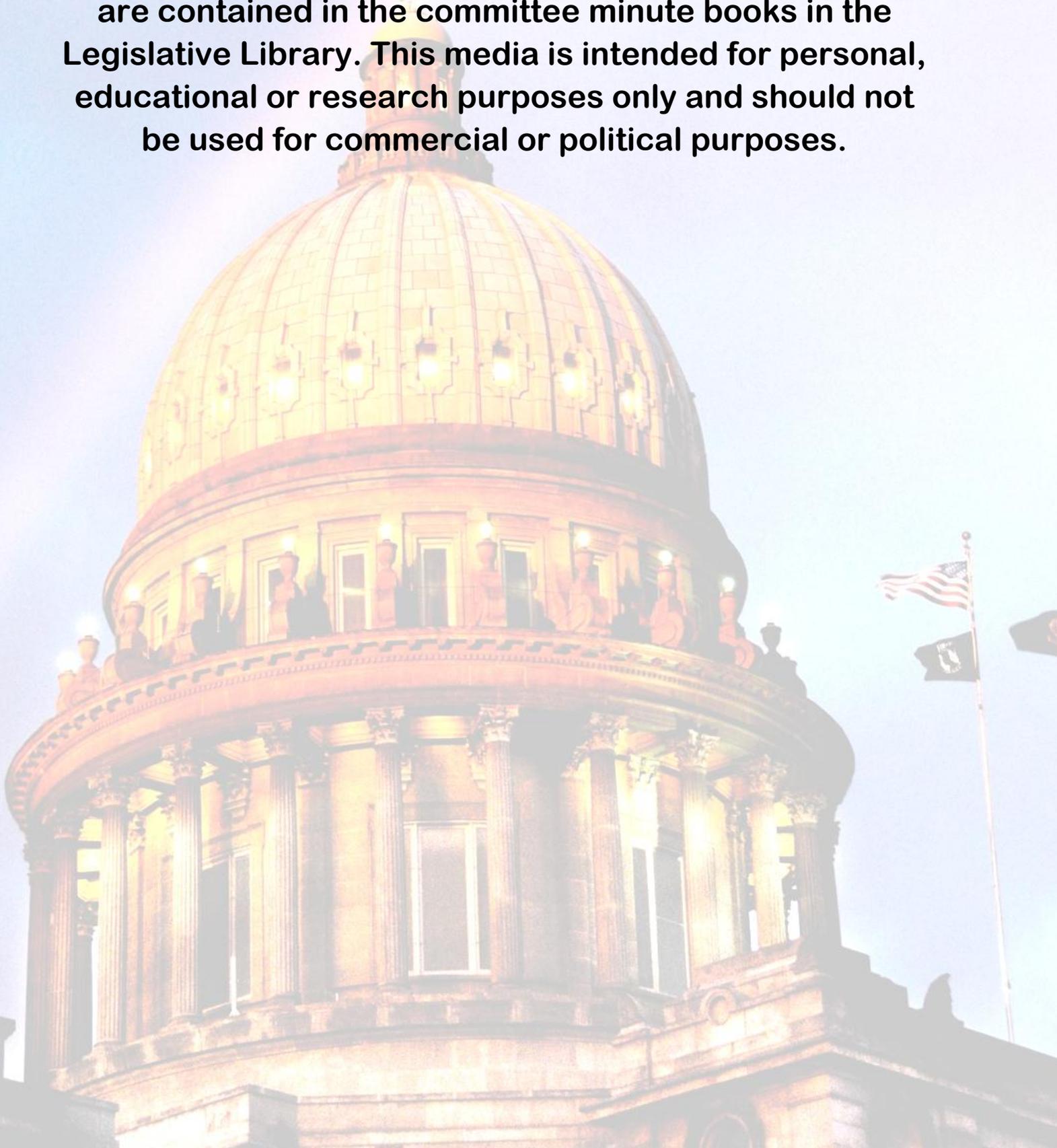


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# JFAC COMMITTEE MEETING MINUTES

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1/29/13

The hearing was held in Room C310, Statehouse, commencing at 8:00 a.m. and concluding at 10:47 a.m. with Chairman Bell presiding.

