

**2005-2006 Environmental Quality Council  
Draft Work Plan**

May 10, 2005

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# Information about the 2005-2006 Draft Work Plan

## Introduction

This is the draft work plan for the Environmental Quality Council (EQC or Council) for the 2005-2006 interim. In this document you will find:

- An explanation of how the EQC plans its work.
- Instructions for using the draft work plan to make decisions about the final work plan.
- A description of potential work plan topics and options for addressing those topics.
- A draft timeline.

There are two additional documents--the *Draft Work Plan Appendices*, that contains copies of the study resolutions; and the *Draft EQC Work Plan Decision Matrix*.

## How the EQC Plans its Work

During the legislative interim, the EQC typically focuses on two to four major study topics, while also maintaining oversight of programs and rulemaking activities of the Montana Department of Natural Resources and Conservation (DNRC) ; the Montana Department of Environmental Quality (DEQ); and the Montana Department of Fish, Wildlife, and Parks (DFWP).

The Council selects study topics at the beginning of the interim. **The primary constraint limiting the EQC study agenda for the interim is the number of issues that can be effectively addressed within the available time and resources of the Council members and its staff.**

This *Draft 2005-2006 Work Plan* is a **DRAFT**. It is really a **decisionmaking tool** to help Council members work together efficiently to set priorities and decide how and where to spend the EQC's limited time and resources. Once you collectively make a decision on the work plan, it will become your blueprint for the 2005-2006 interim. Staff will then develop detailed draft work plans and timetables for each major study. A draft timeline illustrating the overall schedule that these work plans will fit into once the meeting schedule and work plan are finalized is presented at the end of this document.

The draft work plan includes studies that were requested by legislators through study resolutions, suggested topics offered by Council members, and statutory mandates. The study resolutions have been ranked by the legislators and assigned to interim committees by the Legislative Council. The EQC now must decide how to prioritize its interim work regarding how or whether it plans to pursue these requests. The EQC's statutory mandates are broad. (See *A Council Member's Guide to the Environmental Quality Council*.) Therefore, there are countless potential study topics that may be of interest to Council members. Those topics that were suggested by members in response to the April 28, 2005 letter to the Council are listed in the *Draft EQC Work Plan Decision Matrix*.

## **Instructions**

The *DRAFT EQC Work Plan Decision Matrix* is included as a separate document. Council members have found the matrix to be extremely useful in making decisions on the work plan. The decisions you will need to make are simply "What?" and "How Much?"

Just **follow these steps**:

1. Review the draft work plan.
2. Refer to the matrix. Review the topics and add any additional topics that are important to you.
3. For each category in the column on the far left, *choose* from the menu of options.
4. Circle the most appropriate option for that topic.
5. Fill in the resources allocated for that option in the far right column (#FTE, etc.).
6. Do this for each topic, then add the total. If it is more or less than **2.37 FTE**, reallocate.

Keep in mind that although we have listed "guesstimates" for *staff and Council resources*, each option involves a time commitment from *Council members*. In past interims, some EQC members indicated that they received too much information and that subcommittees were overused to the detriment of members that were not on the subcommittees. You may want to consider this when you make your decisions.

This exercise can be done individually in order to get an idea of your own preference. After Council discussion that should include answers to the question "Why", EQC members may generate proposals for the group to consider. At the end of the May EQC meeting, a plan of *what* the Council plans to work on during the interim and *how much* effort will be placed on each subject should be the result. Any direction on *how* you think the work can best be accomplished will assist staff in preparing detailed work plans on the selected topics. Last interim the whole Council gave a broad amount of time to be allocated to general topics and the chair and vice-chair provided staff with the more specific amounts of FTE to be allocated to each specific issue.

Once again, the *Draft 2005-2006 Work Plan* is a decisionmaking tool. **Everything in it is subject to approval by the Council.**

## Potential Work Plan Topics

### STUDY BILL

#### **Split Estates and Oil and Gas Production and Coal Bed Methane Reclamation and Bonding**

**Source/authority:** HB 790 (2005)  
85-2-105, MCA

**Legislative Poll Ranking:** N/A

**Background:** Coal bed methane is the extraction of methane gas from coal seams. To release the gas from the coal seam water must be removed to release the pressure and allow the gas to be released. Coal bed methane has many similarities to conventional oil and gas development. There are also differences - the biggest difference being the amount of water that is produced as a result of tapping the coal seam and extracting the methane. The primary area of production in Montana is the Powder River Basin located in the Southeastern corner of the state. This is the same basin that Wyoming has tapped significantly to extract coal bed methane. The other area of the state that is facing potential development is the Bozeman Pass area. The primary issue that has been raised in recent legislative session is surface use agreements, reclamation of the surface property, and bonding issues. This study resolution does not limit the study to coal bed methane but includes conventional oil and gas as well.

