

IDAPA 37.03.04 – DRILLING FOR GEOTHERMAL RESOURCES
Negotiated Rulemaking Meeting – April 5, 2022

## HIERARCHY OF STATE DOCUMENTS

IDAHO CONSTITUTION

LEGISLATIVE STATUTES (IDAHO CODE)

STATE AGENCY RULES (ADMINISTRATIVE CODE)

**POLICIES** 

**PROCEDURES** 

**GUIDELINES AND OTHER WRITTEN INTERPRETATIONS** 

# Geothermal Resource Regulations

- Title 42, Chapter 40 Geothermal Resources Act: <a href="https://legislature.idaho.gov/statutesrules/idstat/Title42/T42CH40/">https://legislature.idaho.gov/statutesrules/idstat/Title42/T42CH40/</a>
- IDAPA 37.03.04 Drilling for Geothermal Resources Rules: <a href="https://adminrules.idaho.gov/rules/current/37/37">https://adminrules.idaho.gov/rules/current/37/37</a> 0304.pdf
- IDAPA 37.03.04 is under the authority of the Idaho Water Resource Board



## Executive Order 2020-01 Zero-Base Regulation

- Signed by Governor in January 2020
   https://gov.idaho.gov/wp-content/uploads/sites/74/2020/01/eo-2020-01.pdf
- Requires all agencies to undertake "zero-base regulation" review of all their respective rules over a five-year period.
- "2021 marked the first year of the five-year review schedule.
- "...each agency must publish a notice of proposed rulemaking...to repeal the existing rule chapter."



# Executive Order 2020-01 Zero-Base Regulation

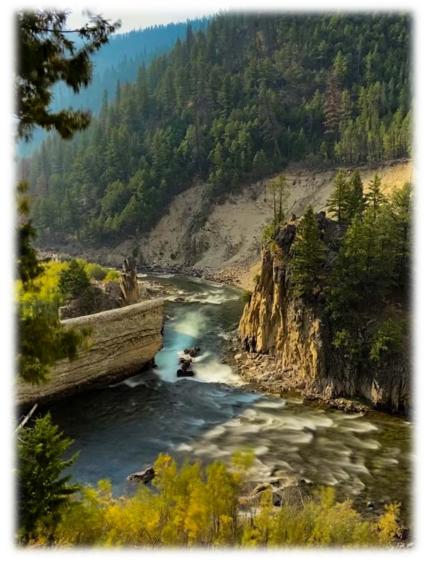
- "An agency wishing to renew a rule chapter...must promulgate a new rule..."
  - "The agency must perform a retrospective analysis of the rule chapter to determine whether the benefits the rule intended to achieve are being realized."
  - "...whether [the benefits of the rule] justify the costs of the rule,"
  - "...whether there are less restrictive alternatives to accomplish [the rule's] benefits.

## Review Negotiated Rulemaking

- I.C. § 67-5220 Notice of Intent to Promulgate Rules Negotiated Rulemaking
- (2) The notice of intent to promulgate a rule is intended to facilitate negotiated rulemaking, a process in which all interested persons and the agency seek consensus on the content of a rule. Agencies shall proceed through such informal rulemaking whenever it is feasible to do so in order to improve the substance of proposed rules by drawing upon shared information, knowledge, expertise and technical abilities possessed by interested persons and to expedite formal rulemaking.
- (3) To facilitate the achievement of the purposes of this section, agencies shall, at a minimum:
  - a. Provide a reasonable period of time for interested persons to respond...;
  - b. Provide notice of meetings to interested person who responded...;
  - c. Upon request, make available to persons attending the meetings all information that is considered by the agency in connection with the formulation of the proposed rule...;
  - d. Consider the recommendations of interested persons concerning the subject of the proposed rule;
  - e. Establish, maintain and timely update the negotiated rulemaking schedule and a list of written comments and other documents and information pertinent to the proposed rules and make that information available to persons attending the negotiated rulemaking meetings;
  - f. Prepare a written summary of unresolved issues, key information considered, and conclusion reached during and as a result of the negotiated rulemaking...

