

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Tuesday, January 08, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Organizational Meeting	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Jean Vance
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Phone: 332-1128
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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, January 08, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:**

GUESTS: Dan Olberding, Idaho Grain Producers

Chairman Raybould called the meeting to order at 1:30 p.m.

Chairman Raybould welcomed the legislators and requested an introduction from the committee members. Chairman Raybould introduced Legislative Attaches Jean Vance and Brady Gaschler to the committee.

Chairman Raybould instructed the committee on internet search and review of administrative rules. A discussion on protocol addressing rules was held. Chairman Raybould also reminded legislators to bring their laptop computers to meetings throughout the 2013 Legislative Session.

Chairman Raybould received questions regarding legislation and reports to come before the committee during the current session. Those present speculated on the possibilities.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:06 p.m.

Representative Raybould
Chair

Jean Vance
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Monday, January 14, 2013

SUBJECT	DESCRIPTION	PRESENTER
Docket No.	Rules Discussion	Dennis Stevenson, Administrative Rules Coordinator
	Department of Environmental Quality Administrative Rules:	
<u>58-0123-1201</u>	Administrative Procedure Before the Board of Environmental Quality	Doug Conde
<u>58-0105-1201</u>	Standards for Hazardous Waste	Orville Green
<u>58-0108-1101</u>	Public Drinking Water Systems	Barry Burnell
<u>58-0101-1201</u>	Control of Air Pollution in Idaho	Tiffany Floyd
<u>58-0101-1202</u>	Control of Air Pollution in Idaho	Tiffany Floyd
<u>58-0101-1203</u>	Control of Air Pollution in Idaho	Tiffany Floyd

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Monday, January 14, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** None.

GUESTS: Roxana Eixenburger, Intern with Rep. Sue Chew; Doug Conde, Deputy Attorney General; Curt Fransen, Director of the Idaho Department of Environmental Quality (IDEQ); Orville Green, Mike Simon, Tiffany Floyd, Barry Burnell, and Paula Wilson IDEQ; Neil Colwell, Avista Corp; Dennis Stevenson, Administrative Rules Coordinator; Natalie Stoker, Amanda Garrity, Ashley Porter, Alice Cannon, Kendall Armstrong, Kristine Fielding, Courtney Frost, Paisley Worthington, and Pamela Dell, American Heart Association, Idaho Youth Lobby

Chairman Raybould called the meeting to order at 1:29 p.m.

MOTION: **Rep. Smith** made a motion to approve the minutes of the January 8, 2013. **Motion carried by voice vote.**

Dennis Stevenson, Administrative Rules Coordinator, explained the process for approval and rejection of Administrative Rules. Responding to questions from the committee, Mr. Stevenson cautioned the committee on "word-smithing" or inserting alterations which may change the intent of the rule. He said it was the responsibility of the committee to approve or reject, not to change.

Curt Frandsen, Director of the Idaho Department of Environmental Quality, introduced the members of his staff who would introduce the changes to the rules for 2013. He said that all the changes to the rules were in compliance to federal requirements and explained the process of incorporation of rules by reference.

DOCKET NO. 58-0123-1201: **Doug Conde**, Deputy Attorney General and legal advisor to the Idaho Department of Environmental Quality (IDEQ), presented **Docket No. 58-0123-1201** to the committee. He explained that in the 2012 Legislative Session, the Idaho Administrative Procedures Act (APA) was changed to require all agencies to conduct negotiated rulemaking, if it was feasible to do so. He said that the APA process of rulemaking had long been followed by the IDEQ; however, the changes were made to ensure the rules were consistent to 2012 legislative law.

Members of the committee raised questions regarding negotiated rulemaking, public notification, public comment and individual participation. **Mr. Conde** said that the new language in **Docket No. 58-0123-1201, Sections 811, 814, and 830** had not changed the level of transparency and that individuals access to the public process was the same.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 58-0123-1201.**

Committee discussion continued in regard to primacy over federal law and in regard to which governmental levels were more receptive to state generated concerns. It was explained that state government cannot change federal law and that state agencies are more likely to understand the problems faced by the State of Idaho.

VOTE ON MOTION: **Rep. Raybould** presented the motion to the committee. **Motion carried by voice vote.**

**DOCKET NO.
58-0105-1201:**

Orville Green, IDEQ, presented **Docket No. 58-0105-1201** to the committee. He explained that the rulemaking information which he would deliver was part of a routine, annual procedure that IDEQ performs to satisfy the consistency and stringency requirements of the Idaho Hazardous Waste Management Act. He also explained that the public participation process had been completed and that the rule change would generate no increased costs. Three regulations from the Federal Register were proposed for adoption by reference. They are: (1) revising the rule to include best demonstrated available technologies as additional treatment standards where numerical standards are difficult to ascertain by analysis, (2) changing the manifest form requirement from red ink to accept distinct ink color or another distinguishing method, and (3) changing a typographical error in an organic hazard waste listing.

MOTION:

Rep. Morse made a motion to approve **Docket No. 58-0105-1201**. **Motion carried by voice vote.**

**DOCKET NO.
58-0108-1101:**

Barry Burnell, IDEQ, presented **Docket No. 58-0108-1101** to the committee. He explained that the rule change complies with **S 1220**, which was passed by the 2005 Legislature, directing IDEQ to include the engineering design standards in the drinking water rules. **Mr. Brunell** stated that the new water treatment technologies of membrane filtration and ultra violet disinfection were also included. In addition, the rule modified the pilot testing of treatment systems and reorganized the preliminary engineering reports section.

Mr. Brunell stated that the public participation process was successful and that suggestions from the public were incorporated into the proposed rule. There was no increase or additional estimated cost to the regulated community as a result of the proposed changes. He said that the rule clarifies the drafting of preliminary engineering reports and the development of pilot studies.

Members of the committee were concerned with the time frame for repairing or replacing a failed backflow assembly and the risk to the public. **Mr. Brunell** explained that prior to the proposed rule there had been no time limit for repairs and that the 10 working-day limit for reparation may not be optimal but was far more suitable than the prior rule.

Rep. DeMordaunt declared Rule 38 stating that he was a manager of a community water system. He said that **Section 501.04, paragraph f**, entitled: Redundancy, was a concern because water systems for small communities of 15 homes or 25 people were included and may be overly impacted economically.

Mr. Brunell said that the rule was not retroactive and that redundancy was part of Idaho's public water systems. He also stated that smaller systems do not need a fire flow.

Answering additional questions from the committee regarding compliance and mechanisms for variances for naturally mineralized water pollutants in areas such as North Idaho, **Mr. Brunell** stated that of the 2,000 water systems in Idaho, 90 percent are compliant. He also stated that there were waivers for testing. He added that Twin Falls was able to solve their arsenic pollution by blending water sources and that some "under the sink" applications were successful for removal of contaminants. In response to a question referencing blue-green algae bloom, he said that it can be lethal to pets but with respect to surface water, it was managed by public water systems.

MOTION:

Rep. DeMordaunt made a motion to approve **Docket No. 58-0108-1101** with the exception of **Section 501.04, paragraph f**. He argued that the broad application could be a difficult economic impact for small water organizations.

Rep. Anderson (1) declared Rule 38 stating that he was a director of a water district. Further committee discussion concerning the origin of the rule, it's stringency in comparison to federal law, and the true representation of smaller community water districts during the public comment.

Chairman Raybould informed the committee that the IDEQ members were scheduled in the Senate at 3:00 p.m. After verification as to the availability of **Barry Burnell** and **Tiffany Floyd**, IDEQ, for Wednesday, January 16th, Chairman Raybould informed the committee that the motion would remain before the committee on Wednesday, January 16, 2013.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:02 p.m.

Representative Raybould
Chair

Jean Vance
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Wednesday, January 16, 2013

SUBJECT	DESCRIPTION	PRESENTER
Docket No.	Idaho Department of Environmental Quality Administrative Rules:	
58-0108-1101	Public Drinking Water Systems	Barry Burnell
58-0101-1201	Control of Air Pollution in Idaho	Tiffany Floyd
58-0101-1202	Control of Air Pollution in Idaho	Tiffany Floyd
58-0101-1203	Control of Air Pollution in Idaho	Tiffany Floyd

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COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, January 16, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** None.

GUESTS: Director Curt Frandsen, Tiffany Floyd, Mike Simon, Doug Conde, Barry Burnell, and Paula Wilson, Idaho Department of Environmental Quality (IDEQ); Brenda Tominaga, Idaho Water Policy Group, Inc.; Dennis Stevenson, Administrative Rules Coordinator; John Eaton, Idaho Association of Realtors; Kent Lauer, Idaho Farm Bureau; Roxana Exenberger, Intern with Rep. Sue Chew; Dale Atkinson, citizen.

Chairman Raybould called the meeting to order at 1:31 p.m.

MOTION: **Rep. Thompson** made a motion to approve the minutes of the January 14, 2013, meeting. **Motion carried by voice vote.**

Chairman Raybould reminded the committee that there was a motion to approve **Docket No. 58-0108-1101** with the exception of **Section 501.04, paragraph f.** before the committee.

**VOTE ON
MOTION:** **Motion carried by voice vote.**

**DOCKET NO.
58-0101-1201:** **Tiffany Floyd**, IDEQ, presented **Docket No. 58-0101-1201** to the committee. She explained that the proposed rule included: (1) revisions to update three air quality definitions, (2) language clarifications in the Permit to Construct exemption criteria, and (3) corrections to typographical errors in the Toxic Air Pollutant Increment Rules. She said that the language supervising nonmetallic mineral processing plants, in particularly rock crushers, had been streamlined. She said that industry representatives participated during the public participation meeting. She noted that public comment was incorporated into the rulemaking and that no increased costs would be imposed upon the regulated community.

