protected.

In response to comments, **Mr. Yost** clarified Idaho tends to have enough energy and is an importer not an exporter of energy. He said there is a small amounts of coal energy imported from Nevada and Wyoming. He said wind and solar energy will not be able to compensate for the shortage since they are intermitted power sources unlike coal and hydropower. He also explained at certain times Idaho has too much power and Invasive species are a real threat. Thankfully, to legislative funding, Idaho is the leader in invasive species prevention.

Curt Fransen, Director Idaho Department of Environmental Quality (DEQ) informed the committee that the Energy Production Facility is subjected to the same as other facilities, with no special location requirements.

RS 23226C1: **Orville Green**, Department of Environmental Quality (DEQ) presented **RS 23226C1** to the committee requesting to amend the provisions established in the Idaho Community Reinvestment Pilot Fund to allow use unobligated remains and accumulated interest to provide financial assistance to additional eligible properties. He stated the money from the projects were not loans and there is no extra money coming in. Not all funds have been used to complete the projects and there's no fault in returning the money.

MOTION: **Rep. Nielsen** made a motion to introduce **RS 23226C1**. **Motion carried by voice vote. Representative(s) Hartgen, Vander Woude, Mendive, Trujillo, Beyeler, Chaney, Nate**, requested to be recorded as voting **NAY**.

RS 23205: **Barry Burnell**, Department of Environmental Quality (DEQ) presented **RS 23205** to the committee. He explained this is a structure upgrade to offer thirty year loans to disadvantaged communities. The expansion does not need to be a thirty year loan. The life of the drinking water system is longer than thirty years except when there is storage problems or when treatment is needed.

MOTION: **Rep. Rusche** made a motion to introduce **RS 23205**.

In response to questions, **Mr. Burnell** explained there are more resources available to communities and money also has been transferred to waste management. This change will provide benefits to cities and water districts having a difficult time with budgets. DEQ will also offer twenty and thirty year loans.

VOTE ON MOTION: **Motion carried by voice vote.**

RS 23276C1: **Barry Burnell**, Department of Environmental Quality (DEQ) presented **RS 23276C1** to the committee to approve the revision to Idaho Water Quality Standards (WQS) deleting the Outstanding Resource Waters (ORW) section from the mixing zone policy with the WQS.

MOTION: **Rep. Trujillo** made a motion to introduce **RS 23276C1**.

In response to questions, **Mr. Burnell** explained current permits are under old rule until they need a permit for renewal.

**VOTE ON
MOTION:**

Motion carried by voice vote.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 3:20 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Monday, February 02, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|---------|--|---|
| | Presentation Utilities Testimonies-Who we are and what we do | John Chatburn, Idaho Office of Energy Resources |
| | • Avista Utilities | Neil Colwell |
| | • Idaho Power Company | Rich Hahn |
| | • Rocky Mountain Power | Russell Westerberg |
| | • Idaho Consumer Owned Utilities Association | Will Hart |
| | • Intermountain Gas Company | Scott Madison |
| | • Bonneville Power Administration | John Williams |
| | Presentation | Michael Lewis, USGS |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | |
|-----------------------|--------------|
| Chairman Thompson | Rep Anderson |
| Vice Chairman Anderst | Rep Mendive |
| Rep Raybould | Rep Trujillo |
| Rep Hartgen | Rep Beyeler |
| Rep Vander Woude | Rep Chaney |
| Rep Nielsen | Rep Nate |

| |
|------------|
| Rep Scott |
| Rep Smith |
| Rep Rusche |
| Rep Jordan |
| Rep Rubel |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Monday, February 02, 2015
TIME: 1:30 P.M.
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Rep. Vander Woude

GUESTS: Tim Merrick, United States Geological Survey (USGA); John J. Williams, Bonneville Power Administration (BPA); Will Hart, Idaho Consumer Owned Utilities Association (ICUA); Gordon Hamilton, Williams; Russell Westerburg, Rocky Mountain Power (RMP); Matt Wiggs, John Chatburn, Office of Energy Resources (OER); Neil Colwell, Avista; Scott Madison, Intermountain Gas Company; Kelsey Nunez, Snake River Alliance; Ron Stark, Boise Metro Camber; Suzanne Budge, SBS Associates

Chairman Thompson called the meeting to order at 1:30 p.m.

Rep. Beyeler made a motion to approve the minutes of January 20, 2015. **Motion carried by voice vote.**

Neil Colwell, Avista Utilities, gave a presentation providing Avista's history, operations, and outlook for the future. Avista was formed in Spokane, Washington 125 years ago as Washington Water Power (WWP), predating Idaho's statehood. Originally Avista tapped the water power in the Spokane River and eventually delivered power to Idaho Silver Valley mines through the longest high voltage line in the world. WWP changed their name to Avista in 1999.

Mr. Colwell, reports that Avista operations are in eastern Washington and northern Idaho providing gas and electric services. They also provide gas services to southern Oregon. Avista produces electricity from hydro, natural gas, coal, and biomass in Washington, Idaho, Oregon, and Montana. They operate electric production capacity 1,825 Mw and have approximately 400,000 electric accounts and 354,000 natural gas accounts. They provide to a service area of more than 30,000 square miles and serve a total of about 680,000 customers. Avista's has an annual revenue of more than \$1.6 billion and employ nearly 1,500 people.

Mr. Colwell, reports in the future Avista has energy resource planning and needs of a twenty year forward looking plan, which is updated every two years. The first long-term capacity deficit occurs in 2020 and the first energy deficit occurs in 2026. Avista's future system investments and improvements include COMPASS, a fully integrated Customer Service Information System. They have also added Smart Grid investments across their system. Other challenges are additional environmental requirements, natural gas production increasing, new technologies including solar, large battery storage, and electric vehicles. Also customer owned generating facilities and new entrants into generation business.

In response to questions, **Mr. Colwell** explained part of the name change was due to a plant cancellation and a deal to purchase power from Bonneville Power. Mr. Colwell also explained that Smart Meters are in transition to be available at all residential locations providing more control and more choices to the resident. With coal plants being closed. Idaho should be in good shape with upgrades and 111(d) under EPA which could incur additional costs.

Rich Hahn, Idaho Power Company, gave a presentation, providing the history of the company powering Idaho since 1916. Their vision is to be regarded as an exceptional utility through their mission to provide by providing reliable, responsible, fair-priced energy services with integrity, safety, and respect. Idaho Power has seventeen hydroelectric facilities beginning in Hells Canyon, Idaho and following the river to American Falls, Idaho. They also have thermal facilities from three coal facilities, three natural gas facilities and one diesel facility.

In response to questions, **Mr. Colwell** explained Net-metering has approximately six hundred primary resident and small commercial customers. He also clarified that CJ Strike only operates on one turbine during portions of the day due to water levels as per the original contract.

Russell Westerberg, Rocky Mountain Power (RMP) explained that they serve 1.8 million people across 136,000 square miles in six Western states. The business is comprised of three business units, Rocky Mountain Power, Pacific Power, and PacifiCorp ensuring low cost energy for customers. Renewable and non-carbon resources make up twenty-five percent of PacifiCorp's generation capacity. PacifiCorp is also adding solar to its power supply mix.

