

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 02, 2021

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Ehardt, Vice Chairman Wisniewski, Representatives Vander Woude, Horman, Scott, Amador, Armstrong, Furniss, Hartgen, Lickley, Young, Adams, Yamamoto, Chew (Colwell), Necochea, Nash

**ABSENT/
EXCUSED:** Rep. Hartgen

GUESTS: Rob Sepich, Max Flom, LSO

Chairman Ehardt called the meeting to order at 1:31pm

MOTION: **Rep. Yamamoto** made a motion to approve the minutes of the January 20, 2021 and January 26, 2021 meeting. **Motion carried by voice vote.**

Will Hart, Executive Director for the Idaho Consumer-Owned Utilities Association (ICUA) gave an overview of ICUA. ICUA serves 137,000 customers in rural areas, and distributes utilities at cost. It represents 11 rural electric co-ops, 11 municipalities and 16% of the electric consumers in Idaho. Local city councils or board of directors are the rate regulators.

In answer to committee questions, **Mr. Hart** explained the Electric Supplier Stabilization Act set the territories and the parameters for utilities. He noted that hydro power is the main source for ICUA's. He answered that irrigation districts can negotiate a purchase agreement to sell power from their hydro power canals to private power company, but with ICUA's only the larger coops and municipalities have the ability to purchase that kind of power. Mr. Hart mentioned that most ICUA's have been around for 75-80 years, there haven't been new coops in several decades. He also clarified although changing utility companies is unusual, when a municipality wants a change it must be approved by the POC and not the Legislature.

Rob Sepich, Budget and Policy Analyst for LSO presented the budget for the Public Utilities Commission. 2021 Original Appropriation of \$6,217,600 was in the dedicated budget. For 2022, they removed a onetime expenditures of \$44,800, but added Benefit Costs, Replacement Items, Statewide Allocation Costs and Change in Employee Compensation for a total of \$6,512,200 being requested from the agency, and \$6,399,600 being recommended by the Governor.

A committee member asked for the cash balance being carried by the Public Utilities Commission. **Mr. Sepich**, did not have those numbers, but agreed to come back to the committee at a later date to present that information. Concerns were expressed in the committee that significant cash balances were being carried by state agencies. Mr. Sepich clarified that any caps on cash balances would be set by the Legislature in the administrative rules.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:13 p.m.

Representative Ehardt
Chair

Maggie Price
Secretary