The committee questioned the involvement of small, topsoil screening operations being subject to regulation, the myriad of rules that may provide a level of government where government need not be, and the addition of stringency.

Ms. Floyd said that the language was to help clarify, for the regulated community, where compliance is necessary. She deferred to **Mike Simon**, IDEQ, who explained that only fixed plants were subject to regulation. He added that if the operation was not fixed, it would still have to follow "best practices."

Regarding additional questions from the committee, **Mr. Simon** said that agricultural operations were exempt from this rule and that if an operation was an underground mine or did not have a rock crusher nor a grinding mill, the regulation would not apply. He said that Micron, Clearwater, and Simplot were the industries mainly involved in public participation. To a question from the committee regarding the public comment received from sand and gravel companies, or the mining industry, Mr. Simon said they had received no comment.

Rep. DeMordaunt requested that in reference to **Docket No. 58-0101-1201, Section 792 paragraph 02, Facilities Not Applicable to 40 CFR, page 51 of Pending Rules**, it be recorded that **Mr. Simon**, IDEQ, said that small, portable screening operations were exempt.

Issues regarding the inability to view the federal regulations being given primacy over the paragraphs being stricken from **Docket No. 58-0101-1201**, prompted members of the committee to question the exact content of the proposed rule on which they were being asked to vote.

Director Curt Frandsen, IDEQ was called upon to clarify the definition of negotiated rulemaking and what was truly negotiable when federal rules were in place. He said that the National Environmental Protection Agency makes the rules and the courts interpret them. He explained that once the federal rule is in place, the margin for state negotiation can be very narrow. He added that trade organizations working on a national level can generate more latitude.

To a question from the committee regarding the regulation of noise from rock crushers, **Mr. Simon** said that noise is regulated at the local level.

MOTION:

Rep. Trujillo made a motion to approve **Docket No. 58-0101-1201**.

**ROLL CALL
VOTE:**

Chairman Raybould requested a roll call vote. **Motion failed by a vote of 8 AYE and 9 NAY. Voting in favor of the motion: Reps. Eskridge, Anderson (1), Anderson (31) Trujillo, Smith, Rusche, Woodings, and Raybould. Voting in opposition to the motion : Reps. Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderst, Mendive, Monks, and Morse.**

**DOCKET NO.
58-0101-1202:**

Tiffany Floyd, IDEQ, presented **Docket No. 58-0101-1202** to the committee. She explained that the rule would allow citizens to have their vehicles repaired at the same business where it was emissions tested. The rule change would also decrease the regulatory burden of the program by allowing for the issuance of extensions in appropriate circumstances such as military personnel or others temporarily outside the United States. She said IDEQ determined that a negotiated rulemaking was not feasible due to the simple nature of the rule and that there were no increased costs for the regulated community.

Concerns were raised by the committee pertaining to portable emissions testing stations becoming fraudulent repair stations; and, loss of privileges facing the noncompliant because they were not within the United States, but had left vehicles in storage.

Dennis Stevenson, Administrative Rules Coordinator, was asked to clarify for the committee the possibility of rejecting an entire rule, in addition to the proposed changes from IDEQ. He said that they could reject the entire rule.

Chair Raybould asked **Director Frandsen** (IDEQ) if he would yield for questions.

Director Curt Frandsen (IDEQ) explained that the rules before the committee represented three years of public input. He said citizens had contacted the agency to make the changes. He also explained the ability of the agency to computer check and/or audit the emissions stations and the auto garages, thus making fraudulent activity less likely. He clarified the vehicle registration extensions explaining several methods of approaching the process without incurring fines or loss of vehicle registration.

In response to a question from the committee, **Ms. Floyd** said that the docket was not necessarily a rule of the Clean Air Act.

Rep. Nielson requested the record show that emissions testing remained mandatory only in Ada and Canyon counties and that the boundaries had not changed in order to be in compliance with federal and state clean air regulations.

MOTION: **Rep. Monks** made a motion to approve **Docket No. 58-0101-1202. Motion carried by voice vote. Reps. Hartgen and Nielsen** requested to be recorded as voting **NAY**.

DOCKET NO. 58-0101-1203: **Tiffany Floyd**, IDEQ, presented **Docket No. 58-0101-1203** to the committee. She explained that the purpose of the rulemaking was the routine annual incorporation by reference citation in Section 107 to ensure rules were consistent with federal regulations revised as of July 1, 2012. In addition the rule updated the definition of Major Facility by adding the major source thresholds for greenhouse gases for consistency. She said a public comment period and hearing were held and that there was to be no increased costs for the regulated community.

Responding to questions from the committee, **Director Curt Frandsen**, said that although the state is not in noncompliance or non-attainment, it could easily change simply by a change in weather patterns.

MOTION: **Rep. Morse** made a motion to approve **Docket No. 58-0101-1203. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:16 p.m.

Representative Raybould
Chair

Jean Vance
Secretary

AMENDED AGENDA #4
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Tuesday, January 22, 2013

SUBJECT	DESCRIPTION	PRESENTER
<u>RS21787</u>	Concurrent Resolution Commemorating the Creation of Madison County	Chairman Dell Raybould
<u>RS21694</u>	Ratifying and Approving the State Water Plan	Clive Strong, Deputy Attorney General
<u>RS21609</u>	Wood and Mill Yard Debris	Orville Green, Waste Management Division, Idaho Department of Environmental Quality (IDEQ)
Docket No.	Idaho Department of Environmental Quality Administrative Rules:	
<u>Docket No. 58-0101-1201</u>	Incorporation of Federal Rules by Reference (Review)	Director Curt Frandsen, (IDEQ)

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, January 22, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

ABSENT/EXCUSED: None.

GUESTS: Director Curt Frandsen, Paula Wilson, Orville Green, Mike Simon, Tiffany Floyd, and Dean Ehlert, Idaho Department of Environmental Quality (IDEQ); Brenda Tominaga, Idaho Ground Water Appropriators; Clive Strong, Harriet Hensley and Lisa Carlson, Idaho Attorney General's Office; Brad Hunt, Office of Autism Research Coordination; John J. Williams, Bonneville Power Administration; Raeleen Welton, Westerberg & Associates; Jack Lyman, Idaho Mining Association.

Chairman Raybould called the meeting to order at 1:29 p.m.

MOTION: **Rep. Smith** made a motion to approve the minutes of the January 16, 2013 meeting. **Motion carried by voice vote.**

RS 21787: **Rep. Raybould** presented **RS 21787**, the Concurrent Resolution to commemorate the 100th Anniversary of the creation of Madison County.

MOTION: **Rep. Nielsen** made a motion to introduce **RS 21787**. **Motion carried by voice vote.**

RS 21694: **Clive Strong**, Deputy Attorney General, presented **RS 21694** to the committee. He explained that the legislation would grant approval of the Comprehensive Idaho State Water Plan which had been in review for the past six years and had not been given legislative approval since the 1997 Legislative Session. He said there had been changes in water practices that needed to be reflected in an updated plan.

In response to questions from the committee regarding water rights adjudication, **Mr. Strong** said that adjudication proceedings throughout the newly formed Salmon/Clearwater Basin were nearly completed and that the manifested use had not changed. He also said the new basin was in conformity to the re-adjudication process which has been ongoing throughout the state.

To questions from the committee concerning interstate aquifers and shared water management, **Mr. Strong** stated that Idaho followed the Supreme Court decisions and the agreements made in interstate compacts. In addition, he stated that the State of Idaho was extremely vigilant in guarding its water.

MOTION: **Rep. Woodings** made a motion to introduce **RS 21694**. **Motion carried by voice vote.**

Chairman Raybould turned the gavel over to **Vice Chairman Eskridge**.

RS 21609: **Orville Green**, Waste Management Division, IDEQ, presented **RS 21609** to the committee. He explained that the legislation changed the Wood and Mill Yard Debris Committee meetings to an as-needed basis upon written request to the IDEQ, and not the two meetings a year which were currently directed by statute.

In response to a comment from the committee, indicating that an actual savings to the IDEQ would occur if the legislation were adopted, rather than having no fiscal impact as was stated in the Statement of Purpose, **Mr. Green**, agreed.

MOTION: **Rep. Anderson(1)** made a motion to introduce **RS 21609. Motion carried by voice vote.**

DOCKET NO. 58-0101-1201: **Director Curt Frandsen**, IDEQ, introduced staff members Tiffany Floyd, Mike Simon, and Attorney Lisa Carlson to the committee. He indicated that the IDEQ had additional data to clarify concerns on **Docket No. 58-0101-1201.**

Tiffany Floyd guided the committee through the preliminary draft rule process. She cleared up a statement that had been given in the previous committee meeting, saying that Simplot Inc., was the only industry that had responded during the public participation. She concentrated her presentation on the sections of the rule where language had been updated and where incorporation of federal rule by reference had taken place. She also noted that in one outdated section, the language had been stricken but that no federal rule existed, leaving no governing rule in either state nor federal statute.

In response to a question from the committee regarding screening operations, **Ms. Floyd** directed the committee members to read from Section 792.01 Applicability and Designation of Affected Facility; also, Section 792.02 Facilities Not Applicable to 40 CFR.