Will Hart, Executive Director Idaho Consumer Owned Utilities Association (ICUA) represents twenty-two public power utilities in Idaho, eleven rural electric cooperatives and eleven municipal power companies. ICUA provides emission free, reliable, low-cost electric power to over 135,000 customers. Rural electric cooperative and municipal power companies are self regulated utilities with elected board members and are not subject to regulation by the Idaho Public Utilities Commission. Utilities deliver electricity to consumers "at cost" and no member operates on a "for profit" basis. The Bonneville Power Administration supplies over 96% of the wholesale electric power that ICUA member utilities deliver to their customers. Wholesale power costs account for approximately 60% of ICUA member's total costs.

In response to questions, **Mr. Hart** explained different names by who manages the department based on how the lines are drawn. Generally the cost and rates are relatively close to the same.

Scott Madison, Intermountain Gas Company (IGC) which is a local distributing gas company founded in 1956 covering the Southern territory of Idaho. They are not vertically integrated and are able to purchase and distribute to their customers. IGC has 225 employees in Idaho. Mr. Madison explained they are regulated by the PUC. IGC purchases inexpensive energy during the summer and have storage across the west to hold the energy until customers need it in the winter keeping rates lower.

In response to questions, **Mr. Madison** explained building pipelines is expensive, they have a process to calculate cost and revenue and are sometimes able to offer contributions by new customers to have a line added.

John Williams, Constituent Account Executive, Bonneville Power Administration (BPA) presented that BPA was established in 1937 as a self funded federal agency that now provides power to 300,000 square miles and employing 3,000 employees. BPA provides about half the electricity used in the Northwest and operates over three-fourths of the regions high-voltage transmission.

Bonneville Project Act created BPA to market power from federal hydroelectric projects in the Pacific Northwest, with authority to build transmission facilities to deliver power to customers. Electric energy and peaking capacity not purchased by Northwest consumers is called surplus power and offered for sale to out of region customers.

Mr. Williams said the DOE Organization Act moved BPA out of the Department of Interior, including BPA as a separate and distinct entity with the new Department of Energy. BPA is directed to protect, mitigate and enhance fish and wildlife affected by the federal hydroelectric dams in the Columbia River and its tributaries. BPS is directed to offer Northwest investor-owned utilities an exchange of low-cost federal power to serve their residential and small farm loads. The IOU's are to return an equivalent amount of power at their average system cost. The exchange is intended to provide residential and small farm customers with some benefits of the low-cost federal power that is first available to publicly owned and cooperative utilities.

Mr. Williams also presented on the 1996 Omnibus Consolidated Rescissions and Appropriations Act provided for refinancing of the Federal Columbia River Power System (FCRPS) unpaid appropriated debt at 1997 market interest rates. The act required Northwest ratepayers to pay the Treasury and additional \$100 million in net present value over the life of the debt to resolve claims that the region was subsidized by taxpayers due to low historical Treasury interest rates. Post September 11, 2011 after years of collaborative discussions with customers and other parties, BPA is offering new contracts to its customers. The new power sales contract will cover fiscal years 2012-2028. BPA offered contracts ahead of when the current contracts expired so that BPA and its customers will know in advance who has the responsibility to develop new resources to meet load growth starting in fiscal year 2012.

In response to questions, **Mr. Williams** explained that since Public Power filed suit and ruled in favor against Bonneville, they had to reinstitute to apply until payback was completed.

Chairman Thompson stated the presentation by Michael Lewis with the United States Geological Survey will be rescheduled.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:57 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Wednesday, February 04, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|---------|--|---|
| | Presentation: Current and Emerging Issues | John Chatburn, Idaho Office of Energy Resources (OER) |
| | • Idaho's position on EPA 111(d) Carbon Rule | John Chatburn, OER |
| | • Major Transmission Line update | John Chatburn, OER |
| | • Renewable Energy update | John Chatburn, OER |
| | • Natural Gas development update | Tom Schultz, Director, Idaho Department of Lands |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, February 04, 2015

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Rep. Vander Woude

GUESTS: John Chatburn, Office of Energy Resources (OER); Tiffany Floyd, Carl Brown, Department of Energy Equality (DEQ); Will Hart, Idaho Consumer Owned Utilities Association (ICUA); Ken Miller, Kelsey Nunez, Snake River Alliance; Mike Colburn, Idaho Power; Suzanne Budge, SBS Associates; Neil Colwell, Avista Corp; Dustin Hayer, ICL; Jack Lyman, Idaho Mining Association

Chairman Thompson called the meeting to order at 1:30 p.m.

MOTION: **Rep. Beyeler** made a motion to approve the minutes of January 22, 2015. **Motion carried by voice vote.**

John Chatburn, Office of Energy Resources (OER), gave a presentation on EPA's Clean Power Plan 111(d) proposed guideline. EPA proposed on June 2, 2014 to cut carbon dioxide emissions from existing power plants by thirty percent nationally by 2030 through state specific goals. The proposed compliance includes heat rate reductions from coal fired power plants, conversion from coal to natural gas, additional renewable energy generation (RE) and additional energy efficiency measures (EE). EPA's goal for Idaho included on increasing RE and EE because Idaho has no in-state coal generation. Idaho should not be subject to the carbon dioxide emissions performance goal since Idaho's carbon profile is already next the lowest in the nation and Idaho has already more than mitigated instate carbon emissions through existing RE and EE. He said the EPA should consider hydropower a renewable energy in Idaho and treat existing hydro like other forms of RE in the rule. EPA's proposal significantly limits Idaho's ability to utilize its natural gas plans and would effectively idle its two NGCC facilities.

In response to questions, **Mr. Chatburn** said after considering other states comments the guideline should come out on approximately August 1, 2015. If Idaho ignores 111(d) it would require Idaho to establish a substitute plan or the EPA will generate and enforce the plan for the state.

John Chatburn, Office of Energy Resources (OER), gave a presentation on Gateway West Transmission Line Project, Boardman to Hemmingway Transmission Line Project and Hooper Springs Transmission Line Projects. Gateway West is a 500 kV transmission line from Glenrock, Wyoming to the Hemmingway substation near Marsing, Idaho. Rocky Mountain is the lead utility and Idaho Power is also involved. Boardman to Hemmingway is a 500 kV transmission line from Boardman, Oregon to the Hemmingway substation. Idaho Power is the lead utility, PacifiCorp is also involved. Hooper Springs is a 115 kV transmission line in Caribou County, Idaho and BPA expects a ROD to be issued by summer 2015.

In response to questions, **Mr. Chatburn** explained no infrastructure is presented without affecting somebody or something, their responsibility is to find the least impact on resources and people.

John Chatburn, Office of Energy Resources (OER), gave a presentation update on renewable energy. The Public Utilities Regulatory Policies Act (PURPA) of 1978 (Sections 201 and 210) require utilities to purchase the generation from Qualifies Facilities and each state has limited authority to set some parameters for Qualifies Facilities. To be a Qualifies Facility, the Facility must provide up to 80 MW by solar, wind, geothermal, hydro, wood waste, landfill gas, biogas, and cogeneration. Most of the type of renewable energy facilities have had significant increases with wind.

In response to questions, **Mr. Chatburn** explained it is an ongoing discussion projecting who can be an individual power producer. Fossil fuel is not decreasing at this time. Implications of growth are primary considerations and can be integrated and maintain grid reliability. Most utilities already have voluntary demand project programs.