The other issue identified in the bill is the situation where the mineral estate and the surface estate are owned by different entities. This is deemed a "split estate". A majority of conflict that is the result of production is a result of a split estate.

Two bills were introduced and eventually died in the 2005 legislative session. SB 258 was an act revising laws governing compensation for damages sustained by the surface owner when oil and gas operations are conducted and other issues. SB 336 established the coal bed methane reclamation act and addressed bonding for coal bed methane operations as well. With the failure of the two primary bills dealing with this bill in the session the Legislature chose to pass a bill (HB790) requiring that a study be conducted to provide more detailed information for legislators to enable them to make informed policy decisions.

HB 790 specifically requires the EQC to:

- (1) Study split estates with regard to the ownership of mineral and the ownership of surface property related to oil and gas development.
- (2) Study reclamation of surface property affected by coal bed methane development.
- (3) Identify bonding requirements for coal bed methane production.
- (4) Examine procedures and time lines for giving notice to surface owners.
- (5) Minimum provisions for surface use agreements.
- (6) Identify elements that should be considered in surface use agreements.
- (7) Alternatives for addressing disagreement on estimated surface damages.
- (8) Bonding requirements, if any, based on the type of activity.
- (9) Assess current requirements for reclamation and bonding for coal bed methane operations and determine if they are adequate.

- (10) Evaluate laws related to surface damage, coal bed methane exploration, coal bed methane operations, and coal bed methane reclamation in other states.
- (11) Explore alternative approaches for balancing mineral rights with surface rights. (12) Identify the relationship between federal law and state law with regard to split estates and jurisdiction.
- (13) Evaluate the necessity and feasibility of postoperation reclamation requirements or alternatives, including water pits and impoundments.

OPTION A	OPTION B	OPTION C	OPTION D
<p><b>1.0 FTE</b></p> <ul style="list-style-type: none"> <li>• All of Option B</li> <li>• Include Federal land ownership and management and mineral ownership</li> <li>• Evaluate court cases and any environmental impact statements</li> <li>• Address each of the 13 elements identified in HB 790 in detail with a specific recommendation in the final report to address each issue.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Draft legislation to implement recommendations</li> <li>• Final report with recommendations and alternatives</li> <li>• Issue papers and summaries</li> </ul>	<p><b>.5 FTE</b></p> <ul style="list-style-type: none"> <li>• Establish EQC subcommittee</li> <li>• Complete all of tasks in Option C</li> <li>• Hold at least one subcommittee meeting in the major areas of development</li> <li>• Tour production areas - both current and reclaimed</li> <li>• Identify similarities and differences between conventional and CBM development</li> <li>• Address all 13 issues identified in HB 790 at least at a minimum level.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Potential legislation</li> <li>• Final report with recommendations</li> <li>• Issue papers and summaries</li> </ul>	<p><b>.25 FTE</b></p> <ul style="list-style-type: none"> <li>• No subcommittee established</li> <li>• Summary of other states laws regarding issues identified in HB 790</li> <li>• Panel discussion from industry, surface owner, subsurface owner of coal bed methane and conventional oil and gas</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Staff white paper</li> <li>• Issue papers</li> </ul>	<p><b>No Action</b></p>

**STUDY RESOLUTIONS ASSIGNED TO THE EQC BY LEGISLATIVE COUNCIL**

**Issues Related to Contract Harvesting of Timber from School Trust Lands**

**Source/authority:** HJR 33      **Legislative Poll Ranking:** #7

**Background:** The issue of this study is whether the Department of Natural Resources and Conservation should be statutorily authorized to sell logs directly from state lands. The Department estimates that by selling logs directly from state lands, state funding for school trust beneficiaries could possibly increase by as much as 30% over the current method of timber sales. The Department has agreed to facilitate a working group that includes beneficiaries of school trust lands, the Montana Logging Association, the Montana Wood Products Association, the conservation community, and other interested parties. This working group could examine issues surrounding the possible implementation of a contract harvesting program for state lands in Montana, including but not limited to an examination of similar programs in other states, standards for log quality, accounting practices, standards for hiring loggers, stewardship contracting, revenue and expenses, and economic impacts to the logging industry. This working group could then report its findings and recommendations to the EQC for EQC approval, modification, or disapproval.

