

House Environment, Energy & Technology Committee

Minutes
2005



MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Wednesday, January 12, 2005

TIME: 1:32 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Ellsworth

GUESTS: See attached list

Chairman Raybould introduced the staff. Committee members and audience members introduced themselves.

Chairman Raybould reminded Committee members that they will receive a copy of the Committee minutes and they will also be posted on the Internet.

Representative Smylie asked about the Committee seating arrangements. Chairman Raybould asked him to compile his recommendations and submit it to the Secretary.

Chairman Raybould appointed Vice Chairman Harwood to chair Sub-Committee # 1 and Representative Rydalch to chair Sub-Committee #2 (see attached lists) for rules review. The Sub-Committees will meet after the full Committee on January 18.

Representatives were issued binders from the Department of Environmental Quality with the rules to be considered.

A general discussion was held regarding the Energy and Technology aspects of this Committee.

ADJOURN: 2:04 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Tuesday, January 18, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representative Ellsworth

GUESTS: See Attached Sheet

The meeting was called to order by Chairman Raybould at 1:32 p.m. **Rep Smith (30) moved to approve the minutes of January 12. By voice vote the motion passed.**

Chairman Raybould introduced the Director of the Department of Environmental Quality (DEQ), Toni Hardesty. Ms. Hardesty introduced her staff in attendance. She gave a brief overview of the role of DEQ.

Chairman Raybould turned the meeting over to Representative Eskridge, who introduced the following:

Rob Renner - Minister of Municipal Affairs for the Province of Alberta, and President of Pacific North West Economic Region (PNWER)

Barry Penner - Member of the Legislative Assembly of British Columbia and Past President of PNWER

Marv Wodinsky - Canadian Consulate in Seattle, WA

Matt Morrison - Executive Director, PNWER

Brad Thomson - President, Northern Lights Transmission, Calgary, Canada

Michael Hogan - Vice President for Development, Northern Lights Transmission, Calgary, Canada

Henry Han - International & InterGovernmental Relations with the British Columbia Premier's Office

Scott Farris - Northern Lights Transmission, Calgary, Canada

Rob Renner gave a brief overview of PNWER stating that the goal is to co-ordinate energy needs and supplies within the Pacific Northwest and Canada. He then turned the program over to **Matt Morrison**.

Mr. Morrison stated that PNWER is a statutory organization chartered by Alaska, Washington, Idaho, Montana, Oregon and the Canadian Provinces of British Columbia, Alberta and the Yukon. They have launched a bi-national energy planning initiative designed to create a Pacific Northwest energy planning council of regional public/private stakeholders from Canada and the U.S. The purpose is to look at the big picture regarding energy planning. The U. S. Department of Energy (DOE) has a planning agency working on a North American plan which

will include Canada, the United States and Mexico.

See attached copy of presentation.

Mr. Morrison than turned the presentation over to **Brad Thomson** of Northern Lights Transmission.

Mr. Thomson described the regional electric generation resources, transmission limitations and the future needs for energy from Canada to California. The transmission lines are currently maxed out . The resources are not well connected to the transmission lines.

Representative Smylie asked about the differences and capabilities of A.C. versus D.C. lines.

Mr. Thomson answered that most systems in North America are A.C. power. These are short lines. The D.C. power is for longer distance transmission and is appropriate for regional links. Moving blocks of power over long distances is very complicated. There needs to be a long term Regional Transmission to connect new energy generation to growing loads in the West.

Mr. Thomson discussed two Northern Lights Projects; the Celilo Project and the Inland Project. The Inland Project would impact Idaho. This project would connect base load, fossil fueled and renewable generation with a market that needs both.

There were questions from the Committee regarding costs.

Mr. Thomson stated that costs would depend on selected sites and partnerships with governmental and commercial entities. This would be the largest D.C. project in the world at 1,700 miles. There will be continual studies of this project.

See attached handouts of presentation.

Representative Eskridge gave a brief summary of the presentations.

ADJOURN: 2:47 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

**HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE
SUB-COMMITTEE #1 ENVIRONMENT**

DATE: Tuesday, January 18, 2005

TIME: 2:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Harwood, Representatives Barraclough, Snodgrass, Mathews, Smith(30)

**ABSENT/
EXCUSED:** Representative Ellsworth

GUESTS: See attached list

The meeting was called to order by Chairman Harwood at 2:48 p.m. Chairman Harwood had the guests introduce themselves.

**BILL #:
58-0101-0302**

Martin Bauer, Air Administrator for the Department of Environmental Quality (DEQ) addressed this pending rule. Federal regulation requires DEQ to adopt and incorporate this revision into the Rules for the Control of Air Pollution in the state of Idaho. There was no public hearing and no comment received during the public comment period. The question was asked regarding the number of sources under Title V now and if they are being cleaned up. **Mr. Bauer** stated that there were 50 sources and progress is being made to clean them up.

Representative Mathews made a motion to recommend to the full Committee that this rule be accepted. By voice vote, the motion carried.

**BILL #:
58-0101-0304**

Martin Bauer reviewed this rule. The Environmental Protection Agency (EPA) revised regulations governing the New Source Review programs mandated by Title I of the clean Air Act. DEQ initiated this rulemaking to incorporate these changes into the Rules for the Control of Air Pollution in Idaho. There were four public meetings between November 2003 and January 2004. A Public Hearing was held on May 4, 2004. All comments received were in support of this rule. The regulatory committee will see a decrease in cost. It will reduce the administrative burden on state companies. This rule resets the emissions baseline and pollution control projects and clean unit designations are exempt. However, this rule is currently being challenged in Federal Court.

Representative Smith (30) made a motion to recommend to the full Committee that this rule be accepted. By voice vote, the motion carried.

**BILL #:
58-0101-0401**

Martin Bauer addressed this pending rule. This rule revises as necessary, the structure and efficiency of the air quality permitting rules to modernize, update, and clarify appropriate portions. This is an EPA approved program. Four meetings were held between March 10, 2004 and July 26, 2004 with no public attendance and no comments received. A Public Hearing was held on October 14 with no public attendance. **Justin Hayes**, representing the Idaho Conservation League, spoke

opposing this rule. He objects to facilities having the authority to self exempt per page 44, Section 220 Exemptions.

Mr. Bauer said that Sections 220, 221, 222 and 223 are consistent with other states. If there were no exemptions, it would put a financial burden on small companies

Representative Barraclough made a motion to recommend to the full Committee that this rule be accepted. By voice vote, the motion carried.

**BILL #:
58-0101-0402**

Martin Bauer addressed this pending rule. This rulemaking is necessary to ensure that the Rules for the Control of Air Pollution in Idaho will remain consistent with federal regulations. This rule updates citations to federal regulations incorporated by reference to include those revised as of July 1, 2004. Public hearings were held in August and September 2004 with no public attendance and no public comment. This is a routine annual update of rules.

Representative Mathews made a motion to recommend to the full Committee that this rule be accepted. By voice vote, the motion carried.

The next Sub-Committee meeting will be held on Thursday, January 20 at the DEQ headquarters upon adjournment of the full Committee.

ADJOURN: 3:25 p.m.

Representative Dick Harwood
Chairman

Elfreda Higgins
Secretary

MINUTES - AMENDED

**HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE
SUB-COMMITTEE #2 ENERGY & TECHNOLOGY**

DATE: Tuesday, January 18, 2005

TIME: 3:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Rydalch, Representatives Eskridge, Edmunson, Smylie, Anderson, Bastian, LeFavour

**ABSENT/
EXCUSED:** None

GUESTS: See attached list

The meeting was called to order by Chairman Rydalch at 3:40 p.m.

BILL #: **Orville Green** addressed these two rules. These rules set out the procedures for administrative hearings and appeals regarding hazardous waste permits. These rules assure that the procedures regarding hazardous waste permits will be consistent with the Idaho Administrative Procedure Act (APA). These changes streamline the procedures by eliminating alternative procedures making the rules and procedures for all permit appeals consistent within the Department of Environmental Quality (DEQ). No one from the general public attended a Public Hearing in July 2004 and no comments were received.

58-0105-0401

58-0123-0401

Representative Smylie made a motion to recommend to the full Committee that these two rules be accepted. By voice vote the motion carried.

BILL #: **Orville Green** addressed this rule. This is the annual update of Federal regulations incorporated by reference. Idaho's Rules and Standards for Hazardous Waste are updated annually to maintain consistency with the U. S. Environmental Protection Agency's federal regulations implementing the Resource Conservation and Recovery Act (RCRA) as directed by the Idaho Hazardous Waste Management Act (HWMA). There was a Public Notice in August 2004 with two public comments received from the Shoshone/Bannock Tribe to be more stringent than the Federal Government.

58-0105-0402

Representative Smylie made a motion to recommend to the full Committee that this rule be accepted. By voice vote the motion carried.

BILL #: **Orville Green** addressed this rule. This is a companion rule to 58-0105-0401. This rule adds an additional class of treated wastewater to the Wastewater Land Application Rules for reuse. It adds a class of more highly treated wastewater that can be used for more purposes, including aquifer recharge, residential irrigation, toilet flushing, water features, etc. There were no complaints or comments received and no request for a Public Hearing.

58-0117-0301

Representative Smylie made a motion to recommend to the full Committee that this rule be accepted. By voice vote the motion carried.