Rep. Morse invoked Rule 38 stating a possible conflict of interest. He has an owner/tenant relationship with IDEQ in his district, but said he would be voting on the legislation.

MOTION: **Rep. Trujillo** made a motion to approve **Docket No. 58-0101-1201.**

In response to a question from the committee as to the need for a motion to reconsider, **Chairman Raybould** explained that since the rule had been previously before the committee and a motion had failed, and since the IDEQ had been invited to review the rule, a simple motion was in order.

VOTE: **Motion carried by voice vote.**

Vice Chairman Eskridge turned the gavel over to **Chairman Raybould.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:32 p.m.

Representative Raybould
Chair

Jean Vance
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Thursday, January 24, 2013

SUBJECT	DESCRIPTION	PRESENTER
	<u>Broadband Initiatives:</u>	
	LinkIDAHO	
	- Mike Field, State Broadband Coordinator	
	Libraries	
	-Gens Johnson, Idaho Commission on Libraries	
	Healthcare	
	-La Donna Larson, Coordinator, State Health Information Technology	
	Business	
	-Christine Frei, Director, Clearwater Economic Development Association	
	Education	
	-Brady Kraft, Technical Director, Idaho Education Network	
	Public Safety	
	-Robert Hugi, Public Safety Communications, Bureau of Homeland Security	

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COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, January 24, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Reps. Anderson(31) and Nielsen

GUESTS: Jaime Hansen Idaho Nonprofit Center; Gens Johnson, Idaho Commission on Libraries; LaDonna Larson, Department of Health and Welfare; Erinn Cruz, University of Idaho, Office of Community Partnerships; Robert Hugi, Public Safety Communications; Vickie Winkel, Idaho Rural Partnership; Bill Farnsworth, Department of Administration; Mike Field, LinkIDAHO; Brady Kraft, Julie Best, and Kristin Magruder, Idaho Education Network

Chairman Raybould called the meeting to order at 1:30 p.m.

MOTION: **Rep. Smith** made a motion to approve the minutes of January 22, 2013.

Mike Field, LinkIDAHO and State Broadband Coordinator, explained the vision of LinkIDAHO. He said LinkIDAHO remains neutral as to providers and type of technology, be it copper, fiber, cable or wireless. Their goal was to remove barriers to broadband accessibility and utilization while identifying the gaps. They encourage broadband investments that will result in better jobs and business opportunities, expanded access to health care, education, public safety and government. He said that their accomplishments included: broadband assessments, mapping, stakeholder interviews, and consumer surveys. This identification process was instrumental in development of a regional broadband investment plan, and a state broadband framework and implementation plan. He also emphasized the collaborative nature of the Broadband Advisory Team as well as their desire to interact and inform policy makers and the general public.

Gens Johnson, Idaho Commission on Libraries (ICL), explained that while the stimulus-funded Broadband Technology Opportunity Grant had expanded free access to broadband resources, increased bandwidth, purchased computers, expanded internal networking and filtering, it was one-time money. She said that the targeted populations for grant assistance were the rural, the young, the non-English speakers, the jobless and the underemployed. The ICL goal is to connect Idahoans with purposeful Internet plus address sustainability. Ms. Johnson related the success of connecting 55 of the most rural and remote libraries in Idaho. She noted that each library has it's own contract with a private Internet service provider but that each library applies for E-Rate support, which typically pays 80% of the bill.

Ms. Johnson said other successes centered around the educational courses and tests that were administered online. Over 20,000 participants improved skills and/or secured jobs as a result of the newly provided opportunities. She said challenges, besides keeping the broadband available, are teaching Internet skills; and, keeping libraries operational during the hours of highest demand. She also wanted the collaboration to continue.

LaDonna Larson, Coordinator, State Health Information Technology (HIT) explained that HIT is a framework to describe the comprehensive management of health information across computerized systems and its secure exchange. The goal of the Washington-Idaho Region is to improve patient care and improve the health care system. The HIT priority for broadband is in electronic prescribing which Ms. Larson stated, would reduce drug abuse and assist in electronic health record (EHR) adoption. She said Medicare and Medicaid encourage EHR adoption and all of Idaho's hospitals plan to implement an EHR. HIT is currently working with 700 Idaho providers. She also explained that the Idaho Health Data Exchange is growing with over 1,000 users, over 1.5 million patients, and more than 2 million requests to view patient information last year. She noted that a new functionality was the use of virtual image exchange.

Ms. Larson said that the telehealth being used in St. Mary's Hospital in Cottonwood and Clearwater Hospital in Orofino include: telepsychiatry, which is covered by Medicaid; telecardiology; telemergency care; and teledermatology. She said telepharmacy efforts were underway in other areas. She targeted reliability; insufficient bandwidth capacity and latency in remote areas; lack of cell and cell data service; and affordability as challenges for implementation of HIT.

Christine Frei, Director, Clearwater Economic Development Association, presented her report via telephone. She explained that economic development and the business sector were dependent upon broadband for research, marketing, transferring money, and getting quotes and submitting bids. She also listed the providing of training and the hosting of meetings in remote areas as necessities for economic growth and sustainability. She agreed that the same "remote area" challenges exist for economic development as exist for other team sectors.

Brady Kraft, Technical Director, Idaho Education Network (IEN) explained that the network was created in statute in 2009. He said the IEN connects 132 districts and charter schools serving 215 high schools, 86,101 students, plus some colleges and universities and Internet 2. He indicated that in Idaho, the 7th most rural state in the nation, half of the counties have less than 10 people per square mile and most of the communities are separated by 80 recognized mountain ranges. From a major study done of Idaho schools, it was shown that 9.2 percent have less than 100 students; 24.8% have less than 200 students; and, 64 percent have less than 400 students. He added that of the required subjects necessary, school size and state allocation of funds made it impossible to have enough teachers to teach those requirements. From June 2010 until the fall semester of this year, the IEN has made it possible for students not only to receive instructions in all required subjects, but in addition, some students are dually enrolled in college courses. In addition, he stated that the usage has increased from 500 to over 3500 megabytes.

Robert Hugi, Public Safety Communications, Bureau of Homeland Security, explained that the vision of the 2008 National Emergency Communication Plan was to ensure operability, inter-operability, and continuity of communications to allow emergency responders to communicate as needed, on demand, and as authorized at all levels of government and across all disciplines. He added that the Class Tax Relief and Job Creation Act of 2012 created First Net Authority, a first responder network that must consult with state, local, regional and tribal jurisdictions. It enables governors to choose whether to construct the public safety broadband network with federal funds and restrictions or to develop an alternate plan for FCC approval within 180 days of opting out of the federal plan. He noted that the agency depends on radio and commercial providers but as they found out in the super-storm Sandy disaster, cellular networks were the first to fail.

Responding to a question from the committee, **Ms. Johnson** said the libraries had data on specific populations and their preferences when using library internet sites.

Mr. Hugi, regarding a question from the committee, said that the Office of Homeland Security works cooperatively with government agencies on broadband issues but does not work in conjunction with the military. To another question regarding the planning and preparation for electro-magnetic pulse and electro-magnetic frequency, Mr. Hugi said that they just started looking into those classes of terrorist activities. He noted it would require hardening or shielding of some electrical grids.

In response to a question from the committee regarding the number of Idaho providers receiving the Medicare/Medicaid Electronic Health Record (EHR) incentive payments. **Ms. Larson** noted that as of January 1, 2013, Medicaid had paid 156 eligible providers a total of \$3,315,000. There were 78 payments being processed and 190 awaiting eligibility checks. As for hospitals, 8 had been paid payments totaling \$5,339,781. From Medicare incentive payments, as of December 2012, were: 329 eligible providers received payments totaling \$5,712,550 and sixteen hospitals received payments totalling \$16,043,011. In answer to an additional question pertaining to teen suicide prevention, Ms. Larson said that services such as telepsychiatry may be beneficial and the process for advertising that service should be addressed by the partnership.

Mr. Brady, in response to a question from the committee relating to Idaho's broadband capabilities compared to adjacent states, said that he sits on an educational network board of 16 states. He clarified that Idaho's approach to broadband coverage is different than neighboring states. Whereas Idaho purchases the necessary broadband capacity and increases the coverage as needed, keeping rigorous data on usage, Nearby states buy large quantities of broadband capacity but have no data on what portion of the purchased broadband is actually being used. He noted that school districts' demand for broadband varies but is increasing.

In response to questions from the committee regarding the passive approach to funding broadband initiatives rather than aggressively pursuing federal funds, **Mr. Field** said that Idaho, being a conservative state, turns to the private solutions first. He added that private business in Idaho provides good service in urban and most rural cities. It is in remote areas, those areas approximately 3 miles outside our cities, where low population numbers and where high cost of infrastructure will require subsidy to provide broadband services. Regarding another question on the definition of E-Rates, he explained that E-Rates are subsidized funds which come from the FCC. They are paid by land-line telephone users; cell phone users do not pay the surcharges. With fewer land-lines, usage is decreasing thus funding is decreasing. Policymakers are looking to change the formula and move it toward broadband.

Mr. Field concluded the panel presentation by saying that when he became the coordinator for Idaho Rural Partnerships a year ago, he thought that rural Idaho did not have sufficient broadband service. By the end of the year, he knows that remote Idaho is where the need lies. He encouraged legislators to designate any funds regarding technology to the libraries, where those being under-served, come for broadband connection.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 3:05 p.m.