OPTION A	OPTION B	OPTION C	OPTION D
		<p><b>.02 FTE</b></p> <ul style="list-style-type: none"> <li>• Authorize DNRC to establish working group.</li> <li>• DNRC and working group members periodically report to the EQC.</li> <li>• DNRC and working group members present findings and policy recommendations to EQC.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Brief summary of working group findings and recommendations.</li> <li>• EQC requested legislation (if any)</li> </ul>	<p><b>No Action</b></p>

**Wildland fire suppression statutes and policies**

**Source/authority:** HJR 10 (2005)

**Legislative Poll Ranking:** #8

**Background:** In December 2004 Legislative Audit Division released a performance audit on wildland fire administration, finding that Montana's statutes are outdated or silent with regard to wildfires, costs of wildfire suppression, fuel accumulation, and the wildland/urban interface.

OPTION A	OPTION B	OPTION C	OPTION D
<p><b>.25 FTE</b></p> <ul style="list-style-type: none"> <li>• Study statutes, policies of other western states.</li> <li>• Analyze federal statutes, polices.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Interim report</li> <li>• Legislation</li> </ul>	<p><b>.15-.2 FTE</b></p> <ul style="list-style-type: none"> <li>• Study statutes, policies of other western states.</li> <li>• Analyze federal statutes, polices.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• White paper</li> </ul>	<p><b>.1 FTE</b></p> <ul style="list-style-type: none"> <li>• Study statutes, policies of other western states.</li> <li>• Analyze federal statutes, polices.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Brief summary</li> </ul>	<p><b>No Action</b></p>

**Impacts of Superfund Sites on Communities**

**Source/authority:** HJR 34

**Legislative Poll Ranking:** #16

**Background:** Concern that superfund sites across Montana have serious impacts on communities and community infrastructure and that lack of timely superfund site cleanup exacerbates those community impacts is the crux of the issue that generated this interim study.

The resolution requests that the EQC:

- (1) inventory and establish a comprehensive list of:
  - (a) superfund sites located in Montana;
  - (b) the current status of cleanup efforts;
  - (c) the decision documents describing site remediation for each site in Montana; and
  - (d) the proposed time frame for completing the cleanup efforts;
- (2) provide alternatives for communities faced with untimely cleanup of superfund sites;
- (3) summarize water, infrastructure, and economic development needs of communities directly effected by superfund site listings;
- (4) identify education alternatives for superfund site impacts on local communities; and
- (5) develop a process for improving communication between local, state, and federal governments when addressing superfund issues.



OPTION A	OPTION B	OPTION C	OPTION D
	<p><b>.15- .2 FTE</b></p> <ul style="list-style-type: none"> <li>• Assign study to the EQC Agency Oversight Subcommittee (if any).</li> <li>• Facilitate panel discussions on study issues.</li> <li>• Analyze issues.</li> <li>• Generate community informational guide.</li> <li>• Generate Subcommittee summary report with findings and recommendations.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Subcommittee summary report</li> <li>• Community guide</li> </ul>	<p><b>. 1 FTE</b></p> <ul style="list-style-type: none"> <li>• Assign study to staff.</li> <li>• Staff generate a white paper that includes findings and recommendations.</li> <li>• EQC review and approval of the white paper.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Staff white paper</li> </ul>	<p><b>No Action</b></p>

## *EQC STATUTORY DUTIES AND OBLIGATIONS*

### ***Water Policy Statutory Duties***

**Source/authority:** 85-2-105, MCA.  
Recommendations of 1997-98 EQC.  
HB 22 (2005 session)

**Background:** The water policy duties of the EQC that are set forth in 85-2-105, MCA are paraphrased below.

1. Advise the Legislature on the **adequacy of Montana’s water policy**.
2. Advise the Legislature on **important state, regional, national, and international developments** that affect Montana’s water resources.
3. Oversee **policies and activities of executive branch agencies** and other state institutions that affect Montana’s water resources.
4. Assist with **interagency coordination** related to Montana’s water resources.
5. **Communicate with the public** about water policy and water resources.
6. Analyze and comment on the **State Water Plan**, when prepared by the Montana Department of Natural Resources and Conservation (DNRC).
7. Analyze and comment on the **Renewable Resource Grant and Loan Program** report.
8. Analyze and comment on **water related research** undertaken by state entities.
9. Analyze, verify and comment on the information in the **Water Information System of the Natural Resource Information System**.
10. Report to the Legislature.