BILL #:
24-0501-0401

Rayola Jacobsen, Bureau Chief of Occupational Licensing introduced Bill Thompson, President of the Board and Roger Hales, Administrative Attorney.

Roger Hales addressed this temporary rule. This rule defines qualifications, definitions, and outlines continuing education criteria for those involved in drinking water testing, wastewater testing and back flow assembly testing. This defines the scope of practice for the different professions. Renewal or reinstatement of licenses must be completed annually. The Wastewater "Grandfather" program, in effect until April 15, 2006 complies with Federal Acts and Regulations. There is presently no on line courses allowed to receive credits.

The Committee had questions regarding the process for determining standards. This program was formerly a part of Environmental Quality and the license type was already in place. The basics were taken from the DEQ program.

Representative Smylie made a motion to recommend to the full Committee that this rule be accepted. By voice vote the motion carried.

BILL #:
58-0108-0401

Tom John, Analyst with DEQ, addressed this rule. The purpose of this rule is to clarify language in various sections of the rules where interpretation is difficult or where the rules fail to accommodate accepted practices. This rule affords increased flexibility and updated techniques and methods. The new standards will not be enforced retroactively. There is no effect on individual wells, only public water supply systems. There were two negotiating sessions held in 2004 with various entities involved.

The committee questioned if INEEL was satisfied with this rule. The answer was that they seem satisfied.

Representative Bastian made a motion to continue this discussion to the next meeting in order to have time to contact constituents for input. By voice vote the motion carried.

BILL #:
58-0108-0402

Lance Nielsen, Drinking Water Manager at DEQ, addressed this rule. The purpose of this rule is to implement the provisions of the Drinking Water and Wastewater Professionals Licensing Act, Senate Bill 1279. This transferred authority for the licensure of drinking water and wastewater operators from the DEQ to a Governor appointed Drinking Water and Wastewater Professional Board and the Idaho Bureau of Occupational Licenses.

Representative Smylie made a motion to recommend to the full Committee that this rule be accepted. By voice vote the motion carried.

BILL #:
58-0108-0403

Jerri Henry, an analyst with DEQ, addressed this rule. The Federal Environmental Protection Agency adopted this rule and made it a nationwide criteria. This rule is intended to protect public health by reducing the arsenic standard from 50 ppb to 10 ppb and affects community and non-community non-transient classes of public water systems. There will be costs associated with this rule. DEQ has a

program in place to defer costs over a period of time. Public Water Systems will have up to ten years to get the system in place. This federal rule affects primarily Western populations. If this is not passed, DEQ would lose primacy and EPA would enforce immediately. This affects only public water systems.

Representative Eskridge made a motion to recommend to the full Committee that this rule be accepted. By voice vote the motion carried.

ADJOURN: 5:22 p.m.

Representative Ann Rydalch
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Thursday, January 20, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** None

GUESTS: See Attached Sheet

The meeting was called to order by Chairman Raybould at 1:34 p.m.
Representative Eskridge moved to approve the minutes of January 18. By voice vote the motion passed.

BILL #: **Representative Eskridge** presented RS 14544C1. The purpose of this
RS 14544C1 legislation is to create the Idaho Energy Resources Authority (ERA). Representative Eskridge gave information regarding the difficulty of building electric transmission lines, construction of generation facilities and the lease cost financing mechanism. There are not sufficient resources to meet the growing electrical demands in Idaho. This legislation will allow the mechanics to insure the states energy destiny. Facilities need to be constructed within the state to control energy rates. The ERA will have the power to issue revenue bonds on behalf of utilities to finance energy facilities. The State will have no obligation.

Representative Smylie moved to introduce RS14544C1 for printing. By voice vote the motion passed.

ADJOURN: 1:45 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

**HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY
SUB-COMMITTEE #1 ENVIRONMENT**

DATE: Thursday, January 20, 2005

TIME: After adjournment of full Committee

PLACE: Department of Environmental Quality, 1410 N. Hilton St., Boise, ID

MEMBERS: Chairman Harwood, Representatives Barraclough, Ellsworth, Snodgrass, Mathews, Smith(30)

**ABSENT/
EXCUSED:** None

GUESTS: See Attached Sheet

**BILL #:
58-0102-0302** **Barry Burnell**, Department of Environmental Quality (DEQ) presented a brief overview of this rule.
Don Essig, DEQ Water Quality Standards Chief Negotiator, addressed this rule. This rule was proposed by the Idaho Mining Association (IMA) and brings Idaho's water quality criteria for certain metals up to date with more current science on their toxics affects. The changes, except for mercury, are simply changes in criteria values. All are based on the Environmental Protection Agency (EPA) 2002 recommendations that incorporate recent scientific information on toxic effects. The current minimum of 25 mg/l limit as the minimum hardness will be kept in effect. This criteria includes a new fish tissue criterion for methyl mercury. There was some controversy regarding retention of this low end hardness cap. Thirteen meetings were held over a eight month time period. There were three Public Hearings and a 45 day public comment time frame.

The Committee had various questions regarding the water hardness, toxicity and how it relates to mercury in fish. They were answered by Mr. Essig.

Representative Snodgrass made a motion to send this rule to the full Committee with no recommendation. By voice vote the motion carried.

**BILL #:
58-0102-0303** **Barry Burnell** presented a brief overview of this rule.
Don Essig addressed this rule. This rulemaking is to correct errors found in Section 210. Various sections were revised for consistency with the National Toxics Rule. The selenium acute criterion (CMC) to 20 ug/l as a total recoverable concentration has been restored. No public comments were received. There are no anticipated costs and no controversy with this rule.

Representative Ellsworth made a motion to recommend to the full Committee that this rule be accepted. By voice vote the motion carried.

**BILL #:
58-0102-0401** **Barry Burnell** presented a brief overview of this rule.
Don Essig addressed this rule. This rule updates the Idaho Water Quality Standards to be consistent with the Snake River Hell's Canyon

total maximum daily load (TMDL) temperature and regional temperature criteria guidance. This revised the salmonid spawning and incubation temperature criteria to 13 degrees Celsius as a maximum weekly maximum temperature. This will protect fall chinook spawning and incubation from October 23 through April 15 in the Snake River from Hell's Canyon Dam to the Salmon River. This rule makes the water quality standards in step with those of Oregon. Costs are unclear, but could be substantial for Idaho Power Company.

The Committee had various questions regarding temperature control and the effect of this rule on various entities. They were answered by Mr. Essig.

Chairman Harwood asked if the rule has been violated. Mr. Burnell stated that he was not sure. Chairman Harwood asked him to find out and report back to the Committee.

Representative Snodgrass made a motion to send this rule to the full Committee with no recommendation. By voice vote, the motion carried.

BILL #:
58-0102-0402

Barry Burnell presented a brief overview of this rule.

Nancy Bowser addressed this rule. This rule implements the provisions of the Drinking Water and Wastewater Professionals Licensing Act, Senate Bill 1279 where the Legislature transferred authority for the licensure of drinking water and wastewater operators from the DEQ to a Governor appointed Drinking Water and Wastewater Professionals Board and the Idaho Bureau of Occupational Licenses. This rule deletes some sections and some definitions that include requirements for mandatory wastewater operator certification. This rule insures that the requirements for wastewater professionals are consistent with the requirements for drinking water professionals. No public comment was received.

The Committee had various questions regarding the systems that would be affected by this rule. Ms. Bowser answered that this rule applies only to water systems with fifteen connections or twenty-five individuals on the same system.

Representative Smith made a motion to recommend to the full Committee that this rule be accepted. By voice vote, the motion carried.

ADJOURN: 3:14 p.m.

Representative Dick Harwood
Chairman

Elfreda Higgins
Secretary

MINUTES

**HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY
SUB-COMMITTEE #2 ENERGY & TECHNOLOGY**

DATE: Thursday, January 20, 2005

TIME: Upon adjournment of Sub-Committee #1

PLACE: Department of Environmental Quality, 1410 N. Hilton Dr., Boise, ID

MEMBERS: Chairman Rydalch, Representatives Edmunson, Smylie, Eskridge, Anderson, Bastian, LeFavour

ABSENT: None

GUESTS: See Attached Sheet

The meeting was called to order by Chairman Rydalch at 3:15 P.M.
Representative Edmunson moved to approve the minutes of January 18. By voice vote the motion carried.

BILL #: **58-0108-0401** **Barry Burnell**, Department of Environmental Quality (DEQ) addressed this rule which was a continuation of the discussion at the meeting on January 18, 2005. The Committee's main areas of concern were the standards for a public drinking water system and application of the rules. The standards are fifteen connections or twenty-five individuals on one system. If the standards are met, the rules do apply. Committee members would like to have more time to research this issue.
Representative Eskridge made a motion to send this rule to the full Committee with no recommendation. By voice vote the motion carried.

BILL #: **58-0117-0301** **Barry Burnell** addressed this rule. This rule is to add an additional class of treated wastewater to the Wastewater-Land Application Rules for reuse. A class of more highly treated wastewater that can be used for additional purposes has been added as Class "A". This adds definitions; additional application requirements for this new class including engineering report requirements; treatment and monitoring requirements; requirements for municipal reuse distribution systems; and technical, managerial, financial and legal requirements. With the ongoing drought there is increased interest in using treated wastewater around the state. There is no cost associated with this rule. Comments from the public were received. The Committee had questions regarding water conservation, water discharge and water bacteria. They were answered by Mr. Burnell.
Representative LeFavour made a motion to recommend to the full Committee that this rule be accepted. By voice vote the motion carried.