Representative Raybould
Chair

Jean Vance
Secretary

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Monday, January 28, 2013

SUBJECT	DESCRIPTION	PRESENTER
<u>HCR2</u>	Commemoration of 100th Anniversary of Madison County	Chairman Raybould
<u>H37</u>	Wood and Mill Yard Debris Committee	Orville Green, Idaho Department of Environmental Quality
	<u>Rules, Stringency and Guidance</u> Idaho Council on Industry and the Environment (ICIE)	
	-Norman Semanko, Idaho Water Users Association and Chairman of ICIE Environmental/Regulatory Affairs Committee	
	-Roy Eiguren, Arkoosh Eiguren	
	-Jack Lyman, Idaho Mining Association	
	-Joan Cloonan, former member of the Idaho Department of Environmental Quality	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Jean Vance
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email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Monday, January 28, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Rep. Anderson(1)

GUESTS: Orville Green and Dean Ehlert, Idaho Department of Environmental Quality (IDEQ); Pat Barclay, Norm Semanko, Roy Eiguren and Joan Cloonan, Idaho Council on Industry and the Environment (ICIE); Raeleen Welton, Westerberg & Associates; Jack Lyman, Idaho Mining Association; Suzanne Budge, SBS Associates, LLC; Matt Keenan, Idaho Reporter; Russell Westerberg, Rocky Mountain Power; Todd Dvorak, Associated Press

Chairman Raybould called the meeting to order at 1:30 p.m.

Chairman Raybould turned the gavel over to **Vice Chairman Eskridge**.

HCR 2: **Rep. Raybould** presented **HCR 2** which would commemorate the 100th Anniversary of the creation of Madison County. He said Madison County was established on February 18, 1913 and named after U.S. President James Madison. He related moments of historical prominence for the county in addition to many memorable cultural events. In particular, he recounted helping to restore the authentic wooden Idaho Centennial Carousel. Rep. Raybould noted that his great uncle, R.S. Hunt, was the Idaho State Representative who drafted the bill to create Madison County. He also spoke of present day attractions in Madison County.

MOTION: **Rep. Thompson** made a motion to send **HCR 2** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Raybould** will sponsor the bill on the floor.

Vice Chairman Eskridge turned the gavel over to **Chairman Raybould**.

H 37: **Orville Green**, IDEQ, presented **H 37** to the committee. He explained the bill contained provisions for management of the Wood and Mill Yard Debris Committee. He said that since there has been no recent request to convene the committee, the legislation would change the twice-a-year, required committee meeting to an "as needed" committee meeting.

In response to questions from the committee, **Mr. Green**, stated that the legislation would prove a savings to the IDEQ and that his department does not work with the Endangered Species Act, and that the director of IDEQ serves as the director of the Wood and Mill Yard Debris Committee.

MOTION: **Rep. Morse** made a motion to send **H 37** to the floor with a **DO PASS** recommendation.

Responding to questions from the committee. **Mr. Green** said IDEQ has considered disbanding the entire section of the law but felt legislation remained necessary in case of a change in the industry. He stated the Wood Mill and Debris Industry had become very proficient in using timber waste. He related that products such as bark dust and food for hogs have been created out of materials previously considered waste and debris.

Rep. Neilsen requested it be recorded in the minutes that credit for the change in legislation be given to the wood by-products industry for their entrepreneurial spirit and for a safe and clean industry.

VOTE ON THE MOTION:

Motion carried by voice vote. Rep. Neilsen will sponsor the bill on the floor.

Norm Semanko, Idaho Water Users Association and Chairman of ICIE Environmental/Regulatory Affairs Committee, explained the Idaho Council on Industry and the Environment is a nonprofit, non-partisan group established in 1989. The mission of the ICIE is to facilitate the use of science and facts in shaping public policy on environmental issues. He said the panel presenters would bring clarification to the differences between rules, stringency and guidance,

Roy Eiguren, Arkoosh Eiguren, ICIE Committee Member, explained that the Idaho Administrative Procedures Act (APA) authorized state agencies to develop or promulgate rules that have the force and effect of law. They are recommended by agency directors to agency boards. APA allows persons to petition boards or agency heads to promulgate rules and that other rules are the result of negotiated rulemaking. Mr. Eiguren said the process provides for substantial public input through written comments, meetings and hearings. He related to the committee the definition of a rule and an explanation of what a rule is not. He noted that the Idaho Supreme Court in Asarco v. Idaho DEQ provided an expanded definition of a rule.

Mr. Eiguren said the APA provides the State Legislature with the authority to amend, modify or reject rules. He noted that Idaho is unique in that it is one of only three states in the nation which has such authority. That authority being the ability for decision making over agencies that are part of the executive branch of the state government.

In response to a question from the committee, **Mr. Eiguren**, said a statute has full force but a rule is more interpretive. He added there was no "bright line reason" and the differences can be difficult to delineate.

Rep. Neilsen noted that a rule can set the range of what a fee can be but the legislature makes the law setting the exact amount of the fee. **Mr Eiguren** concurred.

Mr. Eiguren said the legislature's authority to reject rules was tested in the Idaho Supreme Court decision of Mead v. Arnell where it was declared that rule rejection did not violate the Idaho Constitutional Doctrine of Separation of Powers, provided that legislative rejections of rules are based upon a rule being "contrary to legislative intent."

Jack Lyman, Idaho Mining Association and ICIE Committee Member, defined stringent as "imposing rigorous standards of performance; severe." He enumerated the laws that governed environmental rules such as the 1983 Idaho Hazardous Waste Management Act and the 1993 Idaho Clean Air Act. He pointed to the language in the Hazardous Waste Management Act stating: "The board may not promulgate any rule that would impose conditions or requirements more stringent or broader in scope than the Resource Conservation and Recovery Act (RCRA) and the RCRA regulations of the Environmental Protection Agency." Referring to the underlined words, Mr. Lyman said the language was to insure that state agencies were to act within the range of requirements established in federal law.

Responding to questions from the committee, **Mr. Lyman** said the state agencies were regulating what is unregulated by the federal government. He said that instances of regulations passed by the Idaho Legislature that are more stringent are usually preemptive measures. He noted that since Idaho is trying to maintain primacy over the federal rule, then Idaho has to stay as stringent or more stringent in order to gain administration rights.

Joan Cloonan, RBC Polycomposites LLC, and past ICIE president, explained that guidance could be a written documentation of how agency interprets rule, it could be agency policy or checklists. It could also be technical background information or a handbook or manual. She said that guidance does not have the force and affect of law. It can offer transparency but is not a law. Using the IDEQ's guidance policy as an example, Ms. Cloonan explained that anyone questioning "guidance" or "rule" can consult with the Idaho Attorney General's Office or an agency's director. In the IDEQ's guidance policy it also states that mandatory language should be avoided and that public input should help direct the policy.

To questions from the committee, **Ms. Cloonan** said there is much more room to negotiate within guidance. She also said that a citizen can differentiate between guidance and a rule, when issued a citation, because specific information regarding the violation is printed on the citation.

Chairman Raybould noted that if a rule is broken, the person or business can contest the citing. If there are objections to the method of guidance or the citation, it is up to the courts to decide.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:35 p.m.

Representative Raybould
Chair

Jean Vance
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Wednesday, January 30, 2013

SUBJECT	DESCRIPTION	PRESENTER
	<u>Legislative Update: US Ecology</u> -Jeff Feeler, President and Chief Operating Officer -Simon Bell, Vice President, Operations -Terry Geis, General Manager	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Jean Vance
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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, January 30, 2013

TIME: 1:30 P.M.

PLACE:

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Reps. DeMordaunt and Vander Woude

GUESTS: Jeff Feeler, Simon Bell, Gerry A. Geis, and Judy L. Mager, US Ecology; Orville Green, Idaho Department of Environmental Quality; Mackensie Herrick, Snake River Alliance; Roxana Eixenberger, Idaho Democratic Party; Bill Jarocki, Arkoosh Eiguren

Chairman Raybould called the meeting to order at 1:30 p.m.

MOTION: **Rep. Mendive** made a motion to approve the minutes of January 24, 2013. **Motion carried by voice vote.**

Jeff Feeler, US Ecology President and Chief Operating Officer, explained US Ecology was a North American Hazardous Waste Company. They own and operate hazardous and radioactive waste treatment and disposal facilities. He said the company has been publicly traded since 1984 using the symbol: ECOL. US Ecology is headquartered in Boise with 450 employees, 100 of those employees work in Idaho. He said they offer services in transporting, treatment and disposal of hazardous waste. Four of their landfill facilities in the U.S. and Canada do not receive radioactive waste; however, the facility in Richland, Washington, is engineered for radioactive waste. He noted that the Army Corp of Engineers is their largest customer. He also noted US Ecology is one of the three companies which have captured 80 percent of the market and the growing market is estimated at \$9 billion.

Terry Geis, General Manager, Idaho US Ecology Facilities, said the company had two rail transfer facilities in Mayfield, Idaho, along Simco Road plus a treatment, storage, and disposal facility in Grand View, Idaho. He explained the facility in Grand View opened in 1973 but US Ecology acquired the site in 2001. There are 60 people employed on the site and historically the company pays over \$2 million per year in tipping fees to the state. They pay state income taxes totally \$1.4 million and they contribute \$23 million annually to Idaho's economy in payroll, taxes, capital spending, supplies, and so forth.

Mr. Geis explained two charts which illustrated the composition and detail of the landfill. He said it was a reliable structure that keeps the hazardous waste securely contained. (A copy of the charts will be in the Committee Secretary's office until the end of the session. Following the end of the session, this will be filed with the minutes in the Legislative Services Library.)