Some of the many potential water policy issues that the EQC may want to address or receive information about during the 2005-2006 interim are described briefly below. Coal bed methane issues are highlighted in a separate section of the work plan.

**Water quality monitoring, assessment and improvement (TMDL'S).** The 1997-98 EQC recommended that the next EQC continue to provide oversight of the Montana Department of Environmental Quality's (DEQ) implementation of House Bill 546, a bill passed in 1997 that addressed water quality monitoring, assessment and improvement, including total maximum daily loads, or TMDL's. U.S. District Court Judge Molloy has issued an order that requires the U.S. Environmental Protection Agency (EPA) to approve or establish TMDLs for each pollutant that impairs or threatens a water quality limited segment on the state's 1996 list of impaired and threatened water bodies by May 5, 2007. The DEQ is prohibited from issuing new permits or increasing permitted discharge for permittees to a water quality limited segment under the Montana Pollutant Discharge Elimination System (MPDES) permitting program until all necessary TMDLs are developed. The timelines affecting DEQ and the completion of TMDLs was extended to 2012 by House Bill 89 in the 2003 Legislature. House Bill 89 affects only the statutory completion date and does not affect the court mandated completion date of 2007.

#### **Water adjudication.**

**Drought.** If current conditions continue, the effects of drought will continue to be a grave concern in many parts of the state. Pursuant to section 2-15-3308, MCA, the Drought Advisory Committee chaired by the Lieutenant Governor is responsible for monitoring drought conditions, implementing the state drought plan, providing assistance to local drought advisory committees, and other duties related to drought.

***Wading into Montana Water Rights revision.*** *Wading into Montana's Water Rights* is a primer for citizens that addresses frequently asked questions regarding water rights. This primer was revised last interim. Montana's water laws have been amended during the four legislative sessions since 1997 -- fairly significantly during the 2005 session. Because the guide is general and amendments to Montana law have been fairly narrow, the guide continues to be a generally accurate and useful document. However, new questions have arisen and the laws have been amended. The EQC could request staff to update this primer. Last interim the Council coordinated with the DNRC to publish one booklet rather than two separate booklets as has been done in the past.

OPTION A	OPTION B	OPTION C	OPTION D
<p><b>.5-.75 FTE Active EQC Subcommittee</b></p> <ul style="list-style-type: none"> <li>• All mandatory duties.</li> <li>• Significant commitment to water issues.</li> <li>• Public involvement.</li> <li>• Review and discuss applicability of statutory responsibilities related to water policy issues.</li> <li>• Extensive involvement and oversight on water adjudication program - DNRC and the Water Court.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Update water rights handbook.</li> <li>• Thorough report to Legislature.</li> <li>• Potential legislation to address statutory responsibilities</li> </ul>	<p><b>.25-.5 FTE Water Policy Subcommittee?</b></p> <ul style="list-style-type: none"> <li>• All mandatory duties.</li> <li>• Selected water issues.</li> <li>• Public involvement through EQC meetings.</li> <li>• Review and discuss applicability of statutory responsibilities related to water policy issues.</li> <li>• Basic involvement and oversight on water adjudication program - DNRC and the Water Court.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Update water rights handbook.</li> <li>• Brief report to Legislature.</li> <li>• Potential legislation to address statutory responsibilities</li> </ul>	<p><b>.1 FTE</b></p> <ul style="list-style-type: none"> <li>• Mandatory duties only.</li> <li>• Public involvement through EQC meetings.</li> <li>• Review and discuss applicability of statutory responsibilities related to water policy issues.</li> <li>• Minimal involvement and oversight on water adjudication program - DNRC and the Water Court.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Very brief report to Legislature.</li> <li>• Potential legislation to address statutory responsibilities</li> </ul>	

### **EQC General Statutory Duties**

**Source/authority:** Sections 75-1-201, 75-1-208, 75-1-314, 75-1-324, 2-15-1514, 2-15-1523, 75-10-111, 75-10-743, 75-10-913, 75-10-918, and 75-10-927, 77-2-301, 77-5-301, 85-1-203, 85-1-621, 85-2-105, 85-2-350, and 85-2-436.