ADJOURN: 3:45 p.m.

Representative Ann Rydalch
Chairman

Elfreda Higgins
Secretary
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MINUTES

**HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY
SUB-COMMITTEE #2 ENERGY & TECHNOLOGY**

DATE: Thursday, January 20, 2005

TIME: 3:30 P.M.

PLACE: Room 406

MEMBERS: Chairman Rydalch, Representatives Edmunson, Smylie, Eskridge, Anderson, Bastian, LeFavour

**ABSENT/
EXCUSED:**

GUESTS: See Attached Sheet

The meeting was called to order by Chairman Rydalch at

BILL #: This rule discussion was a continuation of the meeting on January 18.
58-0108-0401

Representative made a motion to recommend to the full Committee that this rule be accepted. By voice vote, the motion carried.

BILL #: **Barry Burnell** addressed this rule. This rule is to add an additional class of treated wastewater to the Wastewater-Land Application Rules for reuse. A class of more highly treated wastewater that can be used for additional purposes has been added. This adds definitions; additional application requirements for this new class including engineering report requirements; treatment and monitoring requirements; requirements for municipal reuse distribution systems; and technical, managerial, financial and legal requirements. Comments from the public were received.

Representative made a motion to recommend to the full Committee that this rule be accepted. By voice vote, the motion carried.

MOTION:

ADJOURN:

Representative Ann Rydalch
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Monday, January 24, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Edmunson

GUESTS: See Attached List

Representative Smylie moved to approve the minutes of January 20. By voice vote the motion carried.

Representative Snodgrass moved to approve the minutes of Sub Committee #1 of January 18 and January 20. By voice vote the motion carried.

Representative Bastian moved to approve the minutes of Sub-Committee #2 of January 20. By voice vote the motion carried.

Karl Tueller, Director, Office of Science and Technology, Idaho Commerce and Labor Department introduced the Director of Idaho Commerce and Labor Department, Roger Madsen and his staff in attendance.

Mr. Tueller presented the background information regarding the formation of the Office of Science and Technology. This department was created in 2004 and is housed within the Idaho Commerce and Labor Department. He then gave a presentation about the importance of Science and Technology to the Idaho economy. In the most recent survey, science and technology comprised over 25 percent (\$9.3 billion) of Idaho's gross state product. In 2002, 43,841 jobs were classified as science and technology. Between 1991 and 2002, science and technology employment increased 38 percent. Science and technology wages are 92 percent higher than the statewide average.

A Science and Technology Advisory Council has been formed. It is comprised of a panel of business and university people. The council provides insight and guidance to the science and technology efforts of Idaho Commerce and Labor.

There have been six strategies and twenty-six actions identified as imperative to advancing science and technology in Idaho.

The first Industry Forum was held in June 2004 and another will be held in June 2005. These forums bring key players from government, industry and academia together to identify core competencies. The next steps will be to build a research and development base, develop technology infrastructures and to market Idaho technology assets.

See attachments of presentation.

The Committee had various questions. They were answered by Mr. Tueller.

ADJOURN: 2:35 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Wednesday, January 26, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** None

GUESTS: See attached list

The meeting was called to order by Chairman Raybould at 1:30 p.m. **Representative Bastian moved to approve the minutes of January 24, 2005. By voice vote the motion carried.** **Representative Rydalch, Chairman of Sub-Committee #2, moved to amend Sub-Committee #2 minutes of January 18, 2005 to reflect that Docket #58-0123-0401 was heard and approved in conjunction with Docket #58-0105-0401. By voice vote the motion carried.**

BILL #: H0030 **Representative Eskridge** introduced this bill which would create the Idaho Energy Resources Authority Act (ERA). This new statewide authority would facilitate the financing and construction of electric generation, transmission and distribution projects, as well as energy conservation and renewable energy projects. There would be a seven (7) member board appointed by the Governor.

Ronald L. Williams, Attorney with Williams Bradbury, one of the co-sponsors of this bill addressed the committee. The primary issue here is to build Idaho's electric infrastructure. Idaho imports over fifty percent (50%) of the electricity used by consumers. The purpose of the Idaho Energy Resources Authority (ERA) will be to provide investor-owned, municipal and cooperative electric utilities and renewable energy developers in Idaho a least cost financing vehicle for building Idaho's electric infrastructure.

The ERA would not be an operating entity. A structure similar to the Idaho Building Authority is envisioned. This bill would primarily help Idaho's rural cooperative who have limited access to capital markets.

The ERA will have the authority to issue revenue bonds on behalf of one or more participating utilities to finance energy facilities. Bonds issued by the ERA will be secured by debt service payments made to the ERA by the participating utilities and by security interests held by the ERA in the financed facilities.

Participation by utilities in ERA financing is optional. The ERA is empowered only to respond to requests for financing assistance from the

utilities.

See attached

James Burr, Attorney, Chapman and Cutler, the primary author of this legislation, spoke regarding this bill. This authority will finance costs of electric facilities for all participating utilities or renewable developers, or extraordinary electricity costs incurred by municipalities and cooperatives by issuing revenue bonds. The authority may undertake construction and financing of new generation, transmission or distribution of electric facilities upon the request of one or more public, private, cooperative or federal utilities. The authority will sell its services or output from electric facilities to participating utilities or renewable developers, not to the open or merchant market. The authority may not provide direct electric service (retail) to any consumers in Idaho. The financing powers given the authority under this act do not restrict, limit or in any way compromise the regulatory authority of the PUC over investor owned utilities in Idaho.

Mr. Burr explained each section of the bill in detail.

There were numerous questions from the Committee primarily concerning the wording, intent and authority of this bill. There were also concerns that ratepayers and taxpayers would be adversely affected.

The issue of eminent domain was questioned. In order for this authority to have tax exempt status, the ERA must have one of the following: taxing powers, police powers or the power of eminent domain. All investor and municipal owned utilities have the power of eminent domain. They would make every effort to broker a satisfactory agreement with a landowner to obtain a right of way for use in building transmission lines.

Questions concerning funding for ERA were asked. Administrative expenses are expected to be minimal and be funded from fees charged to the utilities and developers seeking financing assistance from the authority.

Robert Crump, General Manager of Kootenai General Cooperative, spoke in support of this bill. They are a small utility and cannot develop energy on their own. Their options are limited to secure long term power. They want to work with other entities to develop or build electrical facilities. They are looking at all options.

David Hawk, Director of Energy, J. R. Simplot Company, spoke in support of this bill. He stated that everyone will need more options for energy in the future. Without a reliable source of energy, rural economic development will be seriously impacted. The concepts of this bill are exciting and will have benefits for the entire state of Idaho.

Questions were asked concerning the quality of appointed Board members and if adequate safeguards were in place to insure sound decision making.

Mr. Hawk answered that this bill does a good job of setting up safeguards - it is neither over nor under cautious.

Dee Reynolds, General Manager of Fall River Electric Cooperative in Ashton spoke in support of this bill. This legislation is very important to his company and consumers. Their transmission lines were overloaded and they struggled to borrow \$8million to build new lines and lease them to the Bonneville Power Authority (BPA). If the ERA had been in effect, it would have taken less time, effort and worry to provide electricity to their customers. Being able to work closely with other utilities, municipalities, etc. would benefit everyone in the state of Idaho.

Representative Eskridge emphasized that we must start now to plan electrical generation for the long term. The longer we wait, the more expensive it will become. Our energy supply and infrastructure will not meet projected demands due to anticipated growth. This is a good bill that was submitted to the Energy Commission in October, 2004.

MOTION: **Representative Eskridge moved to send H0030 to the floor with a do pass.**

Representative Ellsworth made a substitute motion to hold the bill until time certain, Wednesday, February 2, 2005.

By voice vote the substitute motion carried.

RULES#

58-0101-0302

58-0101-0304

58-0101-0401

58-0101-0402

58-0102-0303

58-0102-0402

Representative Harwood reported that these administrative rules from the Department of Environmental Quality were found to be in order by Sub-Committee #1 and recommend the rules be approved as written. Although recommended for approval, **Representative Harwood** and others had questions concerning 58-0101-0401 which were answered by **Marty Bower** from DEQ and **Dick Rush**, Idaho Association of Air Quality. See attached.

MOTION:

Representative Smith (30) moved that these rules be approved. By voice vote the motion carried.

Representative LeFavour opposed rule 58-0101-0401.

RULE#

58-0102-0302

Jack Lyman, representing The Idaho Mining Association spoke in favor of Rule 58-0102-0302.

MOTION:

Representative LeFavour moved that this rule be approved. By voice vote the motion carried.

BILL#

58-0102-0401

Barry Burnell, from DEQ, addressed this rule.

The Committee had various questions regarding water temperature, violations and the impact on Salmon.

MOTION:

Representative Ellsworth moved that this rule be approved. By voice vote the motion carried. **Representatives Harwood and LeFavour were opposed.**

RULES #:

58-0105-0401

58-0105-0402

58-0117-0301

58-0108-0402

Representative Rydalch reported that these administrative rules from the Department of Environmental Quality and Department of Occupational Licenses were found to be in order by Sub-Committee #2 and recommend the rules be approved as written. See attached.