Tom Shultz, Director, Idaho Department of Lands, gave a presentation on the development of natural gas in Idaho. The Oil and Gas Conservation Act administration is a five member citizen commission appointed by the Governor and confirmed by the Senate. IDL is the administrative arm of the commission holding quarterly meetings which have recently transitioned to bimonthly. The first drilling permits were issued in late 2009 and drilling started in early 2010 where gas was discovered later the same year. The 2014 statistics show fifteen wells capable of producing, one well producing and servicing New Plymouth, four wells drilled in Payette County, one well drilled in Canyon County, two permits to drill issued, and one well in Canyon County plugged and abandoned. More than \$2.1 million has been generated for the State of Idaho from 2014 lease auctions. Idahoans benefit through severance taxes on production of oil and gas by a twelve percent royalty on production which benefits the owner of the minerals, one and a half per cent on productions goes to the Oil and Gas Conservation Commission and a one percent tax on production is split between county, cities, Public School Income Fund and local economic development account.

In response to questions, **Mr. Shultz** explained the percentages come from the amount at the time of point of sale. There is no regulated production. The royalty percentage is based on a code and the oil and gas royalty in one eighth of share which is consistent after considering costs due to all the risk when drilling wells. The auction process is competitive, some properties even averaging a \$7 bonus per acre.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:04 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Tuesday, February 10, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|---|---|
| | Presentation: Snake River Plain Geothermal Research | Dr. Rob Podgomey, Idaho National Laboratory |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Thompson Rep Anderson
Vice Chairman Anderst Rep Mendive
Rep Raybould Rep Trujillo
Rep Hartgen Rep Beyeler
Rep Vander Woude Rep Chaney
Rep Nielsen Rep Nate

Rep Scott
Rep Smith
Rep Rusche
Rep Jordan
Rep Rubel

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 10, 2015
TIME: 1:30 P.M.
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representative(s) Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
ABSENT/EXCUSED: Representative(s) Raybould, Hartgen, Vander Woude
GUESTS: John Chatburn, Scott Pugrud, Office of Energy Resources (OER); Ken Miller, Snake River Alliance

Chairman Thompson called the meeting to order at 1:30 p.m.

Dr. Robert Podgorney Director for Snake River Geothermal Consortium, spoke to the committee to raise awareness to the huge potential for geothermal energy in Idaho and of a research proposal in the Idaho National Laboratory. Dr. Podgorney explained why geothermal energy is so important it is renewable and clean. It is available twenty-four hours a day, seven days a week as an abundant source with large potential for expansion. The inexhaustible supply of heat from the earth's core has nearly zero GHG emissions and no intermittence issues like solar or wind. A conventional (hydrothermal) system is made up of three general components; a heat source, a reservoir, and a heat transfer fluid.

Frontier Observatory for Research in Geothermal Energy (FORGE) proposed DE-FOA-0890 which **Dr. Podgorney** advised would promote transformative science and engineering to validate and optimize enhanced geothermal systems (EGS) technology, perfect productive and sustainable reservoirs, capture data for all stakeholders and ensure reproduction for commercial scale-up. The Federal role is to take technical risks not possible in the private sector and work under aggressive time frames. This could direct benefits to multiple areas of subsurface research in seven years or less. EGS would greatly expand the number of locations that could produce electricity. Few places have all three characteristics for conventional geothermal development and finding them can be difficult and expensive.

Dr. Podgorney said the Snake River Plain in southeastern Idaho located along the track of the Yellowstone Hot Spot was chosen because it emplaced vast amounts of heat in the subsurface and was identified by the MIT study as one of the top locations for EGS in the United States. The Snake River Plain was also attractive for EGS due to high heat flow and subsurface temperatures, regional water system, and lack of earthquakes. USGS estimates Idaho's EGS potential power production to be 47 to 90 GW. There are also economic and educational benefits providing regional jobs by research and developments teams needed and regional adoption and engagement by the construction and operation industry. The education would start with the K-12 outreach, fellowships, STEM internships, and support from the Idaho Universities faculty and students. Student research supports and prepares them for the workforce.

According to **Dr. Podgorney** currently they are in phase one which is the screening level to complete up to ten projects, that are expected to be final at the end of 2015. They expect to hear back about their proposal soon and end the year with a down select of up to three sites. Phase two can take twelve to twenty four months to site characterization permitting which includes significant field work and permitting and this phase will end with a down select to one site. Phase three establishes the field lab. A total of five years planned for the duration until 2023. This includes deep well drilling, flow tests, and other research yet to be determined.

In response to questions, **Dr. Podgorney** explained that Europe is working in small scales to test the theory and he is using different technology which should be more efficient. The holes drilled are up to a mile in depth and not the same as fracking because different physics are used. The advisory panel is by invitation and currently is a panel of ten people. They chose the Snake River Plain partially due to less slip which could cause an earthquake. There have been a number of hot springs overdrawn which can stop the hot spring and depressurize. TNL has developed technological drilling to expand resources and there has been no detrimental effects to the environment essentially. There is an outreach plan, by which all data is streamed, free, in real time as a way to advance technology. Unlike, fracking which destroys the water by adding massive amounts of salt, that are three times the oceans salinity, this process leaves the water good by United States standards and at near drinking water quality.

Tom Wood, Associate Director Advanced Energy Studies, Twin Falls, endorses this project as educational and scientific. He said this uses a residual heat and with INL, and other partners, many graduate students can go forward with great knowledge and careers.

In response to questions, **Mr. Wood** explained there are two sources that cause the center of the earth to be so hot. Fifty percent is residual heat and the other fifty percent is radioactive decay. By increasing knowledge the risk can be taken away and power provided to places that have never had power before.

Doug Glaspie, self, stated he is one of the founders of the first plant, Raft River, in the early seventies and during the energy crisis they had to find another source for energy. He said using Idaho started this project with funds and grants. He said this is using technology and he wanted to share that the industry can grow.

MOTION: **Rep. Rusche** made a motion to approve the minutes of January 28, 2015. **Motion carried by voice vote.**

MOTION: **Rep. Beyeler** made a motion to approve the minutes of February 2, 2015. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:32 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Lincoln Auditorium
Thursday, February 12, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|---------------------------------------|---|
| | Presentation- 2015 Gold Room Workshop | Stave Cory, President, Idaho Council on Industry and Environment |
| | Genetically Modified Organisms | Dr. Joseph Kuhl, Assistant Professor, College of Agriculture & Life Sciences, Department of Plant, Soil, & Entomological Sciences, University of Idaho |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Thompson Rep Anderson
Vice Chairman Anderst Rep Mendive
Rep Raybould Rep Trujillo
Rep Hartgen Rep Beyeler
Rep Vander Woude Rep Chaney
Rep Nielsen Rep Nate

Rep Scott
Rep Smith
Rep Rusche
Rep Jordan
Rep Rubel(Green)

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, February 12, 2015

TIME: 1:30 P.M.