## Review Negotiated Rulemaking

- Rule Writer's Manual: <a href="https://adminrules.idaho.gov/rulemaking">https://adminrules.idaho.gov/rulemaking</a> templates/RuleWriter <u>Manual.pdf</u>
- Negotiated Rulemaking, when determined by the agency to be feasible, "<u>must</u> be conducted by the agency with interested parties."
- Negotiated Rulemaking is "intended to <u>improve the substance of</u> <u>the rule</u> through a consensus building process."
- Negotiated Rulemaking "provides an opportunity for all interested and affected persons and the agency to discuss possible changes to the rule and attempt to reach a <u>consensus</u> on the proposed amendments..."
- Negotiated Rulemaking is an <u>informal</u> part of the rulemaking process that precedes all formal rulemaking proceedings."
- Negotiated Rulemaking is a negotiation with "stakeholders [about] the very provisions of the rule that they (stakeholders) will be <u>subject to and regulated by</u>."
- Negotiated Rulemaking is an opportunity for stakeholders to "provide <u>input and ideas</u> on the changes the agency is considering."



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# ZBR Rulemaking Approved Five-Year Rulemaking Schedule

Year 1					
Rule No.	Title	Date	Page Count	<b>Word Count</b>	
37.01.01	Rules of Procedure of the IDWR	2000	35	6,440	
37.03.06	Safety of Dams Rules	1993	17	7,708	
37.02.01	Comprehensive State Water Plan Rules	1993	8	3,123	
37.03.07	Stream Channel Alteration Rules 61.01, 61.03	1993	1	83	
		Total	61	17,354	17%

Year 2						
	Rule No.	Title	Date	Page Count	<b>Word Count</b>	
	37.02.03	Water Supply Bank Rules	1997	9	3,450	
	37.03.10	Well Driller Licensing Rules	2000	15	6,416	
	37.03.04	Drilling for Geothermal Resources Rules	1993	13	6,197	
	37.03.05	Mine Tailings Impoundment Structures Rules	1993	12	4,850	
			Total	49	20,913	20%

Rule No.	Title	Date	Page Count	Word Count	
37.03.08	Water Appropriation Rules	1993	24	10,718	
37.03.03	Rules and Minimum Standards for the Construction and Use of Injection Wells	2013	26	10,488	
		Total	50	21,206	

# ZBR Rulemaking Approved Five-Year Rulemaking Schedule

Year 4						
	Rule No.	Title	Date	Page Count	<b>Word Count</b>	
	37.03.01	Adjudication Rules	2009	11	4,968	
	37.03.02	Beneficial Use Examination Rules	2012	13	5,107	
	37.03.09	Well Construction Standards and Rules	2009	40	13,225	
			Total	64	23,300	23%
Year 5						
	Rule No.	Title	Date	Page Count	<b>Word Count</b>	
	37.03.11	Conjunctive Management Rules	1994	13	6,405	
	37.03.11	Conjunctive Management Rules	1554	15	0,403	
	37.03.12	IDWR Water Distribution Rules - Water District 34	1994		3,692	
				9		
	37.03.12	IDWR Water Distribution Rules - Water District 34 Stream Channel Alteration Rules, entire chapter	1994 1993	9	3,692	
	37.03.12 37.03.07	IDWR Water Distribution Rules - Water District 34 Stream Channel Alteration Rules, entire chapter	1994 1993	9	3,692 7,681	19%
	37.03.12 37.03.07	IDWR Water Distribution Rules - Water District 34 Stream Channel Alteration Rules, entire chapter	1994 1993 1994	9 27 7	3,692 7,681 1,772	19%

# ZBR Rulemaking Timeline



Water Rights - Wells - Streams/Dams/Floods - Forms - Water Data - Maps/Spatial Data - Legal - goard - About IDWR -

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A Home / Legal Actions / Statutes, Rules, and Hearing Procedures

**Legal Actions** 

**Archived Legal Matters** 

Orders -

Settlements \*

Curtailment Notices and Orders ▼

**Guidance Documents** 

Statutes, Rules, and Hearing Procedures ▼

Rulemaking

2022/2023

2021/2022

2020/2021

2019/2020

Hearing Procedures

**Administrative Actions** 

**Delivery Call Actions** 

**District Court Actions** 

Mitigation Plan Actions

## Statutes, Rules, and Hearing Procedures

## **IDWR Rulemaking**

The Idaho Administrative Procedure Act ("APA") (Title 67, Chapter 52, Idaho Code), which governs rulemaking in Idaho, defines rulemaking as the process for the formulation, adoption, amendment, or repeal of a rule. This process can be driven by a number of different events but two of the most common are the enactment of a new or amended statute by our state Legislature or the enactment of a new law or regulation by the federal government. However, a citizen's petition to amend or adopt a new rule, a change in an agency's process or procedure requirements, a court order, or the need to simply update the rule can cause an agency to initiate rulemaking and set the process in motion.