24-0501-0401
58-0108-0403
58-0123-0401

MOTION: **Representative Rydalch moved that these rules be approved.** By voice vote the motion carried.

RULE #: **Representative Bastian** had concerns regarding this rule. Those concerns have been addressed.
58-0108-0401 **Barry Burnell** answered questions from the Committee.

MOTION: **Representative Rydalch moved that this rule be approved.** By voice vote the motion carried.

Chairman Raybould thanked the members of both Sub-Committees for doing an excellent job.

ADJOURN: 4:07 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Wednesday, February 2, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Edmunson

GUESTS: See attached list

The meeting was called to order by Chairman Raybould at 1:32 p.m.
Representative Eskridge moved to approve the minutes of January 26, 2005. By voice vote the motion carried.

BILL #: **RS14722**
Representative Clark introduced this bill which is not a technical change, but new public policy. This would remove the requirement that manifested wastes be handled only in hazardous waste management facilities. It would require a review by the Department of Environmental Quality before the waste or class of waste could be deposited in a licensed solid waste disposal facility. The commercial facility would pay a \$2.00 fee to cover additional costs. This would generate approximately \$500,000 per year.

Representative Ellsworth moved to introduce RS14722 for printing. By voice vote the motion carried.

BILL #: **H0030**
Chairman Raybould stated that the maker of this bill requested that it be held in Committee. There is a substitute bill RS14783.
Representative Smylie moved that this bill be held in Committee. By voice vote the motion carried.

BILL #: **RS14783**
Representative Anderson disclosed to the Committee that he is on the board of an Electrical Co-Op which is a member of the Idaho Cooperative Utilities Association. He presented a letter which indicates that there is no conflict of interest. See attached.

Representative Eskridge introduced this bill stating that there are new provisions that address issues raised by Committee members and constituents.

Ron Williams, Attorney with Williams Bradbury, addressed the list of clarifications and changes from H0030 and this RS. They are: 1) There is no expansion or extension in the power of eminent domain. 2) Only utilities may finance generation and transmission projects through the Energy Resources Authority (ERA). 3) Bond financing will remain subject to Public Utility Commission (PUC) review and approval. 4) The ERA

must designate a qualified participating utility or qualified agent to act as the operating entity or managing partner of a facility. 6) Speculative commodities trading unrelated to an ERA owned or financed asset is prohibited. 7) There will be no political party designation required for membership on the ERA Board. 8) The ERA cannot accumulate funds to purchase future assets. 9) The surety bond requirement of the ERA to protect its Board members from lawsuit or liability will be \$1,000,000. 10) The Energy Resources Authority Act will not have primacy over other provision of Idaho code. See attached.

Representative Mathews asked what would happen if there was a default on a bond.

Mr. Williams answered that the ERA could reposes the assets and allow others to step up in ownership position or if the asset has no value, the bond holders would lose their investment.

Representative Rydalch stated that she was looking for secure, stable energy rates for consumers and businesses in Idaho. It seems as though this bill will not do that.

Mr. Williams said that the primary purpose for this legislation is to provide electric generation and transmission.

Representative LeFavour wants Idaho to look to the future with renewable energy and conservation measures.

Representative Eskridge stated the purposes of this bill. Renewable provisions may be another stand alone bill later.

Chairman Raybould stated that he has seen Bonneville Power Agency projections and there will be allocations in the future. This bill will allow municipalities to generate for future needs.

A short discussion was held regarding a possible national energy policy from Washington, D.C. and continuing the Interim Energy Committee in conjunction with a federal energy policy.

MOTION: **Representative Ellsworth** moved to introduce RS14783 for printing. By voice vote the motion carried.

ADJOURN: 2:10 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 8, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representative Edmunson

GUESTS: See attached list

The meeting was called to order by Chairman Raybould at 1:30 p.m.
Representative Ellsworth moved to approve the minutes of February 2, 2005. By voice vote the motion carried.

BILL #: **RS14864**
Representative Denney introduced this bill which codifies existing practices and needed improvements in the development and implementation of Total Maximum Daily Loads (TMDLs). These are changes that were made and agreed to last year and have been used in developing TMDLs.
Representative Harwood moved to introduce RS14864 for printing. By voice vote the motion carried.

BILL #: **RS14834**
Representative Denney introduced this bill which defines the responsibility of the Department of Environmental Quality (DEQ) to review and approve plans for sewer and water.
Representative Ellsworth moved to introduce RS14834 for printing. By voice vote the motion carried.

BILL #: **RS14583**
Representative Eskridge stated that this bill continues authorization of an Interim Energy Committee to study the subject of energy related issues. Idaho needs to keep informed of the actions of the Federal Energy Regulatory Committee (FERC).
Senator Hill stated that this Commission has been in existence for quite some time and recommended that this bill move forward.
Representative Smylie moved to introduce RS14583 for printing. By voice vote the motion carried.

BILL #: **H0105**
Representative Clark introduced this bill stating that there are considerable changes in policy. This bill affirms Idaho's waste criteria. It includes necessary safeguards for public health. There is a new definition of manifested wastes, and there will be a \$2.00 per ton per gate time fee which will go into a fund that will provide landfills the ability to secure grants.
Chairman Raybould, Representatives LeFavour and Bastian questioned the comparison of the \$2.00 fee to other states, if similar wastes are disposed of in similar ways and the comparison in class of

wastes from one state to another.

Representative Clark answered that the fee is in concert with other states, Department of Environmental Quality (DEQ) will not lower their standards and a comprehensive list of wastes must be obtained from each state.

Representatives Smylie, Smith and Ellsworth questioned taking on other states problems with different types of wastes, where they are currently handled and the monetary amounts charged by each state.

Steve West answered that Idaho does not currently have a manifested waste facility and no counties or facilities will make changes on how they currently handle waste. He stated that this bill is an attempt to level the playing field for Idaho. It is an outgrowth of commercial site licensing. There is some variability in charges from state to state and the \$2.00 fee may need to be adjusted. This bill does not create an additional threat to Idaho.

Representatives Bastian, LeFavour, Mathews, Anderson and Smith expressed concerns regarding the description of hazardous wastes, how many companies would benefit and if the \$500,000 income in the fiscal note was correct.

Mr. West answered that each state defines what they consider hazardous waste and on a broad scale, all businesses that generate waste will benefit due to competition. The estimate of \$500,000 income is based on a 250,000 ton per year volume.

Representatives Snodgrass, Ellsworth and Mathews expressed concerns about the process, federal regulations regarding hazardous wastes and if the bill sponsor is willing to raise the \$2.00 fee.

Mr. West answered that there is a set criteria for hazardous waste disposal and the sponsor is willing to revise fees if necessary.

Roy Eiguren, attorney from Givens Pursley testified against this bill stating that he feels this bill changes Idaho state policy, sets lower standards and the fee generation amount is unrealistic. He stated that the main issue is protection of the environment and people

Jerry Deckard, representing Waste Management Co. in Oregon, spoke against this bill. He stated that this will create unfair competition and that Idaho needs to maintain harmony with other states and urged a no vote.

Representative Ellsworth remarked that this law has been amended each year and the rates are frequently addressed.

There were questions from the **Committee** regarding additional manpower for DEQ.

Brian Monson, DEQ, stated that they do not know if or how much impact this will have on manpower.

Representative Ellsworth moved to hold H0105 until time certain, Thursday, February 10, 2005.

Representative LeFavour made a substitute motion to hold this bill in Committee indefinitely.

A roll call vote was held on the substitute motion with 5 Aye, 8 Nay and 1 absent/excused. The substitute motion failed. See attached.

By voice vote the original motion carried.

BILL #: H0106

Representative Eskridge gave a brief review of this bill which would create an Energy Resources Authority (ERA) and referred to an article in the Idaho Statesman regarding electric energy. See attached.

Mark Gendron, Manager at Idaho Falls Power, spoke in favor of this bill.

He stated that this legislation is necessary and that Idaho cannot depend on other energy sources. Partnerships for the long term need to be made. Energy loads in the Northwest continue to grow. The long term energy future is uncertain and a good energy policy to benefit consumers is needed in Idaho. The tax exempt bonds that would be issued would not create a tax burden to the citizens of Idaho.

Rex Blackburn, attorney, Blackburn & Jones representing Idaho Power Corp., spoke in opposition to this bill. He said that this Act creates a board with broad powers and no oversight. He said that there are twenty-two categories of power and compared the ERA to Enron Co. He feels that the Board could make bad decisions with adverse financial impact. He also felt that this authority would circumvent the Idaho constitution.

Representatives Mathews, Anderson, Snodgrass, LeFavour and Rydalch questioned Mr. Blackburn regarding his comments about costs, bad business decisions and the constitutionality of the ERA.

Mr. Blackburn answered that the representations he made were taken right out of the act. The Idaho Attorney General's office has not rendered an opinion. The Governor's only power is to appoint members, remove them for cause and review decisions.

Neil Colwell, Avista Corp. in Spokane, WA., spoke against this bill. He wanted to know if this new State authority would pay taxes. He expressed his concerns about allowing investor owned utilities to be part of this act. He feels that this bill provides a competitive advantage to ERA. He asked the Committee to reject this bill.