PLACE: Lincoln Auditorium

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Representative(s) Hartgen, Vander Woude, Chaney

GUESTS: Becky Johnstone, ICIE; Leah Clark, Idaho Department of Agriculture; Vince Matthew, USDA, WASS Idaho Field Office; Linda Jones, Holland and Hart, LLP; Randy MacMillan, Clear Springs Food; Mitch Royer, Food Producers; Travis Jones, Idaho Grain Producers Association; Nate Fisher, Eiguren Fisher Ellis; Elli Brown, Elizabeth Criner, Vintas Advisors, LLP; Norm Samanko, Idaho Water Users Association; Doz Sanke, Ada Farm Bureau; Rich Wally, Benjamin Kelly, Idaho Food Producers; Mark Duffin, Idaho Sugarbeet Growers; Jim Lowe, Food Producers of Idaho, Abe Copeland, BSU Arbiter; Dennis Tanikuni, Idaho Farm Bureau; Pat Laubacher, Amalgamated Sugar Company

Chairman Andrus called the meeting to order at 1:34 p.m.

Dr. Joseph Kuhl Assistant Professor, College of Agriculture & Life Sciences, Department of Plant, Soil, & Entomological Sciences, University of Idaho presented What are GMO's. In 1992 Papaya Ringspot Virus (PRV) was discovered in the Puna district of the island of Hawaii that accounted for 95% of the state's papaya production. PRV is efficiently spread from plant to plant by sixty species of aphids making netting not feasible. There is no known natural resistant to the disease only some tolerance that is rapidly lost. Genetically modified resistance is provided through genetically engineered plants that contain the virus coat protein. The coat protein is used by the plant to fight against the pathogen.

Dr. Kuhl presented how DNA is unraveled in RNA and down to the proteins that create our different traits. These traits in plants can produce long stems or short stems and axial or terminal flowers depending on the trait passed down. Plant breeding is the development of new cultivated varieties. Traditional breeding is called either natural or cross hybridization and controlled hybridization or classical breeding. Plant hybridization has rapid widespread genomic changes, chromosome rearrangements, genomic expansion, differential gene expression and gene silencing also called transposable elements. Plant breeding methods include wide crosses, embryo rescue, ploidy manipulation, mutagenesis, and somatic fusion. Through the breeding methods for the desired traits they were able to produce Red Gold Potatoes.

Dr. Kuhl presented reduced expression of a specific gene in a species through silencing created plants that are genetically modified (GM). They can also be called Genetically Engineered (GE), transgenic, cisgenic, or intragenic. A GM crop plant contains a gene or genes which have been artificially inserted instead of the plant acquiring them through pollination. Defined by how a new variety is generated, not by what the variety is. Modification methods are either physical (DNA transfer) with a gene gun or biological (DNA transfer) targeted gene modification. The inserted DNA sequence may come from a related or unrelated plant, or from a completely different species. Transgenic transfers gene(s) from sexually non-compatible distant species. Cisgenic transfers gene(s) from sexually compatible related species. Intragenic is a direct modification of target genes or gene expression via regulatory RNA's for example gene silencing via short hairpin RNAs (shRNAs).

Dr. Kuhl explained only genes from closely related species are involved with traditional methods versus the ability of GM to transfer a gene(s) from a wide range organisms. Traditional methods mixes large sets of genes of mostly unknown function, as opposed to one or a few well characterized genes with genetic engineering. Major GM crops are corn and cotton. *Bacillus thuringiensis* (Bt) is a soil bacterium whose spores contain crystalline (Cry) proteins in Bt insect resistant crops. Cry breaks down in an insect gut to release a toxin called delta endotoxin which is toxic to some insects. Disease resistance like late blight resistance in potatoes is handled by *Katahdin* transformed with RB from *solanum bulbocastanum*. Gene silencing exploits the plant defense system with RNA Interference (RNAi). It targets specific plant gene(s) which decrease or eliminate expression of the trait.

Dr. Kuhl explained GM crops are the most extensively tested crops ever added to the food supply. GM plants must be shown to be the same as the parent crop from which it was derived. If a new protein trait has been added, the protein must be neither toxic nor allergenic. The NAS committee on the safety of genetically engineered food expressed the likelihood of unintended changes as a continuum with gene transfer more likely than all other modification techniques other than mutagenesis. There are several regulatory systems in the United States over GMs. There is a proprietary protection applications that cover genes, processes that isolate genes, processes of genetic modification and seeds or lines generated or Plant Variety Protection. For example golden rice has seventy patents belonging to thirty-two patent holders.

In response to questions, **Dr. Kuhl** explained there is no need to label GM's in stores they are all monitored in a case by case basis and the process itself shows they are safe to consume. They did check the Cry in animal systems and no specific problems were found. Unintentional changes can occur and the nutritional value is checked and must be equivocal. There is a wide range of research programs to better understand resistance and gain long term to help the economy. It may possibly three to five years until potato resistance in achieved.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:48 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Monday, February 16, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------------|---|---|
| H 58 | Water Quality/Effect of Rules | |
| H 56 | Public Drinking Water System Loans | |
| | Bear Lake Presentation | Claudia Cottle, Director, Bear Lake Watch |
| | Idahoans for Sensible Water Regulations | Brent Olmstead, MPIdaho, Inc. |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

- DATE:** Monday, February 16, 2015
- TIME:** 1:30 P.M.
- PLACE:** Room EW41
- MEMBERS:** Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
- ABSENT/
EXCUSED:** None
- GUESTS:** Barry Burnell, Jess Byrne, Idaho Department of Environmental Quality; Claudia Cottle, David Cottle, Jesse Taylor, Bear Lake Watch; Jack Lyman, Idaho Mining Association; Brent Olmstead, MPIIdaho; Jane Wittmeyer, Wittmeyer Associates
- Chairman Thompson** called the meeting to order at 1:31 p.m.
- MOTION:** **Rep. Anderst** made a motion to approve the minutes of February 4, 2015. **Motion carried by voice vote.**
- H 58:** **Barry Burnell**, on behalf of the Idaho Department of Environmental Quality presented **H 58** to the committee. He stated the purpose of this bill is to recognize and approve the negotiated rule language that deleted a definition and section on Outstanding Resource Waters (ORW) from the Water Quality Standards. The changes also include correcting technical errors and recolonizing existing mixing zones. There are no fiscal impacts to the state of Idaho.
- This corrects citations to previous ORW approvals and the change also recognizes existing mixing zone authorizations are effective until the permit is renewed or modified.
- In response to questions, **Mr. Burnell** explained if the legislature decides to rule that Idaho has Outstanding Resource Waters, then DEQ would bring this back to the legislature to be added back in. The revised criteria for the agency will be used on existing issues. The typical EPA permit is issued for five years and the state will use current water standards.
- MOTION:** **Rep. Beyeler** made a motion to send **H 58** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Chaney** will sponsor the bill on the floor.
- H 56:** **Barry Burnell**, on behalf of the Idaho Department of Environmental Quality presented **H 56** to the committee. He stated the drinking water State Revolving Funds (SRFs) was established in 1996 to provide low interest loans for drinking water infrastructure improvements and expansions. In 2015 drinking water loan interest rates are 1.5% to 2.75% with a twenty year term standard. Disadvantaged communities receive zero to 1.75% interest and thirty year terms. The funding sources for these loans are an annual federal capitalization grants congressional appropriation from the EPA with a twenty percent state match from the Water Pollution Control Accounts along with the loan repayments and interest. The disadvantaged communities are the service area of a public water system that meets certain affordability criteria. Eligibility criteria is when the annual user rate exceeds 1.5% of median household income. The loan term adjustments available to disadvantaged communities are up to a thirty year repayment period, decreased interest rate as low as zero percent, and a principal forgiveness for a portion of the loan required by EPA as part of the annual capitalization grant.