**Background:** Following the establishment of the EQC in 1971, the Legislature has occasionally authorized the Council to play a role in some specific programs or activities of state government. These directives are in addition to the more general oversight authorities for environmental programs and policies found in section 75-1-324, MCA. This general authority is arguably sufficient to address the specific programs and policies. However, and particularly for new environmental programs or policies, the Legislature has called upon the EQC to act as its liaison with the executive branch. In the past, the EQC has prioritized these activities as the need for specific oversight changes with interest, time, and circumstance. They are listed as follows:

- 75-1-201 and 75-1-208, MCA - Executive agencies are required to submit copies of environmental review documents prepared in accordance with the Montana Environmental Policy Act (MEPA) to the EQC. The EQC staff has created and maintains a database of MEPA documents. Effective in 2001, a project sponsor may appear before the EQC at a regularly scheduled meeting to discuss issues regarding an executive agency's environmental review of the project.

- 75-1-314, MCA - Three agencies of state government are required to report specific compliance and enforcement information to the EQC on a biennial basis. This is the result of a 1997 EQC interim study. The agencies have provided two reports to date. The 2001-2002 EQC requested that the agencies provide the third report covering fiscal years 2001, 2002 and 2003 during this next interim.
- 75-1-324, MCA - This section of law contains the general oversight and policy review and recommendation responsibilities of the EQC. Members are urged to review it in detail. The EQC is directed to gather information concerning conditions and trends in the quality of the environment; to review state programs and activities to enhance or maintain environmental quality; to conduct studies, analyze proposals, and make recommendations concerning environmental issues; and to generally act as the Legislature's source of information and advisor on environmental policy issues and direction.
- 2-15-1514, MCA requires participation of a Legislative Services Division employee on the natural resource data system advisory committee. This has typically been assigned to the EQC staff on an as needed basis.
- 2-15-1523, MCA requires the participation of a representative of the Legislative Services Division on the Groundwater Assessment Steering Committee. This has typically been assigned to the EQC staff on an as needed basis.
- 75-10-111, 75-10-913, 918, and 927, MCA all require EQC involvement and review of the state solid waste management plan and participation in the Megalandfill Siting Act review process. The DEQ has developed a state solid waste management plan that is under revision this year. There have been no megalandfill siting applications since the law was enacted in 1991.
- 75-10-743, MCA is the statute addressing the Orphan Share State Special Revenue Account. Language added to the statute during the 2005 session requires the DEQ to report to the EQC quarterly during calendar years 2005, 2006, and 2007. New language also provides that if investigations indicate the need for additional information the DEQ shall prepare a report identifying the rationale and estimated costs for additional work and present it to the EQC during the spring of 2007.
- 77-2-301 *et. seq.* , MCA will include a new requirement authorized by HB 223 (2003 session) that the DNRC submit a report to the EQC by July 1, 2008 regarding the status of the state land banking program.
- 77-5-301 *et. seq.*, MCA is the Streamside Management Zone law. The statement of intent for the enabling legislation requires the DNRC to periodically evaluate and report on the implementation of the act to the EQC.
- 85-1-203, 85-2-105, and 85-2-436, MCA all relate to obligations of the EQC to participate in or receive and review information on water policy issues including water leasing information from the DFWP. More detail is provided in the draft work plan narrative on Water Policy.

- 85-1-621, MCA requires the DNRC to submit a biennial report to the EQC that describes the status of the Renewable Resource Grant and Loan Program financed with funds from the Resource Indemnity Trust.
- 85-2-350, MCA requires the Clark Fork River Task Force to report the EQC annually.

OPTION A	OPTION B	OPTION C	OPTION D
<p><b>1 FTE</b></p> <ul style="list-style-type: none"> <li>• Fulfill all statutory requirements.</li> <li>• Participate in all mandatory meetings and other environmental policy meetings (e.g. Board of Environmental Review, Fish, Wildlife and Parks Commission, etc.)</li> <li>• Rewrite and reprint <i>Our Montana Environment</i> or similar effort.</li> <li>• Establish MEPA training and training schedule for state employees and others.</li> <li>• Notify/solicit permit applicants to present MEPA concerns to EQC.</li> <li>• Review and comment on certain agency MEPA documents for compliance and consistency.</li> <li>• Review and comment as a Council on environmental reviews for selected controversial projects. (e.g. MEPA air quality debate over Holcim cement plant tire burning proposal.)</li> </ul>	<p><b>.3 FTE - .5 FTE</b></p> <ul style="list-style-type: none"> <li>• Fulfill selected statutory requirements in greater detail.</li> <li>• Accept reports and select some for EQC review, analysis, and comment.</li> <li>• Select specific topics for further analysis or presentation.</li> <li>• Request trend information for each topic reviewed by EQC.</li> <li>• Rewrite selected segments of EQC trends publication, <i>Our Montana Environment</i>, and post on EQC website.</li> <li>• Provide MEPA training to state agencies on as requested basis.</li> <li>• Provide updated web access to MEPA database.</li> <li>• Review selected controversial MEPA documents/projects.</li> <li>• Track MEPA litigation during interim.</li> </ul>	<p><b>.05 FTE</b></p> <ul style="list-style-type: none"> <li>• Minimum of activity.</li> <li>• Solicit and accept agency reports as required.</li> <li>• Fulfill statutory requirements at minimal level of effort.</li> <li>• Select oversight topics and issues for presentation and review at EQC meetings on an ad hoc basis.</li> <li>• Maintain MEPA database.</li> <li>• Participate in meetings as necessary.</li> <li>• Identify and describe trends in EQC interim study work.</li> <li>• Update MEPA handbook as needed.</li> <li>• Provide MEPA handbooks to agencies and others as requested.</li> <li>• Evaluate need for specific statutory duties.</li> </ul>	

