

## IN THE SENATE

## SENATE BILL NO. 1005

## BY RESOURCES AND ENVIRONMENT COMMITTEE

## AN ACT

1  
2 RELATING TO THE PUBLIC UTILITIES COMMISSION AND ITS JURISDICTION TO REVIEW  
3 REVENUE REQUIREMENTS AND OTHER REGULATORY IMPLICATIONS OF THE SWAN FALLS  
4 COMPROMISE.

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

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

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

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

40 SECTION 4. EXEMPTION. Implementation of such contract shall not consti-  
41 tute a sale, assignment, conveyance or transfer within the meaning of sections  
42 61-327, 61-328, 61-329, 61-330 and 61-331, Idaho Code, to the extent any of  
43 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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STATEMENT OF PURPOSE/FISCAL NOTE

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