Mr. Burnell explained the annual process to the committee. He said the systems are given approximately three months to submit Letters of Interest (LOI) which identifies the infrastructure and funding needed. Requests are rated and ranked based on public health, compliance status, sustainability, and affordability. The ranked list is refined based on readiness to proceed, based on the authority to enter into debt. Based on the ranking and available funds a Draft Intended Use Plan includes a Fundable List. The final Intended Use Plan is presented to the Board of Environmental Quality for adoption, fundable and non fundable letters are sent to all LOI applicants.

Mr. Burnell explained the Federal restriction lifted in 2014 which was previously limited only to the disadvantaged communities. The practice has been approved by the EPA and provides another tool for DEQ to offer to drinking water loan recipients. This also allows drinking water loans to be offered with up to thirty year terms without restrictions.

In response to questions, **Mr. Burnell** explained the list will still be based on ranking and with the longer loans available to communities will reduce the funding available. Funding has been stable every year in the past, this will offer another tool to assist communities.

MOTION: **Rep. Rusche** made a motion to send **H 56** to the floor with a **DO PASS** recommendation.

ROLL CALL VOTE: **Rep. Rusche** requested a roll call vote. **Motion failed by a vote of 7 AYE and 9 NAY, 1 absent/excused. Voting in favor** of the motion: **Reps. Thompson, Anderst, Beyeler, Smith, Rusche, Jordan, and Rubel. Voting in opposition** to the motion: **Reps. Raybould, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Chaney, Nate, and Scott. Rep. Hartgen** was absent/excused.

Claudia Cottle, Director for Bear Lake Watch, spoke to the committee to raise awareness and to continue funding Aquatic Invasive Species (AIS) programs to protect the wildlife we have from Quagga Mussels. Bear Lake's water quality problems are different than most. Bear Lake receives brown, sediment and nutrient laden water and pumps out beautiful blue water. A program needs to be developed and funded to continuously monitor the water quality. There is a need to support funding and program efforts of the Idaho State Department of Agriculture and Idaho Department of Lands to research the natural beaches, the different geology and topography and how the nature of Bear Lake beaches are affected by weeds, trees, and invasive species. There is also a need to develop a policy of shoreline restoration with the extreme and extended lake level fluctuations. For years the local landowners have taken care of the land and no policy existed, now there is a need to develop state and federal policy that fits Bear Lake.

In response to questions, **Ms. Cottle** was pleased to report that Utah started last year at both entrances to the valley to check every single vessel, even kayaks and paddle boards. The legislation in Utah will look at funding again and at working with Wyoming to check all the borders and prevent AIS from being spread to Idaho.

Brent Olmstead, President MPIIdaho, Inc. presented to the committee the Idaho Water Quality standards issue summary. The human health water quality criteria standard is the highest concentration of a pollutant in water that is not expected to pose a significant risk to human health. Fish Consumption Rate (FCR) is an estimate of how much fish a given population consumes, this is how the Human Health Water Criteria (HHWQC) is set. HHWQC drive water quality standards that dictate discharge and storm water permits for municipal wastewater and industrial facilities. Oregon's standard equates to 280, eight ounce portions of trout per year and the standards formula assumes that consumers will eat the same amount each year for the next seventy years. The standard formula includes all types of fish, whether they spend their lives in state waters, oceans, lakes, or streams. The standard formula assumes that people consume three liters per day of untreated surface water, which is equivalent to 289 gallons of untreated water per year.

According to **Mr. Olmstead**, the impact of the resulting water quality standards is just beginning to be felt in Oregon. He gave a history of the standards set by the EPA. In May 2011, a new standard based on the 175 grams per day was approved. The EPA is using the Oregon standards to set the Total Maximum Daily Load on Jordan Creek in Oregon which flows into Idaho this is the first Oregon standard that may affect Idaho.

Mr. Olmstead explained how Idaho got to this point since the Clean Water Act requires states to set water quality standards. Idaho complied with the EPA's then guidance of 17.5 grams per day in 2005. The EPA Region Ten rejected Idaho standards in May 2012 and since August 2012 they have been in negotiated rule making processes with DEQ. This will have significant fiscal impacts to municipalities. The compounding impact of using the most extreme conservative policies will create technologically unattainable standards.

In response to questions, **Mr. Olmstead** explained that standards need to be set in Idaho or will be too high. They will be able to prove in court the harm the standards are creating. Currently, Oregon has decided to stay out of court.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 3:08 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Wednesday, February 18, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|-----------------------------|--|--|
| <u>H 57</u> | Community Reinvestment Pilot Initiative | |
| | Commissions Annual Report | Benjamin Kelly, Idaho Soil and Conservation District |
| | Idaho Association of Soil Conservation Districts' (IASCD) Report | Benjamin Kelly, Idaho Soil and Conservation District |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Thompson Rep Anderson
Vice Chairman Anderst Rep Mendive
Rep Raybould Rep Trujillo
Rep Hartgen Rep Beyeler
Rep Vander Woude Rep Chaney
Rep Nielsen Rep Nate

Rep Scott
Rep Smith
Rep Rusche
Rep Jordan
Rep Rubel

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, February 18, 2015

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Representative(s) Beyeler

Chairman Thompson called the meeting to order at 1:32 p.m.

GUESTS: Steve Becker, Benjamin Kelly, Idaho Association Soil Conservation Districts (IASCD); Orville Green, Curt Fransen, Department of Environmental Quality (DEQ)

MOTION: **Rep. Jordan** made a motion to approve the minutes of February 10, 2015. **Motion carried by voice vote.**

MOTION: **Rep. Jordan** made a motion to approve the minutes of February 12, 2015. **Motion carried by voice vote.**

H 57: **Orville Green**, on behalf of the Idaho Department of Environmental Quality presented **H 57** to the committee. He stated the purpose of this bill is to use the remaining \$250,000 from the ten allotted pilot projects to remediate contaminated properties in Idaho communities for two more projects to restore them to productive use.

In response to questions, **Mr. Green** explained the remaining funds will go back to the General Fund per the original statute. He said this is not a loan, it is a financial incentive program. Mr. Green explained due to the recession property values have shown a decline, creating an unclear end to values for the properties. He said DEQ intends to bring back legislation after the final report which was not requested in the original legislation, to continue treatment of contaminated properties. DEQ would like to use the remaining funds to bring back a more thorough report on the pilot project. He also said two more projects will extend the job by two to three years.

ORIGINAL MOTION: **Rep. Scott** made a motion to **HOLD H 57** in committee.

SUBSTITUTE MOTION: **Rep. Rusche** made a substitute motion to send **H 57** to the floor with a **DO PASS** recommendation.

Curt Fransen, Director Department of Environmental Quality (DEQ) responded to questions to explain the end remaining funds will go back to the General Fund. He said originally they were not asked to make a report, only to present certifications for each remediated, contaminated property. Mr. Fransen said a report could take up to next year.