There was **Committee** discussion about having the Idaho Attorney General review this bill and render an opinion regarding the constitutionality of the ERA.

Ron Williams stated that they reviewed about a dozen cases dealing with state constitutions. Everything in this act is constitutional. It is not an attempt to allow cities to avoid going to the citizens to approve bonds. There was **Committee** discussion about competition, who reaps the benefits of this act, taxes and if this would be beneficial for Idaho.

Ron Williams answered that the ERA would be exempt only from state income tax; property and sales taxes will be paid. He reaffirmed that the Idaho state constitution will not be breached.

Steve Thomas and Ron Williams did not provide additional testimony regarding this bill.

Representative Anderson moved to send H0106 to the floor with a do pass and to get the Attorney Generals' opinion on the floor.

By voice vote the motion carried with **Representatives Smith (30), Bastian and Snodgrass voting no.**

The Office of Science and Technology presentation by Karl Tueller was postponed until Thursday, February 10, 2005.

MOTION: **Representative Ellsworth** moved to adjourn. By voice vote the motion carried.

ADJOURN: 4:35 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Thursday, February 10, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representative Edmunson

GUESTS: See attached list

The meeting was called to order by Chairman Raybould at 1:30 p.m. **Representative Harwood moved to approve the minutes of February 8, 2005. By voice vote the motion carried.**

Karl Tueller, Director, Office of Science and Technology, Idaho Commerce and Labor Department introduced the members of his staff who were in attendance. He introduced **Rick Ritter** from the Small Business Development Center (SBDC) and TechConnect.

Mr. Ritter presented a broad overview of the Science and Technology industry in Idaho including history, strategies and future development. TechConnect is the state's only public/private organization focusing solely on technology, its development, transfer, commercialization and impact on the state's economy. He reviewed the eighteen step process from investigation to optimization. Science and Technology companies are fast becoming an integral part of Idaho's economic base. See attached.

Bob Hoppie, Administrator, Idaho Energy Division, presented an overview of his Department. The duties of this department are to provide technical information, and financial assistance for energy efficiency and renewable energy resources. He covered the topics of the Energy Loan Program; Agricultural Efficiency Program; Renewable Energy Resources; Bioenergy Resources; Wind Resource; Geothermal Resource; Energy Efficiency Programs and the Energy Star and Super Good Cents Homes Programs. See attached.

**BILL #:
RS14883** **Dick Rush**, Vice President for Natural Resources, Idaho Association of Commerce and Industry, introduced this bill. This legislation would provide direction to the Idaho Department of Environmental Quality to develop information necessary for the Legislature to determine if the State of Idaho should seek primacy of the National Pollution Discharge Elimination System (NPDES) program from the Environmental Protection Agency (EPA). The NPDES permits regulate household and industrial wastes that are collected in sewers and treated at municipal wastewater treatment plants. Idaho is one of only five states who have not taken over this program from EPA. This bill would require consultations regarding

the Federal Endangered Species Act and must meet requirements to protect species. Various questions from the Committee were answered by Mr. Rush.

Representative Barraclough moved to introduce RS14883 for printing. By voice vote the motion carried. **Representative LeFavour** voted Nay.

BILL #:
H0105

Representative Clark spoke regrading this bill. He assured the Committee that there would not be any nerve gas, mustard gas, sarin, etc. disposed of at these waste facilities. For the last year, Umatilla has been destroying all of these by incineration. He stated that there would be no soil contamination and no by products. He wants to change the price from \$2.00 to \$5.00 per ton per gate time fee and will make an amendment to that effect.

Representative Ellsworth asked how it was determined to raise the price to the \$5.00 level.

Steve West stated that upon further research and comparing fees from other states that the increase was warranted and Idaho will be competitive. He concluded by stating that whatever comes in to Idaho will benefit the counties in dealing with landfill issues. There are sufficient regulations and safeguards in place to take care of any safety concerns.

Jerry Deckard, representing Waste Management Co., in Oregon, spoke in opposition to this bill. He presented information regarding the difference between Subtitle D and Subtitle C waste facilities. Hazardous waste should continue to be highly regulated even when shipped from other states. Only one commercial licensed facility would benefit from this bill. This is a significant departure in state policy.

Questions regrading the fee structure were asked by **Representatives Ellsworth, Smylie and Harwood**. They were answered by **Brian Monson**, DEQ.

A discussion was held regarding the ability of other facilities to become licensed to accept this type of wastes.

Roger Seiber declined to testify.

Representative Ellsworth moved that this bill be placed on General Orders for consideration.

Representative Snodgrass made a substitute motion to hold this bill in Committee.

A roll call vote was held on the substitute motion with eight (8) Aye and five (5) Nay and one (1) absent/excused. The substitute motion carried. See attached.

The NPDES bill will be assigned to **Representatives Barraclough and Smith (30)**.

ADJOURN: 3:25 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Monday, February 14, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** None

GUESTS: See attached list

The meeting was called to order by Chairman Raybould at 1:30 p.m. **Representative Bastian moved to approve the minutes of February 10, 2005. By voice vote the motion carried.**

BILL #: H143

Representative Denney stated that this bill requires all plans and specifications for new sewage treatment works or new public water supply systems be approved by the Department of Environmental Quality (DEQ) before construction. Modifications or expansions to existing facilities do not have to be approved if prepared by a licensed professional engineer. Approval or disapproval must be given within a forty-five (45) day time period. This legislation came about due to the length of time it now takes to get projects approved by DEQ. This allows professional engineers to do their job.

Questions from the **Committee** regarding review of expansion or modification of existing facilities and DEQ guidelines were answered by **Representative Denney**.

Toni Hardesty, Director of DEQ, spoke in opposition to this bill. She stated that the public relies on DEQ to meet the Safe Drinking Water Act guideline and to insure that projects collect and dispose of wastewater properly. This bill removes oversight by DEQ. She cited Idaho Code 39-118 which allows DEQ review. The review process is challenging; the number of sewer and water projects in S/W Idaho has doubled in the Boise Regional Office and the staff levels have remained unchanged. This limits departmental authority and limits the type of new systems for DEQ review. She cited a letter dated January 31, 2005, that addresses concerns regarding these issues. See attached.

The **Committee's** questions regarding engineering standards, DEQ backlog, expansion and/or modification to existing facilities and grants and loans were answered by **Ms. Hardesty**.

Don Munkers, representing the 500 member Idaho Rural Water Association spoke in support of this bill. He stated that the time it takes DEQ to review and approve projects is too long. It is costing communities money and causing them to lose out on grant money.

Tim Haener, representing the American Council of Engineering Companies of Idaho, spoke in support of this bill with two modifications. See attached copy of his testimony.

Vern Brewer, Project Manager for Holiday Engineering Company, spoke in support of this bill. He brought the initial request to the Legislature out of frustration in getting plans approved by DEQ. Some are over 200 days old and have not been approved. Deadlines for the Department of Commerce funding is hard to meet due to delays.

John Tensen representing the Association of Idaho Cities Public Works Professionals (AICPWP) spoke in support of this bill. Members of this organization have expressed frustration with the DEQ plan review process and out of date requirements. They do have a concern with certification language in the bill and suggested modifications. See attached copy of testimony.

Representative Roberts spoke in support of this bill stating that delays due to DEQ time lines have created a great adverse financial impact in Idaho. Professional Engineers who draw up the plans are held to high standards and if they do a bad job, they can jeopardize their license to practice their profession in Idaho.

Representative Skippen spoke in support of this bill. She gave an example of a project in Gem County where there is a \$2.5 million grant for an Industrial Park on the line due to the review time by DEQ. She feels that the local officials should be allowed to do their jobs.

Gordon Dobler, an engineer with the city of Coeur d'Alene spoke in support of this bill. He stated that professional engineers are qualified to review these projects and sees no benefit to a review by DEQ.

Representative Edmunson asked if the storm water issue is leading to the delays. Idaho Code 39-118 does not include storm water; where is that addressed?

Barry Burnell, DEQ answered that it is covered in IDAPA 58.01.08.

Representative Edmunson moved to send H143 to the floor with a do pass recommendation.

Representative Ellsworth made a substitute motion to send H143 to General Orders with amendments attached.

Representative LeFavour made an amended substitute motion to hold H143 in Committee. By voice vote, the amended substitute motion failed. By voice vote the substitute motion failed. By voice vote the original motion carried.

BILL #: H145

Representative Denney introduced **Dan Stinson** who addressed this bill.

Mr. Stinson stated that the intent of the Total Maximum Daily Load (TMDL) plans is to improve water quality in streams and lakes. House bill 544 from last year also addressed this issue. Language for this bill was taken from the Snake River/Hells Canyon TMDL. He stated that some water quality standards are not attainable due to the terrain of various streams and surrounding areas.

Questions from the **Committee** regarding standards and Federal criteria were answered by **Mr. Stinson**.

Joe Hinson spoke in opposition to this bill. He gave a brief history of conditions that led to the current law. He stated that passage of this legislation would bring legal scrutiny with the outcome of injunctions, court orders and federal oversight of Idaho's water quality program. See attached copy of his testimony.

He answered various questions from the **Committee** regarding attainability of water quality standards and stated that the issues could be resolved.

