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ENVIRONMENTAL QUALITY COUNCIL INTERIM COMMITTEE
67th Montana Legislature

| SENATE MEMBERS | HOUSE MEMBERS | COMMITTEE STAFF | PUBLIC MEMBERS |
|-----------------------|----------------------|--------------------------------------|----------------------------|
| Pat Flowers | Willis Curdy | Joe Carroll - Attorney | Scott Aspenlieder |
| Steve Hinebauch | Steve Gunderson | Joe Kolman - Legislative | John Brenden |
| Mike Lang | Bradley Hamlett | Environmental | Patrick Holmes - Gov. Rep. |
| JP Pomnichowski | Jim Keane | Analyst | Rex Rogers |
| Cary Smith | Theresa Manzella | Nadine Spencer - Secretary | Matt Vincent |
| Gene Vuckovich | Kerry White | Hope Stockwell - Research Analyst | |

MINUTES LOG

January 15, 2020
Capitol Building, Room 172

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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ROLL CALL

Members Present:

Rep. Jim Keane, Chair (D)
Sen. Mike Lang, Vice Chair (R)
Scott Aspenlieder, Public Member
John Brenden, Public Member
Rep. Willis Curdy (D)

Sen. Pat Flowers (D)
Rep. Steve Gunderson (R)
Rep. Bradley Hamlett (D)
Sen. Steve Hinebauch (R)
Patrick Holmes, Governor Designated Representative
Rep. Theresa Manzella (R)
Sen. JP Ponnichowski (D)
Rex Rogers, Public Member
Sen. Cary Smith (R)
Matt Vincent, Public Member
Sen. Gene Vuckovich (D)
Rep. Kerry White (R)

Staff Present:

Joe Carroll, Attorney
Joe Kolman, Legislative Environmental Analyst
Nadine Spencer, Secretary
Hope Stockwell, Research Analyst

VISITOR'S LIST ([Attachment 1](#))

AGENDA ([Attachment 2](#))

Call to Order/Roll

Rep. Keane called the meeting to order at 1:01 p.m. The secretary called the roll. ([Attachment 3](#))

Administrative Matters

| | |
|----------|--|
| 13:03:07 | Joe Kolman, legislative environmental analyst, Legislative Services Division (LSD), provided an update on the budget. |
| 13:03:22 | Mr. Kolman presented information regarding the results of a survey on interim activities that was sent to all legislators. (Exhibit 1) |
| 13:04:28 | Sen. Ponnichowski entered the meeting. |
| 13:10:05 | Rep. Keane said he supports travelling to different areas of the state for interim committee meetings. |

HJ 38 Study of Bonding, Decommissioning, and Remediation for Energy Facilities

Introduction

| | |
|----------|--|
| 13:11:09 | Sonja Nowakowski, research director, LSD, research staff assigned to HJ 38, provided an introduction and said the Council received an overview to decommissioning and reclamation requirements for coal-fired generation in Montana. (Exhibit 2) |
|----------|--|

- 13:12:43 Ms. Nowakowski said the Council received a timeline for events in Montana, Washington, and Oregon that have impacted Colstrip and a snapshot of economic impacts to the state based on the closure of Colstrip Units 1 and 2. ([Exhibit 3](#))
- 13:14:21 Ms. Nowakowski discussed the remediation of coal ash and the closure of other coal-fired power plants in Montana.
- 13:16:52 Sen. Vuckovich entered the meeting.

DEQ Waste Management & Remediation Division

- 13:18:22 Jenny Chambers, Waste Management and Remediation Division administrator, Department of Environmental Quality (DEQ), discussed remediation issues related to the closing of Colstrip Units 1 and 2.

DEQ Contaminated Site Cleanup Bureau

- 13:21:36 Aimee Reynolds, Contaminated Site Cleanup Bureau chief, DEQ, provided a status of and updates for the remediation and future requirements for decommissioning.
- 13:24:53 Sen. Lang entered the meeting.

DEQ Air Quality Bureau

- 13:28:52 David Klemp, Air Quality Bureau chief, DEQ, presented information on the air quality implications associated with the closure of Units 1 and 2 from the environmental and air quality fiscal perspective.

Public comment

None

EQC questions/discussion

- 13:34:41 Rep. White asked Mr. Klemp about the air quality impacts due to the closure of Colstrip Units 1 and 2 and the reduction of carbon dioxide emissions compared to what naturally occurs from forest fires.
- 13:37:35 Rep. White asked Mr. Klemp to provide clarification in the document on carbon dioxide emissions.
- 13:38:35 Sen. Pomnichowski asked Mr. Klemp about revenue impacts.
- 13:41:13 Rep. Curdy asked Ms. Reynolds about the permits DEQ granted at Colstrip.
- 13:43:50 Rep. Curdy said the Coal Combustion Residuals Regulation Act is under court review and asked Ms. Reynolds if it could jeopardize the DEQ's ability to follow up with the remediation.
- 13:45:18 Rep. Curdy asked Ms. Reynolds about the amount of money that will be needed for remediation and if it will be enough.
- 13:47:50 Sen. Flowers thanked Ms. Nowakowski for her summary report.
- 13:48:37 Rep. Keane also thanked Ms. Nowakowski.

