

**MINUTES OF THE  
NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT INTERIM COMMITTEE**  
Wednesday, October 17, 2012 – 9:00 a.m. – Room 210 Senate Building

**Members Present:**

Sen. Ralph Okerlund, Senate Chair  
Rep. Roger E. Barrus, House Chair  
Sen. Casey O. Anderson  
Sen. Allen M. Christensen  
Sen. Gene Davis  
Sen. Margaret Dayton  
Sen. David P. Hinkins  
Rep. Joel K. Briscoe  
Rep. Melvin R. Brown  
Rep. Brad L. Dee  
Rep. Jack R. Draxler  
Rep. Brad J. Galvez  
Rep. Neal B. Hendrickson  
Rep. Ken Ivory  
Rep. John G. Mathis

Rep. Michael E. Noel  
Rep. Douglas Sagers  
Rep. Evan J. Vickers  
Rep. Christine F. Watkins  
Rep. Ryan D. Wilcox

**Members Absent:**

Rep. Bill Wright

**Staff Present:**

Mr. J Brian Allred, Policy Analyst  
Ms. Tracy J. Nuttall, Associate General Counsel  
Ms. Anna M. Allen, Legislative Secretary

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Committee Business**

Chair Barrus called the meeting to order at 9:09 a.m.

**MOTION:** Sen. Anderson moved to approve the minutes of the September 19, 2012, committee meeting. The motion passed unanimously with Sen. Hinkins, Rep. Dee, Rep. Draxler, and Rep. Mathis absent for the vote.

**2. Energy Advisor Report / Legislative Review of State Energy Policy**

Mr. Cody Stewart, Governor's Energy Advisor, presented the "Governor's Energy Advisor's Report." He stated that the office values responsible energy development and energy education, that Utah will pursue energy production from various sources, and that the governor feels that Utah residents should have more control over their land and resources.

Ms. Samantha Julian, Director, Office of Energy Development, presented the "Office of Energy Development Report" and distributed "Energy Advisor Report Materials." She discussed the mission and role of the office. She also described the office's success and development for each year since its creation. She then invited committee members to the governor's energy development summit in January 2013 and made recommendations on energy policy to the committee.

Chair Barrus congratulated Mr. Stewart and Ms. Julian on the Office of Energy Development's fine work and thorough presentation.

Ms. Julian and Mr. Stewart responded to questions from the committee.

### **3. Petroleum Industry Update**

Mr. Lee Peacock, President, Utah Petroleum Association, introduced Ms. Kathleen Sgamma, Vice President of Government and Public Affairs, Western Energy Alliance.

Ms. Sgamma presented "Western Energy Alliance—Formerly IPAMS." She discussed the history of the alliance and how the oil and natural gas industry provides jobs for many citizens. She stated that the industry is heavily regulated by federal law for projects on federal land and that it must work to balance that regulation with economic and job growth. She discussed delays in oil and gas projects and said that the solution to this problem is delegation of oil and gas development to the states. She then discussed specific issues affecting the industry in Utah including sage grouse habitat, the hookless cactus recovery plan, and Uintah Basin air quality. She stated that Utah needs to help achieve the balance between economic development and protecting the environment.

Mr. Peacock and Ms. Sgamma responded to questions from the committee.

### **4. Management of State Lands**

Mr. John Rogers, Associate Director, Division of Oil, Gas, and Mining, discussed "Contrast and compare DOGM AND BLM well permitting process." He discussed the major differences in the permitting processes of the Division of Oil, Gas, and Mining and the Bureau of Land Management. He stated that the division is a regulatory agency while the Bureau of Land Management is a land management agency. He further explained that the Bureau of Land Management actually owns federal land, is supported by federal law, and its process overrules the division's process on federal lands. Mr. Rogers also discussed the National Environmental Policy Act of 1969 and the three levels of analysis in the act's process. He responded to questions from the committee.

Mr. Fred Hayes, Director, Division of State Parks and Recreation, presented "Utah State Parks and Recreation." He discussed the division's belief that parks are created for the public. He stated that while the division manages 43 state parks, the division considers itself more of an activity manager than a land manager. He said that the division's goal is for more people to utilize and enjoy Utah's state parks. Mr. Hayes responded to questions from the committee.

### **5. Draft Legislation "Water and Irrigation Amendments"**

Mr. Kent Jones, State Engineer, discussed draft legislation "Water and Irrigation Amendments" (2013FL-0319/004). He stated that the bill would amend the rulemaking authority of the state engineer, require a wholesale electrical cooperative to provide certain information upon applying for an extension of time to prove beneficial use, and remove certain verification requirements for an engineer or land surveyor who prepares a claim to surface or underground water not otherwise appropriated.

### **6. Draft Legislation "Abandonment or Forfeiture of Water Rights"**

Mr. Jones also discussed draft legislation "Abandonment or Forfeiture of Water Rights" (2013FL-0318/004). He discussed how the bill would modify provisions regarding the forfeiture of water rights. He responded to questions from the committee about both bill drafts.

The committee discussed whether to combine the two bills.

Mr. Fred Finlinson, Chairman, Utah Water Coalition, expressed support for combining the two bill drafts and encouraged the committee's support of the combined bill.

**MOTION:** Sen. Dayton moved that "Water and Irrigation Amendments" and "Abandonment or Forfeiture of Water Rights" be combined and adopted as a committee bill. The motion passed unanimously with Sen. Davis, Rep. Draxler, and Rep. Ivory absent for the vote.

Chair Barrus asked Sen. Dayton to sponsor the bill with Rep. Wilcox as the House sponsor.

Rep. Noel asked that the chairs draft a letter to the Fish and Wildlife Service on behalf of the committee to provide the service with information about Coral Pink Sand Dunes beetles, which were discussed in the State Parks and Recreation presentation.

Sen. Dayton asked the chairs to send a copy of the letter to the congressional delegation, candidates for those congressional delegation positions, and the governor's office.

Sen. Okerlund commented that he would like to ask the governor's office to write an independent, supporting letter.

Sen. Anderson asked if the committee could also coordinate with Mr. Hayes to examine the economic impact of listing the beetle on the endangered species list and include that information in the letter.

## **7. Adjourn**

**MOTION:** Rep. Hendrickson moved to adjourn. The motion passed unanimously with Rep. Briscoe, Rep. Draxler, and Rep. Ivory absent for the vote.

Chair Barrus adjourned the meeting at 11:30 a.m.