## **Roll Call:**

Senators: Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey

Representatives: Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Baron (for Miller), Youngblood, Ringo, King

Absent/Excused: None

Others Present: Michael Pearson & Sharon Keifer, Department of Fish & Game; Shelby Kerns, Division of Financial Management

Staff present: Houston

## **DEPARTMENT OF FISH AND GAME**

**Presenter: Virgil Moore, Director**

- ❖ Executive leadership
  - Introduced Staff
- ❖ Bureaus of Idaho Department of Fish and Game
  - Wildlife, Fisheries, Engineering, Administration, Communications, Enforcement, and Information Systems
- ❖ Regions/ commissioners
- ❖ FY 12 funding
  - No state general funds
  - All dedicated and federal funds
- ❖ FY 12 funding –non-game
  - Voluntary
  - Federal
- ❖ FY 12 funding, by function
  - Fisheries: \$33.2, 41%
  - Wildlife: \$18.2 million, 23%
  - Winter Feed/Habitat: \$2.6 million, 3%
  - Engineering,: \$0.9 million, 1%
  - Communications: \$3.5 Million, 4%
  - Enforcement: \$9.2 million, 12%
    - Total \$80.7 million
- ❖ Funding allows for direct service

- ❖ Perpetuation of Idaho's hunting and fishing tradition
  - Fish and game mentoring encourages youth to hunt
- ❖ Other projects
  - Deyo Reservoir
  - Springfield Hatchery
    - Saving the Sockeye: plan comes together
- ❖ Economic benefit
  - Fishing
    - Direct spending in Idaho due to fishing activities: \$421,491,000
  - Hunting
    - Direct spending in Idaho due to hunting activities: \$477,548,000
  - Over \$1.3 Billion in direct expenditures each year
- ❖ Resident cost to hunt and fish
  - Deer: \$32.50
  - Elk: \$43.50
  - Fish: \$26.00
- ❖ Resident license trend
- ❖ Non-resident deer/elk sales (includes license/tag/fees)
  - Deer: \$456.50
  - Elk: \$571.50
- ❖ Reduced fee license trends
  - Department response to educate the public
- ❖ Efficiencies
  - Proposed legislation allowing Idaho residents to buy a 3 year combo
- ❖ Idaho Wild Life Summit
- ❖ FY 13 supplemental requests (Governor's recommendation)
  - Boise headquarter roof replacement: \$50,000
  - Assist federal law enforcement: \$39,000
  - Fisheries projects: \$5,663,200
  - Wildlife projects: \$1,140,600
  - Education programs: \$1,094,300
  - Habitat surveys and improvement: \$218,600
    - Total supplementals: \$8,205,700
- ❖ FY 14 enhancements (Governor's recommendation)
  - Shooting range improvement: \$120,000
  - Fish screens and boating access: \$913,900
  - Wolf management: \$125,000
  - Native fish projects: \$2,069,000
  - Hatchery maintenance and production
    - One time: 1,079,900
    - On-going: \$582,400
  - Hunter and angler education: \$297,400
  - Big game management: \$353,300
  - Wildlife habitat projects: \$597,000
  - Fish habitat improvement (one time): \$865,000
  - Hydropower mitigation: \$752,200

- Conservation hatchery programs: \$367,700
- Fisheries coordination, implementation, and evaluation: \$836,500
- Habitat mitigation: \$190,200
- Regulation and data center operations: \$39,600
- Assist Federal law enforcement: \$39,000
- Manage Yellowstone grizzly: \$65,000
- Wetland restoration monitoring (one-time): \$58,900
- Regional office alterations and repair (one-time): \$90,800
- FY 14 Maintenance \$79,916,100
  - One- time items: \$3,223,500
  - On-going enhancements: \$6,219,500
    - Total FY 14 maintenance" \$89,359,500

## **IDAHO PUBLIC UTILITIES COMMISSION**

**Presenter: Paul Kjellander, Commission President**

- ❖ The commission was established 100 years ago by the 12<sup>th</sup> Session of the Idaho Legislature in 1913. Statutory authorities for the commission are set in Idaho Code titles 61 and 62
- ❖ The Public Utilities duties
  - Prevention of excess profits
  - Assurance of adequate earnings
  - Assurance of safe and reliable service
  - Establishing reasonable rates
- ❖ Regulatory compact: In return for the company's obligation to serve customers and be subject to regulatory oversight, the company is entitled to recover its prudently incurred investments and an opportunity to earn a rate of return on its prudently incurred investment
- ❖ The Commission regulates the following:
  - Regulates investor-owned electric, gas and water utilities.
  - It retains customer service and universal service fund jurisdiction over telephone companies, but large telecoms are not price regulated. Price regulation only for small, rural telephone companies
- ❖ The Commission does not regulate public utilities owned by cities, rural cooperatives, water districts, homeowner associations or cable television
- ❖ Governor appoints members of three-member commission and Senate confirms. Commissioners serve six-year terms
- ❖ Commissioner current commissioners
  - Paul Kjellander, Marsha Smith, and Mack Redford
- ❖ Currently there are 49 FTE plus five Deputy Attorneys General
- ❖ Commission Budget
  - PUC is a dedicated fund agency