- 13:48:57 Mr. Aspenlieder asked Ms. Reynolds about the requirements for Montana Dakota Utilities when the Lewis and Clark Station coal-fired power plant in Sidney is decommissioned. Ms. Reynolds redirected the question to Ed Thamke, Waste and Underground Tank Management Bureau chief, DEQ.
- 13:51:18 Sen. Pomnichowski asked Ms. Chambers about responsibility for cleanup and if there is an ownership agreement.
- 13:53:28 Sen. Pomnichowski asked Ms. Chambers about the owners and operators at Colstrip.
- 13:53:57 Sen. Pomnichowski complimented Ms. Nowakowski on her report and asked Ms. Chambers about the Administrative Order of Consent and responsibility for remediation of the coal ash ponds.
- 13:56:37 Rep. Keane asked Ms. Reynolds if the state retains the interest from the surety bonds.
- 13:57:11 Rep. Keane asked Ms. Reynolds to keep the Council updated on negotiations not beneficial to the state by owners who are not complying with their percentage of the surety bonds.

SJ 20: Wilderness Study Areas

- 13:57:54 Mr. Kolman provided an update. [\(Exhibit 4\)](#)

Current and Past Collaboration Efforts

- 13:59:06 Rep. Keane asked the panel members to provide information on collaborative efforts that were completed and forwarded to the federal government.
- 13:59:18 Brian Kahn, Artemis Common Ground.
- 14:04:36 Tony Colter, vice president/general manager, Sun Mountain Lumber, Deer Lodge.
- 14:11:40 Barb Cestero, senior regional representative, Wilderness Society, Bozeman. [\(Exhibit 5\)](#)
- 14:18:38 Russ Ehnes, representing himself. Formerly with National Off-Highway Vehicle Conservation Council, Montana Trail Vehicle Riders Association, Great Falls Trail Bike Riders, Tread Lightly, American Motorcyclist Association.
- 14:27:14 Ben Horan, executive director, Mountain Bike Missoula.
- 14:31:11 Rep. Keane said he will be asking the panel members about groups that were not part of the collaborations.

Public comment

- 14:32:24 Rep. Denley Loge, HD 14.
- 14:36:01 Nancy Ostlie, Great Old Broads for Wilderness, Gallatin Yellowstone Wilderness Alliance, Gallatin Wildlife Association.

- 14:46:38 Nancy Schultz, Gallatin Wildlife Association, Gallatin Yellowstone Wilderness Alliance.
- 14:52:02 Greg Beardsley. [\(Exhibit 6\)](#)
- 14:55:32 John Hagengruber, U.S. Forest Service (USFS).
- 14:55:49 Kevin Ferrin, Montana chapter, Backcountry Hunters and Anglers.

EQC questions/discussion

- 14:58:36 Sen. Flowers asked Bill Avey, forest supervisor, Helena Lewis and Clark National Forest, how collaboratives have or have not been beneficial to the USFS.
- 15:00:34 Rep. Curdy asked Mr. Colter about the number of USFS and Bureau of Land Management (BLM) supervisors he has worked with on collaboratives.
- 15:03:20 Rep. Curdy asked Mr. Avey about staff consistency within the USFS and working with collaboratives.
- 15:06:00 Rep. Keane asked Mr. Hagengruber to provide information on what would be helpful for the USFS to move the collaborative process forward. Mr. Hagengruber said he will. Rep. Keane said it will be on the agenda at the next meeting.
- 15:11:29 Rep. Hamlett said he would like more information on the number of Wilderness Study Areas,

Weyerhaeuser Timber Sale - Local Perspective

- 15:12:35 Rep. Gunderson discussed the plan by Weyerhaeuser to sell its land holdings in Montana.
- 15:18:17 Rep. Keane commented on the impact of the sale and interest to the EQC.

Public comment

- 15:18:46 Marcus Strange, Montana Wildlife Federation.

EQC questions/discussion

- 15:19:43 Rep. Keane said an update on the sale will be put on the agenda for the next EQC meeting.
- 15:19:56 Brief recess
- 15:35:14 Reconvene

State Trust Land Fiscal Year 2019 in Review

- 15:35:51 Kerry Davant, deputy director, Department of Natural Resources and Conservation (DNRC), presented a review on State Trust Lands. [\(Exhibit 7\)](#)

Public comment

15:57:12 Elsie Arntzen, superintendent, Office of Public Instruction.

EQC questions/discussion

15:59:43 Mr. Brenden asked John Tubbs, director, DNRC, about land transactions and land banking.

16:02:23 Mr. Brenden asked Mr. Tubbs about Section 36 in Kalispell.

16:02:55 Rep. Curdy asked Ms. Davant about Section 36. Ms. Davant redirected the question to Mr. Tubbs.

16:03:54 Rep. Curdy asked Mr. Tubbs about a prospective buyer for a commercial property in Missoula.