Mr. Geis, noted the positive working relationship between government agencies administering the environmental regulatory acts and US Ecology. In 2006 the company was given "Star Status" recognition by OSHA. He added that US Ecology had a very strong compliance record with no outstanding compliance concerns.

In response to questions from the committee, **Simon Bell**, US Ecology Vice President of Operations, said the nuclear waste from the Idaho National Engineering Laboratory (INEL) is licensed waste and is regulated. He said the Grand View site could accept the INEL non-regulated waste. He said that US Ecology does not compete with the municipal waste commerce. They are, however, very competitive within the hazardous waste arena. He explained that their hazardous waste facility operated on privately owned land.

Responding to a question from the committee regarding the growth factors driving the company, **Jeff Feeler** said growth was volume based and was dependent upon overall industrial activity. He noted the company relied heavily upon event or project-based business with specific startups and termination dates. He added that US Ecology was not immune to economic down turn but with the economy improving and their acquisition of the Canadian and other U.S. hazardous waste facilities, the company was continuing its growth pattern.

Mr. Simon, in response to an additional question regarding treatment of heavy metals, said that when the waste goes to the Idaho facility, the chemists and engineers, with the guidelines from the Environmental Protection Agency, treated the material and then put it in a location protected by clay and natural soil. To answer a question relating to the uniqueness of the particular Grand View site, Mr. Simon said he was unsure if the site is replicated in other areas but the natural clays of the site were especially conducive to building landfill. And, the process of mending the soil was unnecessary.

In answer to questions regarding site monitoring for Cell 16, a new depository under construction, **Mr Geis** said they were building five additional groundwater monitoring wells. Each facility has both up-gradient and down-gradient monitoring. He explained the preparation process for new depositories and said the report then goes to the Idaho Department of Environmental Quality. In response to an additional question on maintenance of Simco Road, Mr. Geis indicated **S 1313** was able to appropriate money from the tipping fee to the county. Ultimately, the county and US Ecology are still negotiating upkeep and maintenance responsibilities.

Mr Geis responded to a question from the committee regarding the life of the landfill. He said there was probably 60 more years of landfill operation. Regarding the leaching process, he explained that the fluid leachate is collected in a trench, from the trench it is pumped into treatment, and then into a settling pond where it evaporates.

To a question from the committee regarding the Legislature's role in encouraging business expansion in the state, **Mr. Bell** said Idaho agencies had been good working partners. He suggested raising the weight capacity for their trucks to 129,000 pounds would benefit their rail to land transport. In addition, he asked the state to continue the partnership of road maintenance.

In response to the same question, **Mr. Feeler** said they were pleased to be in Idaho and their five-year plan was hopefully to expand; however, he noted the Legislature could be proactive in lowering the corporate income tax which he noted was one of the highest in the nation.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:30 p.m.

Representative Raybould
Chair

Jean Vance
Secretary

JOINT
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
AND
SENATE RESOURCES & ENVIRONMENT COMMITTEE
1:30 P.M.
Auditorium WW02
Wednesday, February 06, 2013

SUBJECT	DESCRIPTION	PRESENTER
	<u>Leadership in Nuclear Energy (LINE) Commission Report</u> - Jeff Sayer, Director of the Idaho Department of Commerce -Larry E. Craig, U.S. Senator (Retired) -John Grossenbacher, Director, Idaho National Laboratory -John Kotek, Staff Director, Blue Ribbon Commission on America's Nuclear Future; Gallatin Public Affairs -Dr. Mark Rudin, Vice President of Research and Economic Development, Boise State University	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Jean Vance
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MINUTES
JOINT MEETING

**HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
SENATE RESOURCES & ENVIRONMENT COMMITTEE**

DATE: Wednesday, February 06, 2013

TIME: 1:30 P.M.

PLACE: Room WW02

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

Chairman Pearce, Vice Chairman Bair, Senators Cameron, Siddoway, Brackett, Heider, Tippetts, Stennett, Lacey

**ABSENT/
EXCUSED:** None

GUESTS: John Chatburn, Governor's Office of Energy Resources; Becky Johnstone, Idaho Council on Industry & Environment (ICIE); David Cook, Jonnathan Wight, Liz Woodruff, Madaline Herrida, Snake River Alliance; Calvin Ozaki, Idaho National Laboratory; Steve Albiston, Eastern Idaho Technical College; Lane Allgood, Partnership for Science & Technology; Dave Hutchison and Erik Simpson, College of Western Idaho, Kristy Sternes, representing Congressman Raul Labrador; Darrell Early, Susan Burke, and Curt Fransen, Department of Environmental Quality; Greg Hahn, Idaho Public Television; Roxana Eixenberger, Idaho Democratic Party; Brenda Tominaga, Idaho Irrigation Pumpers Association; Matthew May, Mary May, Ray Houston, Legislative Services; Raeleen Welton, Westorberg and Associates, Melissa Smyser, representing Senator James Risch

Chairman Pearce called the meeting to order at 1:35 p.m.

Randy McMillan, President of the Idaho Council on Industry and the Environment (ICIE), gave a brief overview of ICIE's Gold Room Workshops. He stated this is their 23rd annual workshop, titled "Idaho's Nuclear Industries - The Past, Present & Future".

C.L. "Butch" Otter, Governor of the State of Idaho, explained his executive order creating the Leadership in Nuclear Energy (LINE) Commission. The Commission was established to make recommendations to the Governor on policies and actions the state of Idaho can take to support and enhance the long-term viability and mission of the Idaho National Laboratory (INL) and the broader nuclear industry in the state.

Jeff Sayer, Director of the Idaho Department of Commerce, presented information on the Idaho National Laboratory (INL). He stated INL is responsible for 24,000 direct and indirect jobs in Idaho, and contributes more than \$3.5 billion to the state's economy on an annual basis. Mr. Sayer discussed areas the INL benefits from: Advanced Test Reactor (ATR), Transient Reactor Experiment and Test facility (TREAT), Naval Reactors Facility, Independent Cyber-Security, and Energy and Environment Research.

Mr. Sayer reviewed the findings of the Leadership in Nuclear Energy Commission (LINE), and discussed the 1995 Settlement Agreement. He explained the areas of the agreement that are non-negotiable, and presented considerations for change.

Larry E. Craig, Retired United States Senator, presented a historic perspective on the settlement agreement. He stated it may be time to make changes in the Settlement Agreement.

John Grossenbacher, Director of the Idaho National Laboratory, spoke on the difference between nuclear waste disposal and spent fuel storage. He discussed the techniques used for spent nuclear fuel storage. Mr. Grossenbacher stated the State needs to remain vigilant, use the best science and technology, and then continue to monitor these practices.

Mark Rudin, Boise State University (BSU), presented information on the Center for Advanced Energy Studies (CAES), which is a research and education partnership between BSU, Idaho State University, the University of Idaho and the INL. He stated in addition to conducting research on nuclear energy, they also research materials science, bioenergy, carbon management, geothermal energy, and energy efficiency.

In answer to questions on whether the Settlement Agreement stopped shipment of nuclear waste, **Mr. Grossenbacher** stated the agreement only allows used Navy fuel to be shipped to INL. No nuclear waste is brought in for disposal.

The question of what can be done to change the perception of the public, **Mr. Rudin** and **Senator Craig** stated presenting more information and educating the public is needed.

ADJOURN:

There being no further business to come before the Committee, the meeting was adjourned at 3:03 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AMENDED AGENDA #1
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Tuesday, February 12, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Midas Gold	Anne Labelle
<u>RS21882</u>	Resolution to reject a fee rule of the Department of Environmental Quality	Rep. Denney

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Lynn Walker
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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 12, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** None

GUESTS: Anne Labelle and Jeffrey Root, Midas Gold Corporation; Russell Westerberg, Curt Fransen and Barry Burnell, Department of Environmental Quality; Dennis Stevenson, Administrative Rules Coordinator; Mckinsey Lyon, Gallatin Public Affairs; Miguel Legarreta, Ada County Association of Realtors; Pat Barclay, Idaho Council on Industry & Environment

Chairman Raybould called the meeting to order at 1:30 p.m.

MOTION: **Rep. Thompson** made a motion to approve the minutes of the January 28, 2013, meeting. **Motion carried by voice vote.**

MOTION: **Rep. Trujillo** made a motion to approve the minutes of the January 30, 2013, meeting. **Motion carried by voice vote.**

MOTION: **Rep. Smith** made a motion to approve the minutes of the February 6, 2013, meeting. **Motion carried by voice vote.**

RS 21882: **Rep. Denney** presented **RS 21882**, which is a concurrent resolution to reject a fee rule of the Department of Environmental Quality relating to Idaho Rules for Public Drinking Water Systems. This legislation will remove Section 010 from IDAPA 58.01.08.

MOTION: **Rep. Anderson (1)** made a motion to introduce **RS 21882**. **Motion carried by voice vote.**

Anne Labelle, Vice President of Legal and Sustainability for Midas Gold Corporation, gave a presentation to the Committee. She explained Midas Gold is based in Vancouver, British Columbia, and is publicly traded on the Toronto Stock Exchange - soon to be on the New York Stock Exchange. Ms. Labelle stated Midas Gold is currently focused on the exploration and development of the Golden Meadows Project, located near historic Stibnite, Idaho, in Valley County.