- Operations are funded by annual assessment of not more than 0.3 percent on utility intrastate revenues and 1 percent on railroad intrastate revenues
- ❖ The FY 2013 utility assessment was 0.23 percent and railroad assessment was 0.9994 percent
- ❖ FY 2014 Governor's recommendation: \$5,491,400
- ❖ Pipeline Safety Inspector
  - Request for one additional FTE in pipeline safety program to comply with federal requirements and meet PUC mission to, "ensure the safe operation of pipelines in the state."
  - Heightened scrutiny of state programs from the Federal Pipeline and Hazardous Material Safety Administration (PHMSA)
    - Resulting in a report for Idaho that says the state is under-manned regarding inspectors in the field.
  - Idaho PUC currently has two part-time pipeline inspectors totaling 1.15 FTE
    - PHMSA says Idaho program should have 2.2 FTE's
  - 70 percent of new FTEs is funded by a federal grant
    - Remaining \$34,400 cost to PUC (\$23,700 in recurring cost and \$10,700 in on-time costs) will come from the dedicated assessment on regulated utilities
  - One-time costs for computer and office equipment and new FTE vehicle
  - PUC program oversees pipeline systems for Avista Gas, Intermountain Gas and Quest Gas

## **OFFICE OF THE GOVERNOR – Office of Energy Resources**

**Presenter: John Chatburn, Interim Administrator**

- ❖ Executive Order 2012-08
  - Continues the Office of Energy Resources
  - Coordinate energy planning and policy development in Idaho
  - Coordinate the state's comments on all federal energy policy issues and documents
  - Serve as Idaho's clearinghouse for energy information
  - Represent Idaho in Regional and National Energy Policy Forums and Processes
  - Administer Loan & Financial Assistance program
  - Coordinate the Idaho Strategic Energy Alliance
- ❖ American Recovery and Reinvestment Act update (ARRA)
  - Projects completed
    - City and counties \$7.1 million
    - Borah Building energy efficiency retrofit: \$617,800
    - Renewable Energy Enterprise Zones: \$1.2 million
    - LED manufacturing demo project: \$5 million

- Solar Panels for Schools: \$2.75 million
- Energy Assurance: \$339,800
- Appliance Rebate: \$1.37 million
- Industries of the Future: \$350,000
- Projects in final phase
  - Energy Efficiency for K-12 schools: \$17 million
  - Building Energy Code Implementation: \$500,000
  - Closeout monitoring and reporting requirements will be finalized with the October 2013 reporting cycle, per ARRA and DOE guidance
- ❖ Low interest Energy Efficiency & Renewable Energy Loan Program
  - Loans to home owners, businesses, and agriculture
  - Loan terms: 4% interest and 5 year repayment period
  - Currently open loans balance: \$532,700
- ❖ FY 2014 Governor's recommended budget
  - Maintenance of current operation for ongoing revenue sources (including federal grants)
  - FY 2014 staffing level includes 10 FTE's
    - Reduction for 18 FTE in FY 2012
    - Currently have 2 positions being held vacant
  - ARRA funding carry-forward request for any unobligated funds from FY 2013 into FY 2014 in order to finish ARRA reporting requirements in FY 2014
- ❖ Organizational chart
- ❖ Current major activities
  - Cooperating agency for Idaho
    - Gateway East Transmission Line Project
    - Hooper Springs Transmission Line Project
    - Boardman to Hemingway Transmission Line

## **DEPARTMENT OF WATER RESOURCES**

**Presenter: Gary Spackman, Director**

- ❖ FY 2014 Governor's recommendation by fund
 

○ General fund	\$11,231,400
○ Indirect	595,000
○ Aquifer Planning & Management	2,757,100
○ Fee	1,757,700
○ Snake River Basin Adjudication	35,000
○ Northern Idaho Adjudication	106,800
○ Federal	3,593,700
○ Miscellaneous revenue	<u>1,230,100</u>
• Total recommendation	\$21,316,880
- ❖ Supplemental recommendations