In Idaho, rules are typically proposed by state agencies, opened for public comment, and in many instances, reviewed by a board of citizens appointed by the governor. If approved by the board, the rules are then sent to the Legislature for review. If the Legislature does not act on the rules, they automatically take effect at the end of the legislative session. However, legislative action affirmatively approving a rule is required when a rule implements a new fee or revises an existing fee. Rules are compiled in administrative codes and people who do not adhere to the rules may be subject to enforcement actions. Rules specifically governing the actions of the Idaho Water Resource Board (IWRB) and the Idaho Department of Water Resources (IDWR) are contained in Chapter 37 of the Idaho Administrative Code.

When feasible, negotiated rulemaking is conducted with interested parties, in order to improve the final rule and expedite the

## Terminology

+ Curtailment

+ Delivery Call

+ Mitigation Plan

#### Statutes & Rules

Listed below are legal considerations regarding water rights, irrigation, and floodplain management in Idaho.

#### **Idaho Constitution**

· Article XV: Water Rights

#### **Idaho Statute**

- Title 42: Irrigation and Drainage — Water Rights and Reclamation
- Title 43: Irrigation Districts
- Title 46, Chapter 10: State Disaster Preparedness Act

#### Idaho Administrative Code

 Rule 37: Department of Water Resources



## **Legal Actions**

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## **IDWR Rulemaking 2022/2023**

The following table summarizes the IWRB's and IDWR's rulemaking activities for the 2022/2023 rulemaking period.

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Show	10	v	entries	Coarch	
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Authorizing Authority	Section	Docket Description	Status
IWRB/IDWR	All	Omnibus Temporary Fee Rulemaking	Pending Initiation
IWRB	Planning and	ZBR* Rulemaking – IDAPA 37.02.03 Water Supply	Pending
	Projects	Bank	Initiation
IWRB	Ground Wate	ZBR* Rulemaking – IDAPA 37.03.04 Drilling for	Pending
	Compliance	Geothermal Resources Rules	Initiation
IWRB	Ground Water	ZBR* Rulemaking – IDAPA 37.03.10 Well Driller	Pending
	Compliance	Licensing Rules	Initiation
IWRB	Safety of Dams	ZBR* Rulemaking – IDAPA 37.03.05 Mine Tailings	Pending

**Legal Actions** 

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Orders -

Settlements \*

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**Delivery Call Actions** 

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**Mitigation Plan Actions** 

## **Drilling for Geothermal Resources Rules**

## **IDAPA 37.03.04**

The IWRB is negotiating these rules as part of its requirement to review each rule every 5 years consistent with the Governor's Zero-Based Regulation (2) Executive Order 2020-01.

## Scheduled Meetings and Deadlines

- 🖪 Public Meeting: Tuesday, April 5, 2022
- 🖪 Agenda April 5, 2022

## **Documents**

- 37.03.04 Strawman Drilling for Geothermal Resources Rules (DRAFT) – March 21, 2022
- 37.03.04 Prospective Analysis Document February 1, 2022
- 37.03.04 Rulemaking Recommendation Memo – January 18, 2022

## Comments

Comments may be sent by email or mail to rulesinfo@idwr.idaho.gov or

IDWR Rules Review Officer PO Box 83720 Boise, ID 83720

## **Terminology**

- + Curtailment
- + Delivery Call
- + Mitigation Plan

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#### Idaho Administrative Code

• Rule 37: Department of Water Resources

## **Hearing Procedures**

# Geothermal Resource Drilling Activity

- Approximately 4 to 5 wells drilled over past 10 to 12 years
  - Estimated cost over \$4 million per/well



# Today's Meeting Process

- 1. Requires polite and respectful engagement.
- 2. We are recording today's proceedings and the recordings will be posted to IDWR's website.
- 3. IDWR has prepared a Preliminary Draft Rule or "strawman," which it will present.
- 4. After presentation of the strawman, stakeholders will have an opportunity to comment regarding the strawman.
- 5. IDWR and IOEMR representatives are participating to answer related questions.
- 6. At the end of the meeting, we will need to determine whether additional meetings are needed.



## Negotiated Rulemaking Next Steps

Submit written comments by April 29, 2022 through <a href="mailto:rulesinfo@idwr.Idaho.gov">rulesinfo@idwr.Idaho.gov</a>

Reference the rule chapter: IDAPA 37.03.04

Or docket number: 37-0304-2201

If necessary, revise Strawman Rules based on comments and hold second public meeting



# Questions & Discussion.