Ms. Labelle explained in addition to gold, Midas Gold is exploring for antimony. She stated over 90% of antimony is currently mined in China, and there are no domestic antimony mines in production in the United States. Ms. Labelle said antimony is used for flame retardants, batteries, plain bearings, and solder.

Ms. Labelle reviewed plans Midas Gold has for leaving the land when mining has ended. These include protecting and enhancing water quality, fisheries, wetlands, and groundwater. She stated they try to limit road building and use helicopters whenever possible, and that they planted 7800 trees last year to help with dust suppression.

Ms. Labelle stated Midas Gold is the largest private employer in Valley County, and approximately \$45 million was spent in Idaho in 2012. She explained the company hires locally and uses local suppliers and contractors. Their goal is to create jobs and be a part of the existing communities. Ms. Labelle estimated 400 direct employees, 1,000 indirect jobs created, and an average annual payroll of \$20 million as a future economic benefit to the area. She added there are approximately 2.5 spin-off jobs for every job at the project area.

Ms. Labelle explained it is a federal action to develop a mine and reviewed some of the federal, local and state permits that are required. She stated the company has started the National Pollutant Discharge Elimination System (NPDES), required for water discharges, and in late 2013 they will start the National Environmental Policy Act (NEPA) process for mine development.

In answer to questions on whether new deposits have been discovered in previously mined areas, **Ms. Labelle** stated all the surface deposits are gone from historic mining, but there are additional minerals in a sulfite form. She also said with what is known today the life of a mine is about 14 years, and although there is a price point where gold is no longer feasible to mine, an upward trend is expected.

ADJOURN: There being no further business to come before the Committee, the meeting was adjourned at 2:16 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Thursday, February 14, 2013

SUBJECT	DESCRIPTION	PRESENTER
RS22028	Fee revision relating to drinking water and wastewater professional	Tana Cory Bureau of Occupational Licenses
	Idaho Soil & Water Conservation Annual Report	Teri Murrison, and Brett Rumbeck, Idaho Association of Soil Conservation District

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Lynn Walker
Room: EW16
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, February 14, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Rep. Vander Woude

GUESTS: Teri Murrison, Noman Wright, and Jan Webster, Idaho Soil and Water Conservation Commission; Brenda Tominaga, Idaho Rural Water Association; Tana Cory, Linda Livengood, Nancy Lyles, and Mary Miles, Bureau of Occupational Licenses; Barry Burnell, Department of Environmental Quality (DEQ); Bret Rumbeck, Idaho Association of Soil Conservation Districts

Chairman Raybould called the meeting to order at 1:30 p.m.

RS 22028: **Tana Cory**, Bureau of Occupational Licenses, presented **RS 22028**. This legislation will allow the Board of Drinking Water and Wastewater Professionals to charge less than the set examination fee in order to ensure that the cost of online and written exams are equal. Ms. Cory explained the fee is currently \$37 for written exams, and \$39 for online exams. This difference causes problems and delays in applicant status, and they are requesting the same \$37 fee for both exams.

MOTION: **Rep. Morse** made a motion to introduce **RS 22028**.

In response to questions from the committee regarding the service that provides the exam, **Barry Burnell**, Department of Environmental Quality, explained ABC is their certification board. He stated they administer exams for licensure for approximately 40 states, they are a non profit business, and they only charge what their costs are. He explained the terms of their contract do not allow them to increase costs without documenting why. **Ms. Cory** clarified that one of the fees referred to is for licensing, the other fee is for examinations.

**VOTE ON
MOTION:** **Chairman Raybould** called for a vote on the motion to introduce **RS 22028**.
Motion carried by voice vote.

Teri Murrison, Idaho Association of Soil Conservation Commission, presented their annual report to the Committee. She stated the Soil and Water Conservation Commission, Soil and Water Conservation District, Natural Resource Conservation Service, and the Idaho District Employees Association are partners in Idaho's oldest conservation effort. She explained that although their priorities are soil and water, their partnership is also a leading force for the conservation of air, plant, and animal resources.

Ms. Murrison said during the thirties, Idaho had dust and erosion issues caused by what were, at the time, common agricultural and land management practices. In 1935, the US Soil Conservation Service, now the Natural Resource Conservation Service (NRCS), began working with farmers, states, and local groups to address the problem. Idaho joined the effort, establishing the Commission in 1939, and a few years later as units of local government - soil conservation districts. Ms. Murrison explained the goal of the Commission is to use natural resources to the benefit of the people, while maintaining and improving them for future generations. She said they focus on voluntary, cooperative efforts with local people, not a "heavy-handed" regulatory approach.

Ms. Murrison said one of the Commissions core functions is to provide technical and other support to 50 Conservation Districts. Technical support includes conservation planning, engineering services, project implementation and construction inspections, and more. She stated their second core function is to provide incentive and general conservation programs. One of these programs is the Resource Conservation and Rangeland Development Program (RCRDP). Ms. Murrison explained the incentive program allows landowners to operate under a conservation plan, improving practices and/or replacing equipment to produce conservation benefits such as water savings and erosion reduction, in exchange for low interest loans. Under the general conservation program, the Commission manages the Conservation Reserve Enhancement Program. Ms. Murrison explained this is a multi-agency state effort to conserve water use in the Eastern Snake River Plain Aquifer. Participating landowners receive modest federal payments for not farming.

Ms. Murrison discussed Total Maximum Daily Load (TMDL) implementation planning for water quality impaired surface waters in the state. She stated the DEQ develops and the Environmental Protection Agency (EPA) approves a TMDL. The commission then puts together a plan specifying watershed-specific best management practices to reduce agriculture and grazing related pollutant loads. Ms. Murrison said they receive an average of seven TMDLs a year, and review existing plans every five years to see if addendums are necessary.

Ms. Murrison explained conservation efforts are increasingly impacted by: urban growth, continually shrinking funds and resources for voluntary conservation, water quality concerns pushing other funding priorities aside, and increased federal regulatory and endangered species issues. She said they will continue focusing on core responsibilities, prioritizing use of staff and funds, and streamlining operations.

Bret Rumbeck, Idaho Association of Soil Conservation Districts, presented examples of programs in two of the legislative districts. In District 1, the Boundary Soil Conservation District, in partnership with the Natural Resources Conservation Service and the Soil and Water Conservation Commission, helped to complete an Animal Feedlot Operation (AFO) for a beef waste storage facility. The project is located in the Deep Creek TMDL Watershed and will reduce nutrient load into Deep Creek improving water quality of this tributary to the Kootenai River. In District 34, the Ag Energy Efficiency Program grant resulted in 19 energy audits to determine potential for energy efficiency measures. So far this year, over 40,000 Kilowatt Hours were saved through implementation of energy efficient irrigation practices. This grant is in cooperation with High Country Resource Conservation and Development, Bonneville Power Administration, and local utilities.

In answer to questions on how the projects are funded, **Ms. Murrison** explained that State Statute dictates each district receives \$8500 per year. In addition, the districts can go to the local government for funds that will then be matched by the state. **Mr. Rumbeck** added that districts can apply for various grants, such as the Eclipse program, available through the NRCS, Bonneville Power money, and 319 grants, available through the DEQ.

Chairman Raybould gave recognition to House Page **Brady Gaschler** thanking him for his services over the past 6 weeks.

Chairman Raybould reported on a message from Speaker Bedke concerning voting, stating however a Representative voted in Committee, they must vote the same on the floor. If they would like to change their vote, they are obligated to notify the sponsor of the bill and the Chairman.

ADJOURN: There being no further business to come before the Committee, the meeting was adjourned at 2:32 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Wednesday, February 20, 2013

SUBJECT	DESCRIPTION	PRESENTER
H 185	Fee revision relating to drinking water and wastewater professionals	Tana Cory Bureau of Occupational Licenses
	E-rate in Idaho	Jan Wall Idaho Commission for Libraries
	What is Wireless?	Nate Bondelid Network Engineer - Tek-Hut Inc.

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, February 20, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

ABSENT/EXCUSED: Rep. Vander Woude, Rep. DeMordaunt

GUESTS: Barry Burnell, Idaho Department of Environmental Quality; Nate Bondelid, Tek-Hut; Kendra Kenyun and Max Pond, Idaho Council of Governments; Brady Kraft, Idaho Education Network; Kyle Miller, Abbey Bressler, and Jaime Hernandez, Caldwell High School; Brenda Tominaga, Idaho Rural Water Association

Chairman Raybould called the meeting to order at 1:31 p.m.

MOTION: **Rep. Thompson** made a motion to approve the minutes of the February 12, 2013, meeting. **Motion carried by voice vote.**

MOTION: **Rep. Smith** made a motion to approve the minutes of the February 14, 2013, meeting. **Motion carried by voice vote.**

Chairman Raybould introduced new page **Brooklyn Burk**, to the Committee.

H 185: **Tana Cory**, Bureau of Occupational Licenses, presented **H 185**. This legislation will allow the Board of Drinking Water and Wastewater Professionals to charge less than the set examination fee in order to ensure that the cost of online and written exams are equal. Ms. Cory explained the fee is currently \$37 for written exams, and \$39 for online exams. This difference causes problems and delays in applicant status, and they are requesting the same \$37 fee for both exams. Ms. Cory stated this will reduce the board's dedicated fund by \$1100, based on the number of on-line examinees in calendar year 2012.

MOTION: **Rep. Monks** made a motion to send **H 185** to the floor with a **DO PASS** recommendation.

In response to questions from the Committee, **Ms. Cory** explained online exams are higher than written exams due to the programming and set-up involved.

