Hydro Fee related to Montana Senate Bill #363

Invasive mussel larvae were confirmed to be present in Tiber Reservoir and suspected in Canyon Ferry Reservoir for the first time in Montana during the fall of 2015. The timing of this discovery was just a few months prior to the Montana legislature, which meets every other year.

As a result of this discovery, Montana’s Governor Bullock declared a state of emergency, and set up an Incident Command System (ICS) to determine next steps to prepare the state to contain the current infestation, and prevent the spread of invasive mussels to the Columbia River basin (west of the continental divide).

As a result of the ICS process, Montana Fish Wildlife and Parks developed an enhanced Aquatic Invasive Species (AIS) program, consisting primarily of establishing a new AIS bureau, hiring a new bureau chief, and hiring additional staff for additional boat check stations throughout the state. The estimated cost of this new program is $11 million over the next two years.

The Montana legislature was charged with finding the funding mechanisms for this new program, through Senate Bill (SB) 363. SB 363 established an Aquatic Invasive Species Prevention Pass (requirement for both in state and out of state fishing licenses), a Hydroelectric Facility Fee, and a Hydroelectric-Dependent Utility Fee.

Avista’s Noxon Rapids Dam falls under the Hydroelectric Facility Fee. The fee is based on FERC approved Name Plate Capacity, which for Noxon is 488 MW. The fee is to be paid quarterly to the State at $795.96 per MW ($388,428.48), starting July 1, 2017 through June 30, 2019.

Planned expenses

WA share = $255,314 qtrly / $1,021,256 annually. ($1.021M (2018)