ROLL CALL VOTE ON SUBSTITUTE MOTION: **Rep. Rusche** requested a roll call vote. **Motion failed by a vote of 6 AYE and 10 NAY, 1 absent/excused. Voting in favor** of the motion: **Reps. Thompson, Raybould, Smith, Rusche, Jordan, and Rubel. Voting in opposition** to the motion: **Reps. Anderst, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Chaney, Nate, and Scott. Rep. Beyeler** was absent/excused.

VOTE ON ORIGINAL MOTION:

Motion carried by voice vote. Representative(s) Smith, Rusche, Jordan, and Rubel requested to be recorded as voting **NAY**.

Teri Murrison, Administrator of the Idaho Soil and Water Conservation Commission (ISWCC) presented to the committee the Fiscal Year 2015 Annual Report narrative. ISWCC focuses on three core functions: providing districts with technical and other support services, offering non-regulatory, science-based incentive programs to develop voluntary conservation practices, and administration. There are fifty districts in Idaho that ISWCC provides specialized technical assistance for conservative planning, engineering, watershed assessments, and sage grouse, fish and other species conservation projects. In 2014 ISWCC helped 38 of 50 districts with projects, initiated 57 new projects, worked on 103 ongoing projects and with partners served 386 landowners.

Ms. Murrison, also presented the second core function of ISWCC is providing incentive based and general conservation programs and services. ISWCC's flagship incentive program, the Resource Conservation and Rangeland Development Program provides low interest loans to purchase equipment and install projects that provide conservation benefits. ISWCC saw an increase in inquiries and applications in 2014, approving twelve loans, which was eight more than 2013.

Ms. Murrison, also stated ISWCC's Conservation Reserve Enhancement Program (CREP) conserves water usage on marginal farm ground in the Eastern Snake River Plain Aquifer. Participating landowners receive \$130 an acre per year from the Farm Service Agency in exchange for not farming these lands. Last year 156 CREP contracts were signed enrolling 146,792 acres, saving 66,916 acre feet of water, enough to serve about 330,000 people, save almost 134,000 tons of soil erosion, diverting up to 4.5 million pounds of fertilizer benefiting wildlife and Idaho fish.

Ms. Murrison, also said they assist DEQ in preparing Total Maximum Daily Load (TMDL) plans to reduce agriculturally generated pollutants in Idaho's impaired surface waters. She said since starting they have completed 99 plans, 6 in 2014 and juggling 15 in the process. There are nineteen new or the pending plans . Agricultural Pollution Abatement Plan update is revised about every ten years and the final Plan will be certified by the Governor by July 1st.

In response to questions, **Ms. Murrison**, explained funds come from 319 grants, some state and private partners. These state investments compound several times over and come back to the state.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 3:05 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Tuesday, February 24, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|---|---|
| | Presentation: Biotechnology in Agriculture (GMOs) | Trent Clark, Public and Government Affairs Director Monsanto |
| | Presentation: LINE Commerce Update | Jeff Sayer, LINE Chairman |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Thompson Rep Anderson
Vice Chairman Anderst Rep Mendive
Rep Raybould Rep Trujillo
Rep Hartgen Rep Beyeler
Rep Vander Woude Rep Chaney
Rep Nielsen Rep Nate

Rep Scott
Rep Smith
Rep Rusche
Rep Jordan
Rep Rubel

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 24, 2015
TIME: 1:30 P.M.
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
**ABSENT/
EXCUSED:** Representative(s) Vander Woude, Nielsen, Rusche, Jordan
GUESTS: Trent Clark, Monsanto; Ken Miller, Snake River Alliance; Megan Hill, Jeff Sayer, Commerce; John Williams, BPA; Pat Barclay, Idaho Council on Industry and the Environment

Chairman Thompson called the meeting to order at 1:32 p.m.

MOTION: **Rep. Beyeler** made a motion to approve the minutes of February 16, 2015. **Motion carried by voice vote.**

Trent Clark, Public Affairs Director on behalf of Monsanto presented Biotechnology in Agriculture to the committee. Genetically Modified Organisms (GMOs) are the use of new technology transforming the traditional form of plant breeding to obtain a desired gene or trait of a plant. Genetic engineering enables the introduction into a plant, the specific gene or characteristic of interest, without introducing genes responsible for unwanted characteristics which has occurred previously with traditional breeding.

Mr. Clark explained that weed and pest control traits were introduced early instead of positive traits like nutritious value which could have changed how GMOs are seen today. The DNA trait used for pest control is used as an organic compost. Mr. Clark said super weeds are products of farmers using the same roundup product year after year. Humans share DNA with multiple other organisms, but still have thousands of unique genes only humans possess. DNA has a natural redundant repair process and our DNA breaks tens of thousands of times everyday. Labeling in the U.S. is the private property of the seller of the product. Labels are only required if there are public health and safety concerns.

Jeff Sayer, Chairman, Leadership In Nuclear Energy (LINE) Commission presented the Governor's Foresight and an update to the committee. He stated LINE is the third largest employer and not only a significant state asset but a world class nuclear asset with great technology and facilities. LINE has worked on a ten year, four million dollar Idaho Cleanup Project and is working to ensure funding continues. The Commission is working on various cleanup projects, from previous waste disposal, to a dramatically different style of fuel storage and management. Mr. Sayer said LINE 2.0 has many new objectives to ensure the role INL will play in Idaho's economic growth and to identify opportunities to advance Idaho's universities and the mission of the INL., also to maintain an open dialogue with the public and evaluate policy options.

Mr. Sayer said recently they have reached out and began working with the Center for Advanced Energy Studies (CAES). They are working on an Integrated Waste Treatment Unit (IWTU) that is carefully monitored by DEQ. The Governor understands the opportunity, imposing requirements and penalties if deadlines not met.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:50 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Thursday, February 26, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|-------------------------|--------------------------------------|
| | Technology Presentation | Dr. Amy Moll, Boise State University |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, February 26, 2015
TIME: 1:30 P.M.
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
**ABSENT/
EXCUSED:** Representative(s) Vander Woude, Nielsen, Smith
GUESTS: None

Chairman Thompson called the meeting to order at 1:30 p.m.

Chairman Thompson introduced the committee's page **Marilyn Clements** for the remainder of the session.

Dr. Amy Moll, Dean Boise State University (BSU) presented an overview of the College of Engineering at BSU, established in 1996 offering several different degrees. The Engineering Department focuses on research funded through several proposal submissions and awards received, ongoing exploration teaching, and service outreach offering summer camps and events such as STEM Exploration Day in February. Together this drives economic development in Idaho creating jobs and raising the highest median earnings. Engineering degrees are critical for economic health of Idaho. Challenges the department faces is the need for four more faculty. Currently the Governor only has four in his budget, which reduces the educational experience.