16:05:04 Rep. White asked Ms. Davant about historic right-of-ways and the statewide inventory that has not yet been transferred to the counties. Ms. Davant redirected the question to Mr. Tubbs. Rep. White said that the EQC may want to get a full inventory of the counties that have not participated.

16:08:15 Rep. White asked Ms. Davant about land acquisitions and if property taxes are paid to the local government when the land comes out of private ownership. Rep. White asked Ms. Davant to provide the EQC staff with information on the amount of money lost in property taxes by the state in land acquisitions.

16:09:39 Sen. Flowers asked Ms. Davant to provide staff with an estimate on how much revenue is coming in as a result of property the state is selling into private ownership.

16:10:00 Sen. Flowers asked Ms. Davant if she had an estimate for what the Stillwater Lazy/Swift acquisition will do for the sustainable yield calculation and when the contract will be completed for a new sustainable yield.

16:11:12 Rep. Hamlett asked Ms. Davant about the \$14.4 million being held in escrow from hydro leases. Ms. Davant redirected the question to Mr. Tubbs.

16:13:55 Sen. Lang asked Mr. Tubbs about the location for three potential wind farms.

16:15:06 Sen. Lang asked Mr. Tubbs about Mud Springs.

16:15:22 Sen. Lang asked Mr. Tubbs about the protocol for State Trust Lands and BLM grazing leases.

SB 299 Sage Grouse Stewardship Act Activities/Staffing Report

16:18:08 Carolyn Sime, Montana Sage Grouse Habitat Conservation Program manager, provided an update on Sage Grouse Stewardship Act activities. ([Exhibit 8](#))

16:23:47 Ms. Sime discussed SB 299 (2019).

Public comment

None

EQC questions/discussion

- 16:33:22 Sen. Lang asked Ms. Sime about coordination between the state and the BLM.
- 16:35:05 Sen. Lang asked Ms. Sime about SB 299 and the social and economic cultural values in regard to mitigation of a project.
- 16:36:52 Sen. Lang asked Ms. Sime about the Montana Sage Grouse Oversight Team (MSGOT) accounts receivables. Ms. Sime said she will provide the information to the Council.

Statewide Comprehensive Outdoor Recreation Plan 2020-2024

- 16:38:54 Beth Shumate, Parks Division administrator, Department of Fish, Wildlife, and Parks (FWP), presented information on Montana's Statewide Comprehensive Outdoor Recreation Plan. ([Exhibit 9](#))

Public comment

None

EQC questions/discussion

- 16:47:32 Mr. Brenden asked Ms. Shumate about Hell Creek State Park.
- 16:50:29 Rep. White asked Ms. Shumate about an inventory of recreational facilities.
- 16:54:28 Sen. Hinebauch asked Ms. Shumate about noxious weeds and the problem with leafy spurge at Makoshika State Park.
- 16:56:01 Rep. Hamlett asked Rep. Keane about money that was allocated to the road at Hell Creek State Park and if it was completed.
- 16:56:34 Sen. Lang asked Ms. Shumate about the lease for the concessionaire at Hell Creek State Park.
- 16:58:24 Rep. Keane asked Ms. Shumate about discussions with the U.S. Army Corp of Engineers to extend the lease at Hell Creek State Park.
- 16:58:54 Rep. Keane asked Ms. Shumate to keep the Council informed and asked about federal funding.
- 17:00:18 Rep. Keane asked Ms. Shumate if the Land and Water Conservation Fund can be used for a state park and at Hell Creek State Park.
- 17:02:26 Mr. Brenden asked Ms. Shumate about a longer lease period.
- 17:03:08 Rep. Keane asked Martha Williams, director, FWP, about the longest lease that FWP can grant.
- 17:04:18 Rep. Keane asked Ms. Williams about the timeframe for the term lease with the Army Corp of Engineers at Hell Creek State Park.
- 17:05:15 Sen. Hinebauch commented on easements and said they can be done into perpetuity.

Trapper Education Legislation Proposal

- 17:05:41 Rep. White provided an introduction and said his proposal for mandatory trapper education is in response to HB 517 (2019).
- 17:06:39 Hope Stockwell, research analyst, LSD, provided an overview and compared the proposal to HB 517. [\(Exhibit 10\)](#)

Public comment

- 17:09:35 Fran Buell, education coordinator, Montana Trappers Education Association. [\(Exhibit 11\)](#)
- 17:18:05 Marcus Strange, Montana Wildlife Federation.
- 17:18:55 Marc Cooke, Wolves of the Rockies.
- 17:23:20 Tim McKenrick, Montana Trappers Association.

EQC questions/discussion

- 17:23:40 Rep. White asked staff if the information presented by Ms. Buell will be available to the public.
- 17:24:44 Rep. Keane asked Ms. Williams about moving forward with legislation and if the department will be able to use existing resources.

Public comment on any matter not contained in this agenda and that is within the jurisdiction of the EQC

None

ADJOURNMENT

Rep. Keane adjourned the meeting at 5:30 p.m.