- \$400,000 in Water Administration Account to pay increased activity in Idaho Water Resource Board's Water Supply Bank
  - Spending authority for operating expenses is currently \$218,900
  - Total spending authority would increase to \$618,900
- \$35,000 in Snake River Basin Adjudication Account for personnel costs
- ❖ Decision units in recommendation
  - \$716,000 transfer to the Secondary Aquifer Planning, Management and implementation fund to assist with implementing the Eastern Snake Plain Comprehensive Aquifer Management plan
  - Legislative intent for the Northern Adjudication program
- ❖ FY 2012- FY 2013 specific appropriation of \$25,000 will be returned to the General Fund unspent

**Snake River Basin Adjudication;**  
**Coeur d'Alene-Spokane River Basin Adjudication**

**Presenter: Honorable Eric J. Wildman, Presiding Judge**

- ❖ Status of the Snake River Adjudication (SRBA)
  - As of January 2012
    - 1,815 decreed
    - 151,020 submitted awaiting decree
  - As of January 2013
    - 448 decreed
    - 158,080 submitted awaiting decree
- ❖ SRBA settlement progress for irrigation and other rights
  - Concluded proceedings and finalized form and content of final Unified Decree
  - Closed all basins to the filing of further late claims except deferrable domestic and stockwater claims
  - Majority of trials for remaining contested cases are scheduled for this spring
  - Preparing exhibits to Final Unified Decree (250,000-300,000 pages) and preparing files for archiving
- ❖ Update on the Coeur d'Alene-Spokane Adjudication (CSRBA)
  - 13,000 state law claims originally projected
  - Deadline for federal tribal claims is December 2013
  - January 2013 claims summary

**Presenter: Roger Chase, Chairman, Water Resources Board**

- ❖ State Water Plan
- ❖ Adopted by Water Board November 28, 2012
- ❖ Will be conserved by the 2013 Legislature for approval

- ❖ For the first time it includes strategies and milestones for executing management policies and to evaluate their effectiveness
- ❖ Water Board loan:
  - Gate replacement at Payette Lake Dam
  - Gravity-pressure pipelines at Preston-Whitney Consolidated Canal Company
- ❖ Project financing: ESPA Ground Water Districts purchase of trout farms in Thousand Springs
  - Thousand Springs discharge and Eastern Snake River Plain Aquifer cumulative storage change
- ❖ Eastern Snake Plain Aquifer Management Plan (ESPA) Ground Water Districts purchase of trout farms in Thousand Springs
- ❖ ESPA aquifer management – recharge projects
- ❖ Upper Salmon River Basin
  - Seek to avoid conflicts between water use for agriculture and water needs for ESA-listed fish species
- ❖ Drilling operations at Weiser Galloway Dam
- ❖ Arrowrock Dam on the Boise river
  - Additional water storage
  - Partnership with Corps of Engineers
  - Flood control and future water supply
- ❖ Rathdrum Prairie Aquifer Comprehensive Aquifer Management plan
  - Approved by 2012 Legislature
  - Establishers strategies to preserve Idaho's ability to manage its water resources for Idaho' needs and future economic growth, within an aquifer that is shared between two states
- ❖ Aquifer Planning & Management Fund
  - Comprehensive aquifer management planning
  - ESPA monitoring
  - ESPA modeling – ESPAM V2
  - Rathdrum CAMP studies (future water needs, etc)
  - Treasure Valley CAMP studies
  - Treasure valley aquifer investigations & ground water model
  - New priority – Wood River Basin Ground Water Model

**Presenter: Gary Spackman, Director, Department of Water Resources**

- ❖ Active transfer applications
- ❖ Reassignment of staff for Water Rights Licensing
- ❖ Active permits with proof submitted
- ❖ WSB pending lease applications
- ❖ WSB pending rental application
- ❖ Water supply bank rental revenue
- ❖ Pending water rights ownership change notices
- ❖ Technical Services Bureau accomplishments 2012

- Completion of a new version of the Eastern Snake Plain Aquifer ground water model
- 7 new irrigation return flow monitoring stations
- 5 new spring discharge gauges
- ❖ Cooperation with the Shoshone Bannock Tribes and Idaho Power company on monitoring and water resource evaluation initiatives
- ❖ New sites with continuous monitoring equipment

**ADJOURNED**

Maxine Bell, Chairman

Kathryn Yost, Secretary