In response to questions, **Dr. Moll** said according to Forbes, engineering is the highest paid median. High school graduates coming to the department are only 40% prepared so they offer programs and math sessions to catch up. Students within the College of Engineering do not tend to receive patents immediately, they typically start out pursuing prototypes. Patents are more likely when they are graduate students or faculty, which BSU has received and more are pending. Micron has endorsed this strong program and been on the frontline for interns. She said the best thing to foster education is to encourage early learning in life.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:05 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 p.m. or Upon Adjournment
Room EW41
Monday, March 02, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|------------------------|----------------------------|------------------|
| S 1024 | Energy Resources Authority | Ron Williams |

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Thompson Rep Anderson
Vice Chairman Anderst Rep Mendive
Rep Raybould Rep Trujillo
Rep Hartgen Rep Beyeler
Rep Vander Woude Rep Chaney
Rep Nielsen Rep Nate

Rep Scott
Rep Smith
Rep Rusche
Rep Jordan
Rep Rubel

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Monday, March 02, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW41

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** None

GUESTS: John J. Williams, BPA; Ken Miller, Snake River Alliance; Will Hart, Idaho Consumer Owned Utilities

Chairman Thompson called the meeting to order at 2:50 p.m.

S 1024: **Ron Williams**, on behalf of Idaho Energy Resources Authority (IERA) presented **S 1024** to the committee. He stated the Bonneville Power Association (BPA) has asked for the Authority to amend its Act for statutory affirmation that the IERA cannot avail itself of municipal bankruptcy protection, and that any assets financed on behalf on BPA can be pledged to BPA. Mr. Williams said BPA is considering financing conservation expenditures. If BPA chooses to do so then it would like the option of financing its acquisition of conservation measures through the IERA.

In response to questions, **Mr. Williams** explained IERA is not a state entity but an instrument of the state's independent body. This does not cause the state of Idaho to be in a position of liability. He said they have received a letter from the Attorney General confirming the changes do not create a position of liability. The emergency is a memorandum of intent and BPA is waiting for passage of this amendment. The original financing is through Bank of America at a 1% interest rate. BPA repays all funds borrowed to build the infrastructure, paying off the loan.

MOTION: **Rep. Anderson** made a motion to send **S 1024** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Chairman Thompson** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:32 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 PM or Upon Adjournment
Room EW41
Wednesday, March 04, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|--|---|
| | Presentation: What is Happening at WIPP? What Does it Mean for the Rest of Us? | Beatrice Brailsford, Nuclear Program Director Snake River Alliance |

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | |
|-----------------------|--------------|
| Chairman Thompson | Rep Anderson |
| Vice Chairman Anderst | Rep Mendive |
| Rep Raybould | Rep Trujillo |
| Rep Hartgen | Rep Beyeler |
| Rep Vander Woude | Rep Chaney |
| Rep Nielsen | Rep Nate |

| |
|------------|
| Rep Scott |
| Rep Smith |
| Rep Rusche |
| Rep Jordan |
| Rep Rubel |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, March 04, 2015
TIME: 1:30 PM or Upon Adjournment
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Representative(s) Hartgen, Vander Woude, Nielsen, Rusche

GUESTS: Kelsey Nunez, Ken Miller, Leigh Ford, Snake River Alliance; Lou Landry, citizen; Don Hancock, SW Research and Information Center; Tom Clements, Savannah River Site Watch; Richard Morgan, citizen; Kate O'Neill, citizen; Scott Erskine, citizen

Chairman Thompson called the meeting to order at 2:38 p.m.

MOTION: **Rep. Trujillo** made a motion to approve the minutes of February 18, 2015. **Motion carried by voice vote.**

MOTION: **Rep. Beyeler** made a motion to approve the minutes of February 24, 2015. **Motion carried by voice vote.**

Beatrice Brailsford, Nuclear Program Director, Snake River Alliance (SRA) presented to the committee the Waste Isolation Pilot Plant (WIPP) waste contributors and other DOE cleanup sites across America. The SRA works together with other foundations and are funded by the Community Involvement Fund of the New Mexico Community Foundation. Ms. Brailsford introduced **Don Hancock** from the Southwest Research and Information Center.

Don Hancock, Director, Nuclear Waste Safety Program and Administration, Southwest Research and Information Center (SRIC) presented WIPP's mission to dispose of defense Transuranic (TRU) waste safely through more than twenty states and safely close, decontaminate, and decommission the WIPP site beginning in about 2033 or earlier. There have been two fires, resulting in underground workers needing treatment for smoke inhalation and one worker out on disability. DOE determined 22 workers were contaminated, no medical treatment is being provided. DOE Recovery Plan schedule includes on going permit violations for several years and it is too early to estimate the total cost of reopening WIPP to once again receive shipments of TRU. Mr. Hancock introduced **Tom Clements** from Savannah River Site Watch.

Tom Clements, Director, Savannah River Site Watch (SRS) presented SRS legacy TRU waste problem has mostly been shipped to WIPP and newly generated TRU waste at SRS will strain WIPP capacity and impact other DOE sites. Community engagement, including a demand for no new waste, is essential and can be very effective in setting priorities at the DOE sites like INL and SRS.

Ms. Brailsford closed the presentation explaining the WIPP permit process and the TRU waste at STS to go to WIPP and the possible volume discrepancies.

In response to questions, **Ms. Brailsford** explained the underground pit 9 has been cleaned.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:11 PM

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Thursday, March 12, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|---|------------------------------|
| | United States Geological Service Presentation | Greg Clark, Director USGS |

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, March 12, 2015

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel

**ABSENT/
EXCUSED:** Vice Chairman Anderst, Representative(s) Hartgen, Vander Woude, Beyeler, Rusche

GUESTS: None

Chairman Thompson called the meeting to order at 1:30 p.m.

MOTION: **Rep. Trujillo** made a motion to approve the minutes of February 18, 2015. **Motion carried by voice vote.**

MOTION: **Rep. Trujillo** made a motion to approve the minutes of February 26, 2015. **Motion carried by voice vote.**

MOTION: **Rep. Chaney** made a motion to approve the minutes of March 2, 2015. **Motion carried by voice vote.**

MOTION: **Rep. Trujillo** made a motion to approve the minutes of March 4, 2015. **Motion carried by voice vote.**

Greg Clark, Director United States Geological Survey (USGS), presented their mission to serve the Nation by providing reliable scientific information to understand the Earth, minimize loss from natural disasters, manage water, biological energy, and mineral resources which will enhance and protect our quality of life. USGS Idaho Water Science Center (IDWSC) has four offices employing sixty five staff members. USGS has multiple state, local, Federal, Tribal, private sector and NGO's as funding sources. USGS has a stream gage data program that researches, educates, and protects our water quality. The studies program covers surface water, groundwater, and water quality and each project takes approximately one to three years. Current studies of interest are in Wood River Valley Groundwater, Idaho stream flow statistics, and the Idaho National Laboratory groundwater project.

In response to questions, **Mr. Clark** explained there is a decreasing trend of springs flowing into the river which he hopes will level off or they could lose the rest of the Lost River. He said water quality is improving and contaminates are decreasing, now it is more about quantity over quality.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:14 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
01:30 or Upon Adjournment
Room EW41
Monday, March 16, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|--------------------------------|--|---|
| | Presentation: Midas Gold, Restoring the Site | Anna LaBelle, Vice President Legal and Sustainability, Midas Gold Corporation |
| <u>SCR 117</u> | Recognizing and Honoring John J. Grossenbacher | Representative Thompson |

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | | |
|-----------------------|--------------|------------|
| Chairman Thompson | Rep Anderson | Rep Scott |
| Vice Chairman Anderst | Rep Mendive | Rep Smith |
| Rep Raybould | Rep Trujillo | Rep Rusche |
| Rep Hartgen | Rep Beyeler | Rep Jordan |
| Rep Vander Woude | Rep Chaney | Rep Rubel |
| Rep Nielsen | Rep Nate | |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Monday, March 16, 2015
TIME: 01:30 or Upon Adjournment
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
**ABSENT/
EXCUSED:** Vice Chairman Anderst, Representative(s) Vander Woude, Anderson
GUESTS: Robert Barnes, Midas Gold

Chairman Thompson called the meeting to order at 1:33 p.m.

