

MINUTES

## HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

**DATE:** Tuesday, January 28, 2020

**TIME:** 1:30 P.M.

**PLACE:** Room EW41

**MEMBERS:** Chairman Vander Woude, Vice Chairman Amador, Representatives Anderson, Anderst, Horman, Moon, Scott, Ehardt, Armstrong, Furniss, Hartgen, Lickley, Raybould, Young, Smith, Chew, Mason

**ABSENT/  
EXCUSED:** Representatives Ellis

**GUESTS:** John Tippets, Michael McCurdy, DEQ; John Chatburn, QEMR; Eliza Watte, CVI; Teresa Molitor, Collins Sprague, Avista Corp; Eric Wilson, IDC; Ben Davenport, IMA; Mark Cecchini-Beaver, OAG/DEQ; Jason Hudson, AFL-CIO

**Chairman Vander Woude** called the meeting to order at 1:32 p.m.

**UNANIMOUS  
CONSENT  
REQUEST:** **Chairman Vander Woude** made a unanimous consent request to move **S 1216** to the top of the agenda. There being no objection, the request of granted.

**MOTION:** **Rep. Hartgen** made a motion to approve the minutes of January 14 and January 16, 2020 meetings. **Motion carried by voice vote.**

**S 1216:** **Michael McCurdy**, Waste Management and Remediation Division Administrator, Department of Environmental Quality presented **S 1216**, Cyanidation Facilities. This legislation amends existing law to require permanent closure plans for cyanidation facilities prior to the issuance of permits and to prohibit the construction and operation of a cyanidation facility until the permittee submits proof of financial assurance for its permanent closure plan.

**MOTION:** **Rep. Moon** made a motion to send **S 1216** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Moon** will sponsor the bill on the floor.

**Teresa Molitor** introduced **K. Collins Sprague**, Senior Director of Government Relations, Avista Corporation. Mr. Sprague presented information on Avista Corporation to the Committee. Avista Corporation is multi-state electric and natural gas utility serving in Idaho, Washington, Oregon, Montana and Alaska. They are only 1 of 3 companies that began when Washington State was a territory, and are still running. Mr. Sprague notes some improvements Avista has done for Idaho including: bringing power to Silver Valley, building Post Falls Dam and Cabinet Gorge Dam, and acquiring PacifiCorp expanding there presence in Idaho.

**Mr. Sprague** shared how Idaho played a very important role in preserving Avista as an independent utility. Government owned electric utilities tried to shut down Avista, but Idaho passed a bill that prevented the acquisition in **Idaho Code Chapter 61, Section 327**. He discussed some of their struggles with new legislation passed in Washington State, and how those struggles might benefit Idaho power consumers in the long run, with Idaho power consumers selling Renewable Energy Credits to Washington consumers.

In answer to committee questions, **Mr. Sprague** said hydro energy can now be sold as a renewable energy credit. He stated that their cheapest energy source is hydro energy, followed by coal, natural gas, and biomass generation, although solar and wind are now becoming inexpensive because of subsidies. Mr. Sprague stated that because of previous investments in nuclear energy that didn't work out well financially, they are hesitant to invest in small modular reactors (SMR's) until they have proven economically viable. He also answered that they have not found non-wood biomass (trash and tires) to be cost effective at this point.

The committee expressed concerns that some consequences of power production are not being considered, and are externalized and not calculated into the actual costs such as; coal, wind generation poles that are not recyclable, or solar panels that have toxic substances in them and must be disposed of after their 25 year life expectancy. They were concerned that the public may eventually end up bearing the burden of those externalized costs.

Answering concerns of previous failed merges, **Mr. Sprague** explained that although Avista has strengths that attract attention to other companies, the deterrent is that they are an interstate company, and 5 different commissions have to approve the acquisition. Another lesson learned by the company is how the utilities need to be better prepared for natural disasters, as seen by California's fires and the impact it had on utilities. Avista is planning better for such disasters and modernizing their grid to assess quicker when to reroute power and find the cause of power outages.

**ADJOURN:**

There being no further business to come before the committee, the meeting adjourned at 2:45 p.m.

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Representative Vander Woude  
Chair

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Maggie Price  
Secretary