**EQC General Agency Oversight Statutory Duties**

**Source/authority:** 2-4-401- 412; 5-5-202, 75-1-324, MCA.

**Background:** Under MEPA (75-1-324), the EQC has broad statutory oversight authority and has historically used that authority to review agency activities on an issue by issue basis as the need arises. In 1999, 2001, and 2003, the Legislature further expanded

and defined the EQC's oversight authority to include draft legislation review, administrative rule review, program evaluation, and monitoring the functions of the DEQ, DNRC, and the DFWP. The EQC's oversight of these agencies includes entities that are attached to these agencies.

The Legislature's actions in 1999, required a more systematic approach to agency oversight, especially in terms of administrative rule review. Pursuant to 2-4-401-412, MCA, the Council has the authority to request records; make recommendations for adoption, amendment, or rejection of a rule; institute, intervene in, or otherwise participate in rulemaking proceedings; review the conduct of administrative proceedings; request a legislative poll; request an economic impact statement on a rule; or object to violation of authority for a rule.

The EQC is also required to review proposed draft legislation from each of the departments within its jurisdiction. At the end of the interim, the EQC schedules time to review this draft legislation.

Traditionally, the EQC has one or more agency oversight issues on the agenda for each meeting. The Council has also historically allocated the necessary resources to respond to issues as they arise. There are also a number of statutorily required agency reports that are scheduled for presentations before the Council. One of the more significant reports is the compliance and enforcement of environmental and natural resource laws report required pursuant to 75-1-314, MCA.

OPTION A	OPTION B	OPTION C	OPTION D
<p><b>.20 - .30 FTE Active EQC Involvement</b></p> <ul style="list-style-type: none"> <li>• Option B intensified!</li> <li>• Consistent EQC involvement encompassing a broad range of oversight issues.</li> <li>• In depth systematic review of a larger number of state agency programs than in Option B.</li> <li>• Possible report and recommendations/legislation for changes in implementation of state policy.</li> <li>• Active EQC review of rules and legislation.</li> </ul>	<p><b>.15 FTE</b></p> <ul style="list-style-type: none"> <li>• Systematic oversight.</li> <li>• In addition to Option C, systematically evaluate and monitor a specific number of state agency programs.</li> <li>• More intensive review of administrative rules than Option C (Council Attorney provides synopses of significant and controversial proposed rules).</li> <li>• Review draft agency legislation.</li> <li>• Receive and comment on the compliance and enforcement report required pursuant to 75-1-314, MCA.</li> <li>• Systematic oversight for targeted programs.</li> <li>• Active EQC review of rules and legislation.</li> <li>• Possible EQC recommendations to the next Legislature.</li> </ul>	<p><b>.05 FTE</b></p> <ul style="list-style-type: none"> <li>• Organize oversight issues before the EQC on an as requested basis.</li> <li>• Council members receive copies of rule notices of proposed adoption of rules. Council members responsible for notifying staff or the Council Chair if they want more information.</li> <li>• Review draft agency legislation.</li> <li>• Receive and comment on the compliance and enforcement report required pursuant to 75-1-314, MCA.</li> <li>• Oversight on an as needed basis.</li> <li>• Possible EQC recommendations to next Legislature.</li> </ul>	

