IN THE SENATE

SENATE BILL NO. 1005

BY RESOURCES AND ENVIRONMENT COMMITTEE

AN ACT
RELATING TO THE PUBLIC UTILITIES COMMISSION AND ITS JURISDICTION TO REVIEW
REVENUE REQUIREMENTS AND OTHER REGULATORY IMPLICATIONS OF THE SWAN FALLS
COMPROMISE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. FINDINGS AND STATEMENT OF PURPOSE. After hearing testimony
from the office of the governor, the office of the attorney general, the Idaho
public utilities commission, the Idaho department of water resources, the
Idaho water resources board, the Idaho department of fish and game, other
governmental entities and other interested groups and individuals of the state
of Idaho, the legislature hereby finds that while portions of the testimony
differ, the contract entered into by the governor and the Idaho Power Company
on October 25, 1984, is in the public interest for all purposes including, but
not limited to, all purposes under the public utilities law, as amended.
Implementation of the settlement will resolve continuing controversy over
electric utility water rights in the Snake River Basin above Murphy U.S.G.S.
gaging station. That controversy has rendered the amount of the water avail­
able for hydropower uncertain, thus placing at risk both the availability of
low-cost hydropower to the ratepayers and the state's ability to manage an
increasingly scarce resource. This settlement balances all of the parties'
concerns and insures that existing hydropower-generating facilities will
remain useful, that ratepayers will not be burdened with excessive costs, and
that availability of water for additional domestic, manufacturing, and agri­
cultural uses will judiciously expand.

SECTION 2. PUBLIC UTILITIES COMMISSION -- JURISDICTION. The Idaho public
utilities commission shall have no jurisdiction to consider in any proceeding,
whether instituted before or after the effective date of this act, any issue
as to whether any electric utility, including Idaho Power Company, should have
or could have preserved, maintained or protected its water rights and hydro­
electric generation in a manner inconsistent with the contract entered into by
the governor and the Idaho Power Company on October 25, 1984.

SECTION 3. IPUC -- EFFECT OF AGREEMENT. In any proceeding before the
Idaho public utilities commission including, but not limited to, a proceeding
in which the commission is setting or reviewing the revenue requirement of any
electric utility, including Idaho Power Company, the commission shall accept
as reasonable and in the public interest for all purposes, the contract
entered into by the governor and the Idaho Power Company on October 25, 1984,
including without limitation, the effects of implementation of such contract
on the utility's revenue requirements and hydroelectric generation.

SECTION 4. EXEMPTION. Implementation of such contract shall not constit­
tute a sale, assignment, conveyance or transfer within the meaning of sections
61-327, 61-328, 61-329, 61-330 and 61-331, Idaho Code, to the extent any of
those sections may apply.
STATEMENT OF PURPOSE
RS 10887

This legislation would provide a legislative determination that the Swan Falls agreement entered into by the Governor, Attorney General, and Idaho Power Company on October 25, 1984, is in the public interest. It would further revoke Public Utilities Commission jurisdiction to reach a contrary finding or determination.

FISCAL NOTE

None.

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