Anna LaBelle, Vice President Legal and Sustainability, Midas Gold Corporation presented the Stibnite Gold Project near Yellow Pine, Idaho. Midas's approach is environment and modern mining can work together. They have a strong commitment to hiring local contractors and strive to be a meaningful member of the community and engage all stakeholders. Midas began exploration in Idaho in 2009, and since 2011 they have invested more than \$80 million in Valley County, \$94 million in total. Midas has recently appointed a locally focused Board of Directors and have identified an economically feasible, socially and environmentally sound project that will also restore the mining site. The project area has an extensive history of mining and is heavily disturbed. Mineral resources still available on site make for an economically feasible project. The Stibnite Gold Project is an economically feasible, socially and environmentally sound project that will restore the land, water and habitat of an area left after 100 years of mining. The project will restore fish passage, reprocess million of tons of waste, reuse approximately six million tons of spent heap leach ore and will reduce sediment currently entering adjacent streams and rivers. Upon closure of the site the area will be a self sustaining natural environment.

In response to questions, **Ms. LaBelle** explained there is more gold available in this area of Idaho, silver is more prevalent in Northern Idaho. Residents of Yellow Pine are all in favor. Permitting is the biggest risk. Midas is aware mining is a boom and bust industry, they have been very careful to say this is not a solution for the economy. Ms. LuBelle said the local hiring will not place extra students in their school system. Midas is responding to traffic impacts, and even if the price of gold reduces to \$832 an ounce they will still be able to make a profit.

SCR 117: **Rep. Thompson** presented **SCR 117** to honor the service of Vice Admiral John J. Grossenbacher, he has been the Director of the Idaho National Laboratory for the past decade. This Resolution commends him for his integrity, leadership, and many contributions to the state of Idaho.

MOTION: Rep. Trujillo made a motion to send **SCR 117** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** Rep. Thompson will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:23 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 PM or Upon Adjournment
Room EW41
Wednesday, March 18, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|--------------------------|---|
| | The Innovation of Things | Jay Larsen, Idaho Technology Council |

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Thompson Rep Anderson
Vice Chairman Anderst Rep Mendive
Rep Raybould Rep Trujillo
Rep Hartgen Rep Beyeler
Rep Vander Woude Rep Chaney
Rep Nielsen Rep Nate

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, March 18, 2015
TIME: 1:30 PM or Upon Adjournment
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
ABSENT/EXCUSED: Representative(s) Vander Woude, Chaney
GUESTS: None

Chairman Thompson called the meeting to order at 1:33 p.m.

Jay Larsen, President, Idaho Technology Department presented to the committee ways Idaho needs to connect with technology and innovation to broaden the talent access pool. With a broader talent pool in Idaho, we will attract more companies proving significant growth and expand the tax base.

In response to questions, **Mr. Larsen** explained that by Idaho selling an intelligent workforce it will attract more start up companies. He said government's role is necessary for structure and tax rates. He also said knowledge helps yield innovated people for all employment fields.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:42 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 or Upon Adjournment
Room EW41
Friday, March 20, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|----------------|-----------------------------|--|
| | Small Module Reactors (SMR) | Mike McGough, Chief Commercial Officer NuScale |

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | |
|-----------------------|--------------|
| Chairman Thompson | Rep Anderson |
| Vice Chairman Anderst | Rep Mendive |
| Rep Raybould | Rep Trujillo |
| Rep Hartgen | Rep Beyeler |
| Rep Vander Woude | Rep Chaney |
| Rep Nielsen | Rep Nate |

| |
|------------|
| Rep Scott |
| Rep Smith |
| Rep Rusche |
| Rep Jordan |
| Rep Rubel |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Friday, March 20, 2015
TIME: 1:30 or Upon Adjournment
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representative(s) Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
ABSENT/ EXCUSED: Representative(s) Raybould, Hartgen, Vander Woude, Rusche
GUESTS: None
MOTION: **Chairman Thompson** called the meeting to order at 12:38 p.m.
Rep. Jordan made a motion to approve the minutes of March 16, 2015. **Motion carried by voice vote.**
Mike McGough, Chief Commercial Officer, NuScale Power presented to the committee what a Small Modular Reactor (SMR) is, how they work, and that SMR's are coming to Idaho in the next ten years. NuScale has announced major safety breakthroughs including how a plant can be safely shut down and self cooled indefinitely.
In response to questions, **Mr. McGough** explained SMR's use the same fuel as existing power plants, using a recycling process giving them the ability to recycle and reuse the fuel multiple times. When the fuel is not valuable any longer, it is stored in concrete casts for up to a hundred years as property of the federal government. SMR plants have fewer issues because mechanical issues have been eliminated and fewer things can fail.
ADJOURN: There being no further business to come before the committee, the meeting adjourned at 1:40 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 or Upon Adjournment
Room EW41
Thursday, March 26, 2015

| SUBJECT | DESCRIPTION | PRESENTER |
|---------|---------------------|-----------|
| | Approval of Minutes | |

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

| | |
|-----------------------|--------------|
| Chairman Thompson | Rep Anderson |
| Vice Chairman Anderst | Rep Mendive |
| Rep Raybould | Rep Trujillo |
| Rep Hartgen | Rep Beyeler |
| Rep Vander Woude | Rep Chaney |
| Rep Nielsen | Rep Nate |

| |
|------------|
| Rep Scott |
| Rep Smith |
| Rep Rusche |
| Rep Jordan |
| Rep Rubel |

COMMITTEE SECRETARY

Heidi McKay
Room: EW62
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, March 26, 2015
TIME: 1:30 or Upon Adjournment
PLACE: Room EW41
MEMBERS: Chairman Thompson, Vice Chairman Anderst, Representatives Raybould, Hartgen, Vander Woude, Nielsen, Anderson, Mendive, Trujillo, Beyeler, Chaney, Nate, Scott, Smith, Rusche, Jordan, Rubel
ABSENT/EXCUSED: Representative(s) Hartgen, Vander Woude, Anderson, Trujillo, Scott, Rubel
GUESTS: None
Chairman Thompson called the meeting to order at 3:17 p.m.
MOTION: **Rep. Beyeler** made a motion to approve the minutes of March 18, 2015. **Motion carried by voice vote.**
MOTION: **Rep. Beyeler** made a motion to approve the minutes of March 20, 2015. **Motion carried by voice vote.**
Richard Hahn, Director, Idaho Power advised the committee of the Grid Operations Control Center tour on Monday, March 30, 2015. Idaho Power will be providing transportation to the new West Boise facility.
Chairman Thompson recognized and thanked the committee page **Marilyn Clements** for her work and service to committee.
ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:25 p.m.

Representative Thompson
Chair

Heidi McKay
Secretary