## **EQC Educational Publications Obligations**

**Source/authority:** 75-1-324, MCA.

**Background:** Under MEPA (75-1-324), the EQC has broad statutory authority and the EQC has historically used that authority to produce high quality, easy to understand, objective, nonpartisan, educational publications, in addition to the study reports that the EQC produces during any given interim. These educational publications are well regarded and are constantly requested by the general public, legislators, state and federal agencies, other states, and industry and conservation groups. Several EQC publications have received national awards. The EQC has produced the following educational publications:

☆ *Montana Index of Environmental Permits 2004, Fourteenth Edition*

**Explanation:** This is the EQC's oldest and perhaps most requested publication. It provides a complete list of the permits and licenses needed to conduct activities that may affect the state's environment. The permit index lists the permits required, the permitting agencies, and the statutes and rules that regulate each permit. The permit index has been updated every interim for 28 years.

☆ *A Guide to Montana Water Regulation (produced in 1996 and updated in 2002)*

**Explanation:** This publication is a primer that addresses water quality regulation in Montana. The impetus for producing this guide (which is one of the first educational primers that the EQC produced for a specific subject matter area) came from numerous requests from the general public and legislators for an easy to understand reference booklet on the complex area of water quality.

☆ *Water Rights in Montana (produced in 2004)*

**Explanation:** This publication is a primer on Montana's water right system. The EQC and the Department of Natural Resources and Conservation teamed up to produce this publication that distills a very complex area of law and regulation into a very easy to understand and readable document.

☆ *A Guide to the Montana Environmental Policy Act (produced in 1998 and updated in 2002)*

**Explanation:** The EQC was created by the Montana Environmental Policy Act (MEPA) in 1971. The EQC has historically been very active in MEPA implementation and oversight and in developing policy related to MEPA. This guide was produced by the EQC at the request of Montana citizens, legislators, agencies, and industry and conservation groups in order to provide an easy to understand reference guide on MEPA.

☆ *Eminent Domain in Montana (produced in 2001)*

**Explanation:** This handbook was one of several products that the EQC produced as a result of its 1999-2001 interim study on eminent domain in Montana. This handbook

was developed in order to help Montana Citizens better understand Montana's eminent domain laws.

☆ *The Electricity Law Handbook: A Montanan's Guide to Understanding Electricity Law (produced in 2002 and updated in 2004)*

Explanation: This handbook was produced by the EQC during the 2001-03 interim. The EQC felt that given the magnitude of the issues surrounding electricity and especially electricity deregulation in the state, that an educational publication was needed to help Montanans sort out the morass of laws that deal with electricity.

☆ *Understanding Electricity in Montana: A Guide to Electricity, Natural Gas and Coal Produced and Consumed in Montana (produced in 2002 and updated in 2004)*

Explanation: This guide was produced by the DEQ energy staff for publication by the EQC last interim. It provides statistical and explanatory information on electricity supply, demand, and transmission and information on coal and natural gas supply and demand.

With some exceptions, the EQC's educational publications usually become outdated every interim as a result of legislative changes or administrative changes in the particular areas of law or rule that the publication addresses. Sometimes the updates require minimal time and effort, but some updates like the permit index require a more intensive effort.

OPTION A	OPTION B	OPTION C	OPTION D
<p><b>.12 FTE</b></p> <ul style="list-style-type: none"> <li>In addition to Option B, update the Permit Index.</li> </ul>	<p><b>.04 FTE</b></p> <ul style="list-style-type: none"> <li>Update publications that require minimal effort.</li> <li>Have the EQC review and approve updates</li> </ul>	<p><b>No Action</b></p>	<p><b>No Action</b></p>

## ***EQC MEMBER SUGGESTED TOPICS***

**Source/Authority:** Section 75-1-324, MCA - General Oversight Authority

**Background:** On April 29, EQC staff sent a memo to each Council member soliciting topics of interest that might be reviewed by the EQC this interim. The responses are listed in the *Draft EQC Work Plan Decision Matrix* as "member defined issues" in the "Why is this a topic?" column. There is no narrative description for each topic. The EQC member that requested the topic is responsible for explaining the issue to the Council. A review of the matrix should indicate the nature of the request and provide a draft of tasks and a rough estimate of possible resource allocations for each topic. The Council will decide on whether to approve any or all of these items at the May organizational meeting.

### **DNRC Funding to Administer State Trust Lands**

The Montana University System campuses are the beneficiaries of five separate land grants given by Congress at the time of statehood. The common schools are recipients of similar



grants. The Legislature has allowed DNRC to assess fees from the earnings realized from these trust lands to cover the expenses of administering these lands. Over the past decade, the legality of these assessments has come increasingly into question.