VOTE ON MOTION: **Chairman Raybould** called for a vote on the motion to send **H 185** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Monks** will sponsor the bill on the floor.

Ann Joslin, State Librarian, Idaho Commission for Libraries, introduced **Jan Wall**, Idaho Commission for Libraries, to the Committee. Ms. Wall presented information on E-rate in Idaho, specifically in public libraries. She explained E-rate provides discounts to help schools and libraries obtain affordable rates for telecommunications, telecommunications services, internet access, internal connections, and basic maintenance of internal connections. The program is administered by Universal Services Administrative Company (USAC), and is overseen by the Federal Communications Commission.

Ms. Wall stated, to be eligible for E-rate, libraries must meet the statutory definition found in the Library Services and Technology Act (LSTA) of 1996. For-profit or private libraries are not eligible for E-rate. Priority 1 services for eligible libraries covers telecommunications, including Plain Old Telephone Service (POTS), and Internet. Priority 2 services cover Internal connections and basic maintenance of internal connections. Ms. Wall explained the application process and the different forms required. She said the number of libraries successfully funded has risen from forty in FY 2010-11 to sixty-five in FY 2012-13, and the funds being disbursed have risen from \$132 thousand to \$545 thousand for the same time period. Ms. Wall added E-rate is not federally funded, the monies come from a fee charged by phone carriers.

In answer to questions from the Committee regarding wireless availability, and privacy, **Ms. Wall** explained it depends on the strength of the signal, but it usually only extends as far as the parking lot. She stated many libraries are starting to filter content, but the rules for the public computers inside the library don't apply to wireless.

In regard to questions regarding how E-rate interacts with IEN, **Ms. Wall** said E-rate is a separate funding source. She also stated some libraries can get their Internet on the market, cheaper than from IEN. **Brady Kraft**, Idaho Education Network, further clarified IEN is geared toward schools, E-rate is geared toward libraries, and they are not in competition with each other.

Nate Bondelid, Tek-Hut Inc./OneWave Networks presented to the Committee, "What is Wireless?" He stated wireless is a cost effective way to deliver many different high speed technologies. Some of these include broadband internet access, dedicated internet access, educational access, rural health care, private transport and private networks, streaming audio and video, and media such as Netflix. Mr. Bondelid explained wireless technologies provide a solution for growth in rural areas where Cable/DSL is not available. Mr. Bondelid discussed OneWave Network's involvement to extend the IEN to the Parma, Marsing, and Wilder School Districts, and to extend the University of Idaho Iron Network to 4 research centers.

In answer to questions, **Mr. Bondelid** stated security associated with present technology has a wide range of ways to encrypt traffic, so the possibility of hackers getting into bank accounts through wireless networks is very difficult. He also said the different technologies for wireless today are changing rapidly and would continue to be driven by the need for bandwidth.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:47 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Tuesday, February 26, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Rate Making 101	Marsha Smith Public Utilities Commission

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, February 26, 2013

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Rep. Nielsen

GUESTS: Elizabeth Criner, Northwest Food Processors Association (NWFAA)/Far West Agribusiness Association (FWAA); Ken Miller, Snake River Alliance; Lynn Tominaga, Idaho Irrigation Pumpers Association (IIPA); Russell Westerberg, Rocky Mountain Power; John Chatburn, Office of Energy Resources; Mark Frei, Farm Bureau Intern; Neil Colwell, Avista Corporation; Pat Barclay, Idaho Council on Industry

Chairman Raybould called the meeting to order at 1:31 p.m.

MOTION: **Rep. Smith** made a motion to approve the minutes of the February 20, 2013 meeting. **Motion carried by voice vote.**

Marsha Smith, Idaho Public Utilities Commission (PUC), gave a presentation on Rate Making 101. Ms. Smith explained the PUC was established by the legislature in 1913, and regulates Idaho's for-profit, investor-owned electric, gas and water utilities and rural telecoms. The PUC does not regulate publicly-owned utilities, which includes municipalities, and rural co-ops. Ms. Smith stated there are three commissioners appointed by the Governor and they are the decision making body.

Ms. Smith explained the PUC's role, as defined in Idaho Code Titles 61 and 62, is assurance of safe and reliable service, assurance of reasonable rates, assurance of adequate earnings, and prevention of excess profits. She stated what the PUC charges customers is determined by state regulators. The state promises the PUC recovery of prudently incurred expenses necessary to serve customers, and a reasonable rate of return on their investment. In return the PUC guarantees to provide adequate and reliable service.

Ms. Smith reviewed the ratemaking formula, which is capital recovery, plus return on investment, plus normal operating expenses, equals revenue requirement. Revenue requirement is established using six months of actual figures, and six months of forecast figures from a calendar year. Ms. Smith also presented PUC's energy rate formula and rate structure, which is based on customer class. Customer classes include residential, commercial, irrigation, industrial, street lighting, and others.

In answer to a question on whether large wind projects could divide into smaller corporations to receive a better rate, **Ms. Smith** stated the rate is established by the commission, and they have established an integrated resource plan (IRP) as the basis for negotiation. She also stated the PUC tries to base cost on project size not other criteria.

In response to further questions, **Ms. Smith** explained the rate of return usually only changes when a utility files a general rate case. She stated all the commission can do is set a rate of return and authorize a revenue requirement. Utilities earning a return depends on whether the loads turn out as forecast, whether expenses are as anticipated, whether the investment is what they thought it would be, but the rate of return is never guaranteed. Ms. Smith explained the commission has no role in the sighting process of transmission lines, the process is left to local governments that are impacted. She stated the PUC has never been asked to advise or help smaller entities, and there is no requirement to do so, but they would be happy to if asked. Ms. Smith added the PUC is very aggressive in promoting and requiring programs for energy efficiency.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:27 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 P.M.
Room EW41
Thursday, February 28, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Solar Thermal	Carl Simpson, President Renewable Energy Northwest

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, February 28, 2013
TIME: 1:30 P.M.
PLACE: Room EW41
MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings
ABSENT/EXCUSED: Chairman Raybould, Rep. Vander Woude, Rep. DeMordaunt, Rep. Monks
GUESTS: Ken Miller, Snake River Alliance; John J. Williams, Bonneville Power Administration

Vice Chairman Eskridge called the meeting to order at 1:30 p.m.

Carl Simpson, Renewable Energy Northwest LLC., gave a presentation to the Committee on Solar Thermal. He stated Renewable Energy NW, is a locally owned and operated company focused on helping people achieve balance and sustainability while improving their cost of energy. Mr. Simpson said installing a solar powered hot water system would save money on utility bills, and reduce our environmental footprint.

Mr. Simpson explained how the tube collectors work to heat a fluid, usually water, which is then stored in a tank. One Mystic unit consists of a header, connectors, twenty tubes, and a frame, and is designed to supply about 60 gallons per day of 120 degree water. He said this should be enough hot water for an average family of four. Mr. Simpson added they have a Lava model which has an extra fifty gallon tank for additional insulated water storage. These systems are being used in car washes, hotels, hospitals, dairies, in addition to hot tubs, swimming pools, greenhouses, and radiant heat floors and driveways.

In answer to questions, **Mr. Simpson** explained that the tubes absorb radiation, not heat from the sun, so they will work even when it is cloudy. He said the radiation is limited when it is snowing but this can be remedied by installing the panels vertically. He stated that unless you have hard water, the only maintenance is to hose the tubes with water about once a year. Applications with hard water, which builds up in the copper header, can be cleaned with Clear Wave solution.

Mr. Simpson reviewed costs of installation, energy saving metrics, and return on investment. In response to what factors have held back growth of Solar Thermal, Mr. Simpson said mainly because no one has heard of it, and there are no incentives to have it installed. He said he would like to have the Utilities Commission work with the power companies to come up with incentives.

ADJOURN: There being no further business to come before the Committee, the meeting adjourned at 2:33 p.m.

Representative Eskridge
Vice Chairman

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 or Upon Adjournment
Room EW41
Thursday, March 14, 2013

SUBJECT	DESCRIPTION	PRESENTER
H 271	Update and Authorization of Water Quality Statutes by the Department of Environmental Quality (IDEQ)	Roger Batt Idaho Heartland Coalition
S 1112	Relating to clarification of code sections specifying the time frame for rate cases.	Senator Curt McKenzie

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, March 14, 2013

TIME: 1:30 or Upon Adjournment

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

ABSENT/EXCUSED: Rep. Anderson (1), Rep. Vander Woude, Rep. DeMordaunt

GUESTS: Roger Batt, Idaho Heartland Coalition; Elizabeth Criner, Northwest Food Processors Association (NWFAA)/Far West Agribusiness Association (FWAA); Norm Semanko, Idaho Water Users Association; Bob Geddes, Monsanto; Russ Hendricks and Kent Lauer, Idaho Farm Bureau, Raeleen Welton, Westerberg and Associates

Chairman Raybould called the meeting to order at 2:51 p.m.

MOTION: **Rep. Smith** made a motion to approve the minutes of February 26 and February 28, 2013. **Motion carried by voice vote.**

H 271: **Roger Batt**, Idaho Heartland Coalition presented **H 271** to the Committee. This legislation updates water quality statutes that authorize the Idaho Department of Environmental Quality (IDEQ) to designate, revise and assess the status of beneficial uses for Idaho water bodies. This legislation requires IDEQ to consider hydrologic and atmospheric conditions, and to consult with basin advisory groups and watershed advisory groups when designating, revising or assessing beneficial uses for Idaho water bodies. Mr. Batt explained this ensures the department is setting realistic expectations for Idaho water bodies through water quality standards. An example of this is making sure the same temperature criteria for a mountain stream is not applied to a creek in a desert community, as they are two separate atmospheric and hydrologic bodies of water with different aquatic species. He stated inappropriate designation of uses for water bodies can also lead to unattainable water quality objectives and programs that impose unnecessary and costly restrictions on water users.

