

Committee Minutes:

Legislative Council Committee on Energy

Senate Majority Caucus Room

Statehouse--4:15 p.m.

January 22, 2004

Room 412

CORRECTED MINUTES

The meeting was called to order by Cochairman Representative Eskridge at 4:15 p.m. Other members present were Cochairman Senator Hill, Senator Stegner, Senator Noh, Senator Stennett and Representative Bell, Representative Stevenson and Representative Smylie. Senator Sorensen and Representative Cuddy were absent and excused.

Other persons present were Russell Westerberg, PacificCorp; Rich Hahn, Idaho Power; Russ Hendricks, Idaho Farm Bureau Federation; Leon Duce, Association of Idaho Cities; Neil Colwell, Avista Corp; Greg Hahn, Idaho Statesman and Julie Pence Twin Falls Times News. Staff present was Mike Nugent.

On a motion by Representative Bell, seconded by Senator Noh the minutes of the January 15, 2004, meeting were approved as printed.

Representative Eskridge directed everyone to draft legislation regarding operating property. The revised language would read "On or after January 1, 2004, any newly installed or constructed equipment located within a city corporate limit or within five miles of a city corporate limit and used for and in conjunction with the thermal generation of electricity shall be apportioned based on physical location. For purposes of this subsection newly installed or constructed equipment used for and in conjunction with the thermal generation of electricity shall not include the remodeling, retrofitting, rehabilitation, refurbishing or modification of an existing electrical generation facility, or integration or transformation facilities such as substations or transmission lines." It was the consensus to take this language to a germane committee for introduction as legislation.

Senator Hill made a unanimous consent request that, regarding the legislation dealing with an income tax credit for alternative energy equipment generating electricity, the income tax credit

be limited to the income tax liability of the taxpayer and delete language regarding a percentage of net income. **The motion carried unanimously.**

Regarding the definition of low impact hydro in both the investment tax credit legislation and the production tax legislation, it was suggested by Senator Stennett that language be revised to allow a person owning the low impact hydro device and having it located on a private canal or reservoir be able to receive the credit as well as if the canal is owned or controlled by a canal company or irrigation district. **The Chair asked for unanimous consent and unanimous consent was given.**

Senator Noh and Representative Smylie both opined that a fairly thorough fiscal estimate needed to be given on both pieces before they be recommended for introduction. The Committee agreed. The Committee's next meeting will be on February 2nd at 4:30 p.m. The meeting adjourned at 5:15 p.m.