OPTION A	OPTION B	OPTION C	OPTION D
		<p><b>.02 FTE</b></p> <ul style="list-style-type: none"> <li>• Authorize DNRC, University System, OPI to establish working group.</li> <li>• DNRC and working group members periodically report to the EQC.</li> <li>• DNRC and working group members present findings and policy recommendations to EQC.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Brief summary of working group findings and recommendations.</li> <li>• EQC requested legislation</li> </ul>	<p><b>No Action</b></p>

**Oversight of Effluent From Coal Plant Holding Ponds**

DEQ has main oversight under the Major Facilities Siting Act. Study would examine regulations, cleanup, and neighbor notification for possible effluent discharge from coal plant holding ponds.

OPTION A	OPTION B	OPTION C	OPTION D
		<p><b>.01 FTE</b></p> <ul style="list-style-type: none"> <li>• Study laws, rules and policies in Montana, other states</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Summary</li> </ul>	<p><b>No Action</b></p>

**Possible EQC Role in Roadless Petition Process**

Earlier this month, the federal government announced a final rule that invites input from state governors in the conservation and management direction for inventoried roadless areas within national forests. Governors may submit petitions that identify areas for inclusion and may also include ways to protect public health and safety, reduce wildfire risks to communities and critical wildlife habitat, maintain critical infrastructure and ensure that citizens have access to private property.

OPTION A	OPTION B	OPTION C	OPTION D
<p><b>.75 FTE ?</b></p> <ul style="list-style-type: none"> <li>Develop areas for inclusion, possibly addressing ways to protect public health and safety, reduce wildfire risks to communities and critical wildlife habitat, maintain critical infrastructure, and ensure that citizens have access to private property.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Report</li> <li>Recommendations</li> </ul>	<p><b>.25 FTE ?</b></p> <ul style="list-style-type: none"> <li>Assist state agencies in developing areas for inclusion.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Provide input for report.</li> </ul>	<p><b>.025 FTE ?</b></p> <ul style="list-style-type: none"> <li>EQC oversight of proposed roadless petition.</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Provide proposed EQC revisions</li> </ul>	<p><b>No Action</b></p>

### Other Oversight Issues

Earlier this year, the Fish, Wildlife and Parks Commission postponed a scheduled hunting season for bison in southwestern Montana. How was the public involved in this process? Were appropriate laws followed?

OPTION A	OPTION B	OPTION C	OPTION D
		<p><b>.005 FTE ?</b></p> <ul style="list-style-type: none"> <li>Review public record'</li> <li>Review applicable statutes, policies</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Summary</li> </ul>	<p><b>No Action</b></p>

Last month, the DEQ postponed release of an environmental impact statement on the proposed burning of tires at the Holcim Inc., cement plant. Examine role of public input as it relates to MEPA.

OPTION A	OPTION B	OPTION C	OPTION D
		<p><b>.005 FTE ?</b></p> <ul style="list-style-type: none"> <li>Review public record'</li> <li>Review applicable statutes, policies</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Summary</li> </ul>	<p><b>No Action</b></p>

## Draft 2005-2006 Work Plan Timeline

[*Note: This draft timeline is provided to give you an idea of the timeline that each study will need to fit into in order to complete the work on time. It is subject to final approval of the EQC meeting dates. The timeline shows the last date for completion of certain items.*]

May 23-24, 2005	<b>EQC Meeting.</b> Interim work plan prioritization and EQC organizational meeting. Selection of studies and topics.
September 13-14, 2005	<b>EQC Meeting.</b> Adoption of detailed work plans for each selected study or topic.
January 25-26, 2006	<b>EQC Meeting.</b>
March 15-16, 2006	<b>EQC Meeting.</b> If public comment is desired on an EQC report, the contents of the <i>draft</i> report should be determined by this date. [May be earlier for some studies.]
May 17-18, 2006	<b>EQC Meeting.</b> Last date to suggest revisions to a <i>draft</i> document if a 30 day public comment period is desired. Comments received from the public will be compiled by staff and distributed to the EQC 1-2 weeks before the July 22, 2002 meeting.
July 26-27, 2006	<b>EQC Meeting.</b> Decision on recommendations, any proposed legislation, final report contents.
September 13-14, 2006	<b>EQC Meeting.</b> Final approval of recommendations, any reports, proposed legislation. Selection of bill sponsors. Development of strategy. Review agency bill draft requests.

Council interim work must be completed prior to September 15, 2006.