Mr. Batt explained basin and watershed advisory groups are appointed by the DEQ director, and consist of stakeholders from agriculture, the environmental community, municipalities, and others. These entities are consulted prior to initiating the Total Maximum Daily Load (TMDL) process, where water quality criteria are set for designated water bodies. The TMDL process is not regulated through rulemaking or overseen by the legislature, and **H 271** will ensure the DEQ involves stakeholders in every step of the process.

Dan Steenson was called upon to answer questions posed by the committee regarding designated beneficial use. He explained water quality standards consist of two components, uses that are designated for a water body, and criteria representing conditions necessary to support these. The most common uses are aquatic life and primary or secondary contact recreation.

In response to further questions **Barry Burnell**, Idaho Department of Environmental Quality, explained the implementation of the Clean Water Act, for writing permits, is administered by the Environmental Protection Agency. He said all permits have to take into account water quality standards in the receiving stream, and whether there is impact to water quality downstream. **H 271** requires DEQ to consult with Washington Advisory groups and Basin Advisory groups when taking any action involving water quality standards.

Norm Semanko, Idaho Water Users Association testified in support of **H 271**, He stated watershed advisory groups and basin advisory groups were established twenty years ago, as part of a clean up plan. Now the groups are consulted on beneficial uses of water. Mr. Semanko said the process has worked well for the past twenty years, and should continue to do so.

MOTION: **Rep. Trujillo** made a motion to send **H 271** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Trujillo** will sponsor the bill on the floor.

S 1112: **Senator McKenzie** presented **S 1112**, which clarifies and combines Idaho Code Sections 61-622 and 61-623 relating to how rate cases go before the Public Utilities Commission. He stated these two sections are as old as the Public Utilities Commission, which celebrates its 100th anniversary this year. Sen. McKenzie explained this legislation reflects current practices, but takes out contradictory and confusing language.

Elizabeth Criner, Northwest Food Processors Association (NWFAA)/Far West Agribusiness Association (FWAA), testified in favor of **S 1112**. She stated the members of the Food Producers of Idaho agree the law should speak clearly, and the statutes that provide essential checks and balances to protect ratepayers should reflect current procedures.

Robert Geddes, Monsanto Company, testified in favor of **S 1112**, commending the authors of the bill for producing language that clearly and accurately describes the timing and procedure for utility rate setting cases in Idaho.

MOTION: **Rep. Nielsen** made a motion to send **S 1112** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Eskridge** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the Committee, the meeting adjourned at 3:40 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 or Upon Adjournment
Room EW41
Monday, March 18, 2013

SUBJECT	DESCRIPTION	PRESENTER
	CTC Telecom Presentation	Jerry Piper Idaho Telecom Alliance

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Monday, March 18, 2013
TIME: 1:30 or Upon Adjournment
PLACE: Room EW41
MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings
ABSENT/EXCUSED: Rep. Anderson (1), Rep. Vander Woude
GUESTS: Jerry Piper, Idaho Telecom Alliance; Brody Kraft, Idaho Department of Administration

Chairman Raybould called the meeting to order at 1:31 p.m.

Jerry Piper, Idaho Telecom Alliance, gave a presentation on Rural broadband in Idaho. Idaho Telecom Alliance was established in 1905 with it's first office in Cambridge. There are now 13 member companies located or operating in Idaho. Mr. Piper stated Idaho Telecom Alliance is a leading advocacy group for independent telecommunications companies in Idaho. They provide residential and business local and long distance services, cellular service, high-speed DSL, ethernet and fixed wireless broadband, cable and digital television, distance learning, satellite service, and network maintenance services. Mr. Piper said Idaho Telecom Alliance services over 21,000 square miles in Idaho, including 341 rural schools, health facilities, libraries, and government offices.

Mr. Piper explained Idaho Telecom Alliances' revenue stream, which consists of customers, inter-carrier compensation, and the Universal Service fund. The Universal Communications Act of 1934 called for "rapid, efficient, nation-wide, and world-wide wire and radio communication service with adequate facilities at reasonable charges to all the people of the United States." This act was rewritten in 1996 to include internet. This revenue is deposited in to a central fund, and redistributed to high cost, low income, schools and libraries, and rural health care.

Mr. Piper reviewed cost and budget figures, saying the initiation of restructure policies have left rate of return carriers with two years of stranded investments. This is causing in increased fiscal burden on support contributors.

In response to questions regarding marketplace trends and whether smaller companies are being absorbed by larger companies, **Mr. Piper** explained they all have the same challenges and fixed costs. In answer to an additional question, he stated the capital to build towers is a federal obligation through the Telecommunications Act.

Mr. Piper concluded by stating grants and tax based initiatives will not trump private investment in the long run, therefore, the future of Idaho broadband will largely be shaped and implemented by for profit companies. He said if you are going to shape policy, then understanding the topic you are influencing will lead towards greater success.

ADJOURN:

There being no further business to come before the Committee, the meeting adjourned at 2:01 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 or Upon Adjournment
Room EW41
Wednesday, March 20, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Approval of Minutes	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

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MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Wednesday, March 20, 2013

TIME: 1:30 or Upon Adjournment

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Rep. Vander Woude, Rep. Thompson

GUESTS: None

Chairman Raybould called the meeting to order at 2:47 p.m.

MOTION: **Rep. Eskridge** made a motion to approve the minutes of the March 14, 2013, meeting with the following correction: On page 2, paragraph 7, Rep. Eskridge will sponsor the bill, not **Rep. Nielsen**. **Motion carried by voice vote.**

MOTION: **Rep. Anderson (31)** made a motion to approve the minutes of the March 18, 2013, meeting. **Motion carried by voice vote.**

Chairman Raybould expressed his appreciation and thanked the committee for their services during the 2013 session. He stated some good legislation came through the committee, and he was pleased with the outcome.

ADJOURN: There being no further business to come before the Committee, the meeting adjourned at 2:51 p.m.

Representative Raybould
Chair

Lynn Walker
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
12:00 or Upon Adjournment
Room EW41
Friday, March 22, 2013

SUBJECT	DESCRIPTION	PRESENTER
SCR 127	Resolution to authorize the Legislative Council to continue an interim committee to undertake a study of energy, environment, and technology issues.	Senator McKenzie Representative Eskridge

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Lynn Walker
Room: EW16
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Friday, March 22, 2013

TIME: 12:00 or Upon Adjournment

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Reps. Anderson(1), Vander Woude, Morse, and Rusche.

GUESTS: Lynn Tominaga, IIPA; Dar Olberding, IGPA; Benjamin Kelly, Food Producers; Mark Duffin, Idaho Sugarbeet Growers; Bob Geddes, Monsanto; Elizabeth Criner, NWFPA/FWAA.

Chairman Raybould called the meeting to order at 12:21 p.m.

MOTION: **Rep. Thompson** made a motion to approve the minutes of March 20, 2013.
Motion carried by voice vote.

SCR 127: **Rep. Eskridge** presented **SCR 127** which authorizes the continuum of an interim Energy, Environment, and Technology committee to undertake a study of energy environment and technology issues and to monitor the integrated state energy plan. Due to the complexity and fast changing nature of the industry, it can be difficult for all issues to be addressed during the Legislative session. Rep. Eskridge provided examples of the potential committee focus during the interim, which may include; exploring barriers to the expansion of broadband services, coal generation, the Governor's leadership and nuclear energy, the attraction of high tech companies to Idaho and a report on use of federal stimulus funds on energy in public schools.

MOTION: **Rep. Thompson** made a motion to send **SCR 127** to the second reading calendar with **DO PASS** recommendation. Motion carried by voice vote. **Rep. Eskridge** will sponsor the resolution on the floor.

Chairman Raybould recognized the services of Committee Secretary **Lynn Walker**.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 12:28 p.m.

Representative Raybould
Chair

Kathleen A. Simko
Secretary

AGENDA
HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE
1:30 p.m. or Upon Adjournment
Room EW41
Tuesday, March 26, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Approval of Minutes	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Raybould	Rep Nielsen	Rep Morse
Vice Chairman Eskridge	Rep Thompson	Rep Trujillo
Rep Anderson(1)	Rep Anderson(31)	Rep Smith
Rep Hartgen	Rep Anderst	Rep Rusche
Rep Vander Woude	Rep Mendive	Rep Woodings
Rep DeMordaunt	Rep Monks	

COMMITTEE SECRETARY

Kathleen Simko
Room: EW16
Phone: 332-1128
email: henv@house.idaho.gov

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Tuesday, March 26, 2013

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representatives Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Reps. Vander Woude and Rushe.

GUESTS: None.

MOTION: **Chairman Raybould** called the meeting to order at 3:08 p.m.

Rep. Morse made a motion to approve the minutes of March 22, 2013 with the following correction; Rep. Anderson(1) was absent. **Motion carried by voice vote.**

Chairman Raybould recognized the assistance of Page Brook Burk to the Committee.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:12 p.m.

Representative Raybould
Chair

Kathleen A. Simko
Secretary