Toni Hardesty spoke in opposition to this bill. She stated that the court

ordered the current TMDL schedule. She said that this bill has conflicts with the Clean Water Act and DEQ may be compelled to change the standards. The state needs to move forward with the TMDL schedule. The **Committee** asked questions regarding the number of TMDLs completed and the process if standards cannot be attained.

Ms. Hardesty stated that 600 TMDLs and 68 watersheds have been completed and they are on schedule to finish all the required TMDLs by the deadline of 2007. She stated that there is an attainability analysis for standards.

Winston Wiggins spoke in opposition to this bill stating that he is concerned that there will be unintended consequences and offered to work with the sponsors regarding proposed amendments.

Norm Semanko, Idaho Water Users Association spoke in favor of this bill. He stated that the standards should be changed or recognize that we cannot develop TMDLs. There is a need to develop standards or take streams off TMDLs.

Jane Gorsuch, Intermountain Forest Association, spoke in opposition to this bill. She stated that they want the protections in the Forest Practices Act to be maintained. She suggested amendments to this bill.

Matt Yost, Idaho Rivers United, spoke in opposition to this bill. He stated that this bill would make it impossible for DEQ to do its job and would improperly elevate the role of Watershed Advisory Groups (WAGs). His group is concerned that the water quality will deteriorate. See attached copy of testimony.

Lavelle Braun, Weiser Watershed Advisory Group, spoke in support of this bill. The Environmental Protection Agency (EPA) does not recognize the different criteria. Some water temperature goals are not attainable. The **Committee** stated their concerns to **Representative Denney**, who answered that he was willing to amend this bill to address those concerns.

See attached letters from **Art Correia**, Chairman, Weiser River WAG and **Joe Qualls**, Agent, Weiser River WAG in support of H145.

Representative Smith (30) moved to hold H145 until time certain, February 16, 2005 to allow the sponsors time to write amendments.

Representative Rydalch made a substitute motion to send H145 to General Orders with amendments attached. By voice vote the substitute motion carried.

Representative Denney will carry both H143 and H145 to the House.

ADJOURN: 5:20 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: February 16, 2005

TIME: 1:30 P.M.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Edmunson, Snodgrass, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representative Smylie

GUESTS: See attached list

The meeting was called to order by Chairman Raybould at 1:33 p.m. **Representative Rydalch moved to approve the minutes of February 14, 2005. By voice vote the motion carried.** **Chairman Raybould** introduced **Representative Blas Telleria** who is a substitute for **Representative Smylie**.

Phil Syrdal, President, The Idaho Bioscience Association, presented an overview of the Idaho Bioscience Program. Bioldaho, the Idaho Bioscience Association, is a non-profit consortium of Idaho's universities and leading business entities collaborating to develop education, investment and industry in the bioscience. The goal of this association is to develop assets and infrastructure in Idaho for various technologies. Idaho currently has undeveloped infrastructure that could be a foundation for launching new bioscience companies and creating high level jobs. With Idaho's existing potential, the state is poised to become a national player in several new bioscience sectors. Ag-Bio is one of Idaho's core competencies. Biomedical and infectious diseases is being studied

BILL #: **H176** **Jane Gorsuch**, read the testimony of **Dick Rush**, Vice President of Natural Resources for the Idaho Association of Commerce and Industry (IACI). This bill is sponsored by IACI, the Association of Idaho Cities and the Intermountain Forest Association. The intent of this bill is to determine if the Department of Environmental Quality (DEQ) or the Environmental Protection Agency (EPA) should regulate waste water discharged into Idaho streams. EPA currently issues hundreds of permits and manages monitoring and reports which are required by the Federal Clean Water Act. These permits are known as National Pollutant Discharge Elimination System Permits (NPDES). This bill states that DEQ cannot agree to take on the program from EPA until the Legislature first passes a bill to authorize state primacy. The EPA program causes many delays and high costs. Section 39-175A (c) of the bill says the DEQ is authorized to explore whether the state should operate an NPDES Program by evaluating the costs and benefits to the state. The DEQ will prepare a report to the legislature by December 31, 2005. The Idaho Cattle Association, the Associated General Contractors and Potlatch Corporation asked to be listed as supporting this legislation.

Jane Gorsuch, representing the Intermountain Forest Association, spoke in favor of this bill. This bill allows exploration to research issues, costs and if DEQ has the capacity to run the program. DEQ would have to create sources (FTE's) to obtain knowledge to handle the program in a timely manner. Capacity and costs would be an issue.

Ken Harward, Association of Idaho Cities, spoke in support of this bill. Attorney and consulting fees are now paid by DEQ, other costs of this program are paid by EPA. This is a way to protect the environment. Many other states now have primacy. The point of this bill is to collect information and come back to the Legislature.

Jon Sandoval, Chief of Staff, DEQ spoke in support of this bill. DEQ needs to get a handle on the costs of this program and they are committed to have an answer by the end of the year. In response to **Committee** questions, **Mr. Sandoval** stated that they will collect information with existing staff and Idaho taking primacy would be beneficial to the state.

Linda Lemon, Idaho Aqua Culture, spoke in support of this bill to open discussions and obtain public opinion input. She stated that EPA will not contribute money if Idaho takes the primacy role. This may bring a financial burden to the state. The current process does take years.

MOTION: **Representative Smith (30)** moved to send H176 to the floor with a do pass recommendation. By voice vote the motion carried.

ADJOURN: 2:15 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Thursday, February 24, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** None

GUESTS: See attached list

The meeting was called to order by **Vice Chairman Harwood** at 1:35 p.m.
Representative Rydalch moved to approve the minutes of February 16, 2005. By voice vote the motion carried.

Vice Chairman Harwood introduced the new Page, Emily Patchin.

Robert M. Nielson, Idaho National Laboratory, Department Manager of Renewable Energy & Power presented a brief overview of the history, goals and vision of the Idaho National Laboratory (INL). The INL enabled the development of the U. S. commercial nuclear power industry by testing and demonstrating nuclear reactors. They were the first to generate electricity from nuclear power. **Mr. Nielson** stressed the importance of having a national energy policy. He spoke about the energy security strategy which includes nuclear energy, hydrogen power, fossil energy, renewable energy and power, bioenergy initiative, geothermal energy, hydro power and wind energy and power technologies. Nuclear energy now accounts for 20% of our nation's energy.

Chairman Raybould joined the meeting and assumed the duties of Chair.

BILL #: HCR16 **Representative Eskridge** presented this bill which will allow the Legislative Council to appoint a committee to study the subjects of energy, environment and technology. The committee would be authorized to meet until November 30, 2006.

Representative Ellsworth moved to send HCR16 to the floor with a do pass recommendation. By voice vote the motion carried.

BILL #: H230 **Dick Rush**, Vice President of Natural Resources for the Idaho Association of Commerce and Industry (IACI) presented this bill. This legislation requires the Department of Environmental Quality (DEQ) to adopt rules that conform the state law to the Clean Air Act and its regulations with respect to the scope of regulated air pollutants included for pollution source permit applicability. The bill also states that fugitive emissions are not included in calculations to determine the applicability of

construction or operating permit requirements unless expressly designated under the Clean Air Act by the Environmental Protection Agency (EPA) Administrator. **Mr. Rush** referenced a lawsuit against K & W Dairy by the Idaho Conservation League which would make Idaho's law more stringent than Federal law. This bill clarifies the existing law, it does not change it. This complies with the Federal Clean Air Act requirements. **Mr. Rush** stated that this bill does not speak to dairies. There were numerous questions from the **Committee** regarding fugitive emissions and the measuring of ammonia in dairy odor.

Ken Mc Clure, representing the Milk Producers of Idaho and the Idaho Dairy Association stated that if the potential to emit from a source is greater than 100 tons per year of any regulated air pollutant, a Permit-to-Construct (PTC) is required.

Krista Mc Intyre, representing IACI, addressed the issue of field burning, stating that this will continue to be regulated by current laws. DEQ has a rule in place concerning field burning pollutants. This legislation is trying to insure that Idaho businesses are regulated as businesses in other states are.

Martin Bauer, Idaho DEQ, stated that this bill would not affect field or grass burning which is regulated by another program.

Allan Prouty, representing J. R. Simplot Co., spoke in favor of this bill, stating that mining industries, hauling on dirt roads, pulp mills, Simplot, Micron, and other large companies would be subject to regulations in this bill. These businesses must have a permit for emissions.

William Eddie, representing the Idaho Conservation League, spoke in opposition to this bill. He stated that there is no clear prescription on what pollutants should be regulated. He again brought up the problem of dairies and ammonia contributing to air quality problems.

Lauren Mc Lean, representing the Idaho Conservation League spoke in opposition to this bill. She expressed concern with ammonia odors and possible non attainment of the Clean Air Act in the Valley.

Martin Bauer said that ammonia is not a regulated pollutant and there is no scientific conclusion at this time regarding ammonia.

In conclusion, **Mr. Rush** stated that this bill does not change existing law, only clarifies it.

MOTION: **Representative Harwood** moved to send H230 to the floor with a do pass recommendation. By voice vote the motion carried.
Representatives Smith (30) and LeFavour voted Nay.
Representative Edmunson will carry the bill.

ADJOURN: 3:32 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Monday, February 28, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representative Ellsworth

GUESTS: See attached list.

