

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

- DATE:** Wednesday, March 12, 2014
- TIME:** 1:30 or Upon Adjournment
- PLACE:** Room EW41
- MEMBERS:** Chairman Raybould, Vice Chairman Eskridge, Representative(s) Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings
- ABSENT/
EXCUSED:** Representative(s) Anderson(1), Hartgen, Vander Woude
- GUESTS:** Barry Burnell, IDEQ; Robert Bullock, IDEQ; Simon Bell, USE; Joe Weismann, US Ecology; Orville Green, IDEQ; Dennis Meier, IDEQ
- Chairman Raybould** called the meeting to order at 2:44 p.m.
- MOTION:** **Rep. Smith** made a motion to approve the minutes of March 6, 2014. **Motion carried by voice vote.**
- S 1260:** **Roy Eiguren**, representing US Ecology, Inc. (USE), introduced the presentation for **S 1260** to the committee. He stated the purpose of this legislation is to amend the Hazardous Waste Act and provide DEQ the authority to regulate waste materials and sites in the state. He said the DEQ regulates one commercial waste facility, located in Grand View, Idaho, which is owned and operated by USE. He introduced **Simon Bell**, Executive Vice President and Chief Operations Officer and **Joe Wiesmann** Vice President for radiologic programs for US Ecology, Inc. who would present to the committee.
- Mr. Bell** began by giving a background of US Ecology. He stated the company is publicly traded, based out of Boise, ID and employs 450 people throughout North America. He explained that the company accepts and treats hazardous waste and certain radioactive material for disposal within their network of facilities. He stated that USE is one of the largest hazardous waste management companies in North America. With regard to Idaho, Mr. Bell stated they accept hazardous waste, PCB waste and certain low-activity radiologic waste. He said the plant employs 60 people and generates \$23 million annually for the state with an additional \$2 million in tipping fees which go to the General Fund as well as the local counties. With regard to the safety and compliance of the facility, Mr. Bell said those issues are the foundation of the business, without a high safety and compliance record there is nothing to sell the customers. He said a few years ago USE entered into a Voluntary Protection Program (VPP) with OSHA. This VPP is an agreement for OSHA to come audit the facility and do a completely comprehensive audit. Mr. Bell told the committee that US Ecology is one of only 1,800 sites in North America to have received the VPP Star designation. Mr. Bell concluded by discussing some of the challenges faced by the company. He said the industry is very competitive, government revenues and thus, the volume of material coming from federal customers, have been decreasing. He said Idaho is quite a distance from the origination sites for the waste and the transportation costs to bring the waste to Idaho are also going up. He said the company is trying to find ways to diversify their ability to compete for federal government service and one of those ways is looking to markets that have been inaccessible in the past; which is what this legislation addresses.

Mr. Weismann stated this legislation is seeking to clarify wording in the Idaho Hazardous Waste Management Act to better allow USE to serve all the federal government agencies dealing with hazardous waste. He said this act has been in place since 2001 and over the years the company and the Legislature have tried to evolve the definition of hazardous waste to better access the customer markets. However, he said the unintended consequence of this was that the definition became a barrier to some markets. He said USE is seeking to harmonize the definition with federal law so USE will be allowed to better service all the federal government agencies. He said the current permit say they can only take low-activity radioactive waste provided it is not regulated under the Atomic Energy Act. However, he said the two agencies that deal most predominately with hazardous waste, The Nuclear Regulation Commission (NRC) and the Department of Energy (DOE) regulate in different ways. He said the NRC uses license and exemptions but DOE does not. He explained the amended definition would mirror the DOE definition to allow access to all sectors of the market. The key change, he said, was "released for radiological control" which will enable USE to work with DOE as well as the other agencies. With regard to safety concerns that had been raised about the facility, Mr. Weismann stated the radiological dosage is only around 20% of the allowable dosage from the NRC of 100 units. He stated the benefits of this legislation would be additional regulatory clarity and distinct boundaries. He said it would increase competition and had the potential to add additional dollars to the General Fund.

Mr. Eiguren concluded the presentation by stating the creation of the Hazardous Waste Act in 2001 gave specific authority to the IDEQ to regulate this kind of material and the activities have been ongoing since that time. He said USE is trying to certify the same kind of material released by the NRC, which is currently acceptable, it would also be acceptable when released from the DOE.

MOTION:

Rep. Nielsen made a motion to send **S 1260** to the floor with a **DO PASS** recommendation.

In response to questions regarding the approval of IDEQ and whether or not such change in definition is enforceable, **Orville Green**, Waste Management and Mediation Division Administrator for IDEQ, stated the IDEQ has worked with USE on this legislation and that simply having waste qualifying under the definition of hazardous waste is not the final barrier to material being received by USE. He said there are other waste acceptance criteria which is set by IDEQ that must also be followed.

VOTE ON MOTION:

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

S 1373:

Norm Semanko with the Idaho Water Users Association presented **S 1373** to the committee. He explained the purpose of this legislation is to provide legislative direction for the implementation of water quality pollutant trading and other innovations in attaining and maintaining water quality in Idaho water bodies. He said it achieves this goal by directing laws be administered to support and maximize such innovation, creating definitions, authorizes IDEQ to review and approve the trades, trading framework and means of verifying that trading will contribute to the attainment of water quality standards, and authorizing the Idaho Board of Environmental Quality to adopt rules relating to water quality trading.

In response to concerns regarding how the trading would work and how the water quality of water bodies would be affected, **Barry Burnell** Water Quality Division Administrator with IDEQ, stated there will be trading guidelines and various requirements that will be taken into account. He said trades will likely only be approved on a ratio basis so the water quality would be improved. He stated such qualifications and regulations will be determined in the rule making process.

In response to questions about the impact of NPDES primacy on this issue, **Mr. Burnell** stated there will be an immediate use for this legislation as it will allow for language in permits from the EPA to allow for such trading.

In response to questions regarding the players in the agreements and the time constraints on the permits, **Mr. Burnell** stated those involved will be different for each permit but can include a variety of different parties. He added the time periods would also be determined for each permit individually. He stated there will be some permits for short periods of time, such as two months, and some may seek to have more stability and will do a much longer agreement, such as twenty years.

MOTION:

Rep. Nielsen made a motion to send **S 1373** to the floor with a **DO PASS** recommendation.

Dan Steenson, with the Water Users Organization and Watershed Council, stated any trading will be required to attain water quality standards and ensure the environmental baseline will be met. He said the trading framework must show it will contribute to the attainment of those water quality standards.

VOTE ON MOTION:

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

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 3:57 p.m.

Representative Raybould
Chair

Kaela Becklund
Secretary