The meeting was called to order by **Vice-Chairman Harwood** at 1:33 p.m. **Representative Bastian moved to approve the minutes of February 24, 2005. By voice vote the motion carried.**

John Watts, Legislative Advisor gave a brief overview of wind power in Idaho. He then introduced Roald Doskeland, from Windland, Inc. He stated that there have been many technological advances in wind farming in the past ten years. He introduced **Michael Heckler**, Project Manager of Windland, Inc. He stated that the cost of electricity generated by wind power has gone down tremendously. There are four major elements necessary for wind generation. They are a proven wind resource; the possibility of construction at the site; electric transmission accessible and the site must be large enough for scale economies. Wind power is a secure domestic resource of energy.

The **Committee** had questions regarding the cost and the percentage of time that power could be generated. **Mr. Heckler** stated that the cost would be about \$.05 per kilowatt hour and 33% of annual capacity over one year could be generated.

BILL #: SJM105 **Senator Brandt** presented this bill which urges the Congress of the United States to enact appropriate legislation to authorize the individual states to autonomously implement the Safe Drinking Water Act in their respective states. Each state would determine the best use to protect the public health and environment of the people.

Don Munkers, Executive Officer of Idaho Rural Association spoke in support of this bill. He stated that his association watches closely the rules and regulations passed into law. This bill would allow the states to maintain their water sovereignty.

Representative Smylie moved to send SJM105 to the floor with a do pass recommendation. By voice vote the motion carried.

Representative LeFavour voted Nay.

BILL #: S1142 **Senator Langhorst** presented this bill which provides legislative intent and the framework for Air Quality Councils to draft implementation plans for legislative approval before air sheds are designated to be in non-

attainment of air quality standards. This creates a tool for stakeholders to work together to reduce emissions and increase air quality. This bill would create a council of all parties to draft a plan and present it to the Legislature who will have final approval or denial of those plans. **Senator Langhorst** addressed Committee questions by answering that the Governor would appoint members to the Council. There would be no fiscal impact because the Department of Environmental Quality (DEA) is already working on air quality issues. Universities and businesses would secure grants to create a "fund" for expenses. The interim committee to study this included members of cities, counties, and COMPASS. There was little opposition to this bill.

Robert Vasquez, Canyon County Commissioner spoke in opposition to this bill. He stated that this is an unfunded mandate and air quality issues should be addressed by each County with no state agency oversight. He does not want this program in Canyon County. **Mr. Vasquez** informed the Committee that he was speaking only for the three Canyon County Commissioners, not others.

Martin Bauer, Air Quality Administrator DEQ spoke in support of this bill. He stated that there have been numerous instances where the Treasure Valley was on the verge of non-attainment of the air quality standards. This bill would help protect public health. Questions from Committee members were answered.

Charles Johnson spoke in opposition to this bill. He stated that air quality was not a big problem according to information that he obtained from the Environmental Protection Agency website. He cited a number of newspaper articles which supported his opinion. He urged Committee members to vote no on this bill.

Sara Bigger, Associate Director, The Environmental Science and Public Policy Research Institute (ESPRI), Boise State University, stated that the development of an Air Quality Council in Idaho corresponds with the goals and perspectives of ESPRI. If this bill is passed they would welcome the opportunity to work with the Treasure Valley Air Quality Council and others. This type of partnership is at the core of ESPRI's mission and matches Boise State's goal to continue to expand its involvement with the community and the state.

Ray Stark, representing the Boise Chamber of Commerce, spoke in support of this bill. He stated that this temporary Committee is needed in the Treasure Valley. In this bill the power remains with local government to voluntarily implement the plan. Local units of government will have the plan within two years. If they do not agree, they can write a letter stating their reasons. There will still be local control.

Representative Rydalch stated that she felt this bill was being moved too quickly and asked for the dates that it was passed on.

Representative Smylie reported that this bill was printed 2/14; Senate Health & Welfare Committee 2/15; Senate second reading 2/16; Senate third reading 2/23; to the House 2/24 and the House Environment, Energy & Technology Committee on 2/28.

Several **Committee** members stated that they were a part of this interim Committee and felt comfortable with the results.

Representative Rydalch moved to hold this bill in committee to a time certain.

Vice-Chairman Harwood wanted the rest of the public who signed up to speak before taking a vote.

Allen Freeman spoke in opposition to this bill. He stated that he has

studied the Treasure Valley air quality issue since 2002. He does not believe that emissions equate to bad air quality. He compiled information regarding emissions in Canyon County. He feels that the air is getting cleaner and health is not being jeopardized. He urged that this bill be stopped in Committee.

Chairman Raybould joined the Committee

Dick Rush, Vice President, Natural Resources, Idaho Association of Commerce & Industry (IACI), spoke in support of this bill. He worked with the interim committee on this legislation. Rapid growth in Idaho keeps emissions issues in the forefront and the best way to deal with these issues is to start now.

Roy Eiguren, representing Amalgamated Sugar Company, spoke in support of this bill. This is carefully drafted legislation and keeps control on a local level. This bill sunsets after seven years. He has worked with interested parties to draft several amendments. Agriculture interests reviewed the bill and agreed that this would not impact ditch or field burning which are covered by the Smoke Management Act.

Lauren McLean from the Idaho Conservation League spoke in support of this legislation. This Council would bring people together to make plans. It would increase dialog with local government and citizens.

Representative Snodgrass made a substitute motion to send S1142 to General Orders with Committee Amendments attached. **Representative Edmunson** seconded the motion. By voice vote the motion carried. **Representatives Eskridge, Rydalch and LeFavour** voted Nay.

ADJOURN: 4:06 p.m.

Representative Dick Harwood
Vice-Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Wednesday, March 2, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representative Ellsworth

GUESTS: See attached list

The meeting was called to order by **Chairman Raybould** at 2:35 p.m. **Representative Rydalch moved to approve the minutes of February 28, 2005. By voice vote the motion carried.**

John Kolts, Director of the Hydrogen Initiative at Idaho National Laboratory (INL) presented an overview of their hydrogen program. The four main areas of this program are Nuclear Hydrogen Production; Carbon Management; Department of Defense (DOD) Energy Programs and Transportation Technologies. Idaho's energy base consists of wind, solar and biomass since there are no other reserves of energy such as oil, gas or coal. **Mr. Kolts** stated that INL wants to establish a Western Energy Consortium to identify and utilize new technologies. Their goals are to make Idaho and INL the technology leader and the source for gasification of western coals; to retain and expand Idaho and the INL's lead in nuclear hydrogen development and deployment; to expand Idaho and the INL's role in hydrogen utilization infrastructure and to bring a national leading role to Idaho in carbon dioxide utilization. **Mr. Kolts** requested support from the Committee, Legislature and the State to reach their goals.

David Shropshire from the Idaho Carbon Sequestration Committee and INL spoke regarding their directives and role in Idaho's carbon sequestration program. The Committee was formed by Senate Bill 1379a and signed on March 27, 2002. The purpose and objective of the committee was to recommend policies or programs to enhance the ability of Idaho agricultural and non industrial private forest landowners to participate in a system of carbon trading and to develop carbon programs to optimize economic benefits to Idaho. **Mr. Shropshire** stated that a Carbon Sequestration Assessment Fund was established in the Treasury to be administered by the Soil Conservation Commission to carry out the purposes of the committee. The Big Sky Sequestration Partnership was formed with Idaho, Montana, Wyoming and South Dakota to identify and share technologies and practices of carbon sequestration. Agriculture and forestry carbon sequestration practices make sense because they provide near term benefits to the landowner. The INL is facilitating state efforts in carbon sequestration and development of future energy

systems.

Questions from the **Committee** were answered by **Mr. Kolts** and **Mr. Shropshire**.

ADJOURN: 4:10 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Tuesday, March 8, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30)

**ABSENT/
EXCUSED:** Representatives Edmunson, Snodgrass, LeFavour

GUESTS: See attached list

The meeting was called to order by **Chairman Raybould** at 1:34 p.m.

Representative Mathews moved to approve the minutes of March 2, 2005. By voice vote the motion carried.

Karl Tueller, Director, Office of Science and Technology presented information regarding the Idaho Small Business Innovation Research (SBIR) Initiative and the Small Business Technology Transfer (STTR) program. The primary objectives of these programs are to stimulate technological innovation in the private sector; to increase opportunities for small businesses to participate in federally-funded research and to encourage private sector commercialization of innovations derived from federally supported research and development efforts. The goal is to provide unified assistance to small businesses statewide in the amount of \$10 to \$15million by 2009.

Julie Howard, Office of Science and Technology informed the Committee about the Kick Start symposium to bring Idaho's entrepreneurial resources together in one place. **Ms. Howard** then presented information regarding the four core competencies that this department has put together regarding technology. Imaging would relate to printing, copying, digital photography, medical equipment, home entertainment systems, monitoring devices used in a variety of industries including agriculture, medical, security and defense. Power and Energy would include the pursuit of dependable, affordable and environmentally sound production and distribution of energy for the future. Ag/Bio Sciences would encompass the research, development and management of biologically based organisms and their ecosystems. In Nano Science and Materials, manipulating materials near the atomic/molecular level is critical to the material's purpose.

All of the above will help Idaho by promoting clusters of firms in related industries, branding Idaho as a Science and Technology state and creating industry networking and collaboration opportunities.

Questions from the Committee were answered by **Ms. Howard, Mr. Tueller and Jeff Viano**, also from the Office of Science and Technology.

ADJOURN: 2:14 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Thursday, March 10, 2005

TIME: 1:30 P.M.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith (30), LeFavour

**ABSENT/
EXCUSED:** None

GUESTS: See attached list

The meeting was called to order at 2:15 p.m. by Chairman Raybould.

MOTION: **Rep. Harwood** moved to **approve** the minutes of March 8, 2005, as written. **Motion carried on voice vote.**

Chairman Raybould welcomed **Jeff Perry**, Department of Energy, to speak to the committee about Phase II of the Accelerated Retrieval Project at the INL. Mr. Perry distributed a handout (see attached) which includes pictures of various stages of the retrieval project as well as illustrations and other information about the project. He noted that his presentation today will focus on two subjects, namely, the radioactive waste itself and the regulatory framework for conducting this project.

Mr. Perry gave a brief history of the work, saying that the facility first opened in 1952 for the purpose of disposing of radioactive waste. From 1954 to 1970, the facility received transuranic waste from bomb making operations. Of the 97-acre fenced area in the illustration 34 acres received some kind of waste, and of that 34 acres, 17 acres received some form of transuranic waste.

Mr. Perry said that the Department of Energy is recommending a Non-Time Critical Removal Action Process, which he characterized as a relatively simple process. He described the double-walled tent, with an outer and inner liner, equipped with HEPA filters. Two people work inside this tent, one excavator operator and one forklift operator. Both are equipped with pressurized, HEPA-filtered cabs, with a self-contained breathing system so they are breathing clean air at all times. The targeted waste is removed, put onto a tray, and taken to a drum packaging station; from there, it moves into an interim storage facility.

Mr. Perry stated that, based on past experience in retrieval of waste from Pit 9, they had learned how to identify specific types of waste by a visual inspection. Five specific types of waste have been identified: 741 sludge, 742 sludge, graphite, HEPA filters, and uranium. Mr. Perry said that by

removing these five specific wastes, they can remove short-term risk

drivers and two long-term risk drivers. The objective is not to remove all the waste; rather, the point is to remove those five main types, which will address 80% of the risk drivers. The method they are using is cost effective and enables them to dispose of the waste.

On pages 12 and 13, he pointed out photographs of different types of waste. The following pages of the handout contain pictures of the drum packaging station and the waste specialist observation station. Mr. Perry explained that in the drum packaging station, radioactive tests are conducted and two inspectors examine the waste while two others record everything in the tray. Part of the process is to keep a written record of what goes into each drum, after which the drums are sealed. The waste identification specialist observes the waste on a TV screen in an adjacent trailer, and is in constant communication with the excavator driver. Mr. Perry noted that two persons involved in processing waste at the Rocky Flats facility were brought to Idaho because they were highly qualified to determine types of waste. These two, in turn, have trained the rest of the identification specialists working on this project.

Mr. Perry laid out the schedule for the cleanup project, as listed on page 18 of the handout. He said they are ensuring that people are trained, all equipment is ready to operate, and all regulatory processes and procedures are in place. A certification audit will take place the last week of April, and he hopes they have authorization to ship waste by August 2005.

Mr. Perry addressed one of the frequent criticisms he hears, which is that they don't know what is in the waste pits and don't know the specific location of the waste. He said that the Department of Energy has created a "waste map" locating what waste is in particular areas. Their inventory records have validated that the actual location of specific waste has been found to be within +/- 30 feet of the identified location, which is considered very good, given the location methodology used in previous years.

Chairman Raybould asked Mr. Perry what part is played by the Idaho Department of Environmental Quality in the retrieval, permitting, or inspection of waste. Mr. Perry said that the Department of Energy has the authority and the autonomy to proceed without any other entity; they have, however, chosen to involve DEQ. He said further that both DEQ and the Environmental Protection Agency have been actively involved in the project, and that there is a high level of cooperation between DOE and DEQ.

In response to a committee question, Mr. Perry said that they are aware of the need to sample the material left behind after the cleanup of a site. Samples need to be taken from the soil underneath the waste zone to ensure its safety. He also said that some criticism has been received with regard to their being behind in their shipment schedule. However, he said that this project is light years ahead of any other project for shipping waste out of the state of Idaho.

Chairman Raybould thanked Mr. Perry for his presentation, and noted that he is happy to hear of the level of cooperation between DEQ and DOE on

this project.

Chairman Raybould announced that the committee will not meet at its next regularly-scheduled time, Monday, March 14, unless legislation is received from the Senate before that time.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 2:55 p.m.

Representative Dell Raybould
Chairman

Mary Lou Molitor
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Wednesday, March 16, 2005

TIME: 2:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Smylie, Eskridge, Rydalch, Anderson, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representatives Ellsworth, Edmunson, Snodgrass

GUESTS: See attached list.

The meeting was called to order by **Chairman Raybould** at 2:55 p.m. **Representative Rydalch moved to approve the minutes of March 10, 2005 as amended. By voice vote the motion carried.**

John Kotek, Department Manager from Idaho National Laboratory, Department of Energy, gave a brief overview of the vision for INL. They want this facility to be the preeminent internationally recognized nuclear energy research and development lab in the United States. **Mr. Kotek** introduced **Admiral John Grossenbacher** the new Director of INL. Admiral Grossenbacher introduced his staff in attendance. The challenge for nuclear energy is to create a technically achievable, economically viable and environmentally acceptable nuclear energy option for the nation that deserves and earns public confidence and trust. The INL strategy is to define and deliver the six critical attributes necessary to achieve their vision. The six attributes are: 1. Nuclear Programs - A robust portfolio of nuclear science and technology programs 2. Synergistic Programs - A synergistic portfolio of national and homeland security, energy and environmental programs 3. Science Base - A robust science base to attract the best staff and create a culture of scientific inquiry 4. Revitalize Education - A central role in revitalizing nuclear science and engineering education 5. Partner/Collaborate - Extensive national and international collaborations 6. Modern Infrastructure - Forefront research facilities, support infrastructure and management systems. **Admiral Grossenbacher** stated that INL is and will continue to be a major economic force for Idaho. INL provides a stable, growing community based business with top of the line jobs and supports communities in its efforts to maintain and enhance an attractive recruiting and retention environment. INL is undergoing a major transformation to an enduring, world-leading institution. Questions from the **Committee** were answered by **Admiral Grossenbacher**.

ADJOURN: 4:10 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Monday, March 28, 2005

TIME: 2:30 p.m. or upon adjournment

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Barraclough, Ellsworth, Edmunson, Snodgrass, Smylie, Eskridge, Rydalch, Bastian, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representative Anderson

GUESTS: See attached list

The meeting was called to order by **Chairman Raybould** at 4:20 p.m. **Representative Mathews moved to approve the minutes of March 16, 2005. By voice vote the motion carried.**

BILL #: S1192 **Representative Eskridge** introduced this bill as a “trailer bill” or amendment to House Bill 106. This legislation allows independent (non-utility) developers of renewable energy projects to request financing from the Idaho Energy Resources Authority. **Representative Bastian** moved that S1192 be reported out of Committee with a “do pass” recommendation. By voice vote the motion carried.

BILL #: S1220 **Representative Denney** introduced this bill. This legislation defines the responsibility of the Department of Environmental Quality (DEQ) to review and approve plans for sewer and water systems. **Ken Harward**, Executive Director of the Association of Idaho Cities, supports this cooperative effort between various agencies. DEQ will still be required to review plans for new sewage and water plants. Previously, the response time from DEQ has been too long with no time limitation. This bill addresses those issues and allows DEQ to stick to their assigned tasks. This bill gives 49 days for review of plans and records of the timing must be maintained. **Toni Hardesty**, Director of DEQ, spoke in support of this bill. She stated that this is a reasonable approach and also protects public health and the environment. **Representative Smylie** moved that S1220 be reported out of Committee with a “do pass” recommendation. By voice vote the motion carried.

BILL #: S1228 **Dick Rush**, representing the Idaho Association of Commerce & Industry, introduced this bill. This legislation adds to the definition of regulated air pollutant the authority for the Department of Environmental Quality to adopt and implement the permit to construct programs required of the Clean Air Act for major sources of hazardous air pollutants. This is a “trailer bill” to House Bill 230 and was required by the Environmental Protection Authority to give DEQ full authority to administer the program. **Martin Bauer**, from DEQ, stated that this correction was needed to make certain that Idaho law is not more stringent than Federal law. This allows

DEQ to meet the minimum Federal EPA regulations.

Representative LeFavour moved that S1228 be reported out of Committee with a “do pass” recommendation. By voice vote the motion carried.

Representatives Bastian and LeFavour will sponsor the bill on the House floor.

ADJOURN: 4:43 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Wednesday, March 30, 2005

TIME: 1:30 p.m.

PLACE: Room 406

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Ellsworth, Smylie, Eskridge, Anderson, Mathews, Smith(30), LeFavour

**ABSENT/
EXCUSED:** Representatives Barraclough, Edmunson, Snodgrass, Rydalch, Bastian

GUESTS: None

The meeting was called to order by **Chairman Raybould** at 1:40 p.m.
Representative Harwood moved to approve the minutes of March 28, 2005 and March 30, 2005. By voice vote the motion carried.

ADJOURN: 1:45 p.m.

Representative Dell Raybould
Chairman

Elfreda Higgins
Secretary