

FINAL BILL REPORT

SHB 2527

C 152 L 10
Synopsis as Enacted

Brief Description: Regarding the energy facility site evaluation council.

Sponsors: House Committee on Technology, Energy & Communications (originally sponsored by Representatives Morris, Chase, Hudgins and Jacks).

House Committee on Technology, Energy & Communications
House Committee on Ways & Means
Senate Committee on Environment, Water & Energy

Background:

Energy Facility Site Evaluation Council.

The Energy Facility Site Evaluation Council (EFSEC) provides a "one-stop" siting process for major energy facilities in Washington. The EFSEC coordinates all evaluation and licensing steps for siting certain energy facilities in Washington. The EFSEC specifies the conditions of construction and operation. If approved, a site certification agreement is issued in the place of any other individual state or local agency permits. The EFSEC also manages an environmental and safety oversight program of facility and site operations.

Members of the EFSEC.

The EFSEC is composed of a chair appointed by the Governor and representatives from five state agencies. Agencies represented on the EFSEC include: (1) the Department of Commerce; (2) the Department of Ecology; (3) the Department of Fish and Wildlife; (4) the Department of Natural Resources; and (5) the Utilities and Transportation Commission. When an application to site a facility is submitted to the EFSEC, representatives from particular cities, counties, or port districts potentially affected by the project are added to the EFSEC for proceedings related to the project.

Energy Facilities Subject to the EFSEC's Site Certification Authority.

The EFSEC's siting authority includes the following: (1) large natural gas and oil pipelines; (2) thermal electric power plants 350 megawatts (MWs) or greater and their dedicated transmission lines; (3) new oil refineries or large expansions of existing facilities; and (4) underground natural gas storage fields. In addition, energy facilities of any size that exclusively use alternative energy resources (wind, solar, geothermal, landfill gas, wave or tidal action, or biomass energy) may opt-in to the EFSEC process as well as certain electrical

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

transmission lines. The EFSEC's jurisdiction does not extend to hydro based power plants or thermal electric plants that are less than 350 MWs.

Site Certification Process.

The EFSEC certification process provides applicants an opportunity to present their proposals, allows interested parties to express their concerns about the proposed project to the EFSEC, and permits the EFSEC to address issues related to the application.

There are six major steps in the site certification process: (1) application submittal; (2) application review; (3) initial public hearings; (4) environmental impact statement; (5) adjudicative proceedings and permits review; and (6) recommendation to the Governor. Each step has specific requirements the applicant and the EFSEC must follow to ensure a comprehensive and balanced review of the project.

The Site Certification Application Deposit.

A site certification application to the EFSEC must be accompanied by a \$45,000 deposit that is applied toward the direct costs of processing the application, such as the retention of an independent consultant and a hearing examiner. Additionally, this deposit may pay such reasonable costs as are actually and necessarily incurred by the EFSEC and its members in processing the application.

Site Certification Agreement Deposit.

Within 30 days of execution of the site certification agreement, the site certificate holder must deposit \$20,000. Reasonable and necessary costs of the EFSEC directly attributable to inspection and determination of compliance by the certificate holder with the terms of the certification are charged against the deposit.

Summary:

Expansion of EFSEC Site Certification Authority.

The site certification authority of the EFSEC is expanded to include any nuclear power facilities that primarily produce and sell electricity and biofuel refineries capable of processing more than 25,000 barrels per day of refined product. Biofuel refineries where biofuel production is undertaken at existing industrial facilities are excluded from the EFSEC's expanded site certification authority. The definition of biofuel includes, but is not limited to, biodiesel, ethanol, and ethanol blend fuels and renewable liquid natural gas or liquid compressed natural gas made from biogas.

Deposit for Processing Site Certification Application.

A site certification applicant must deposit at least \$50,000 or a greater specified amount with the EFSEC at the time an application is submitted. The deposit covers all of the EFSEC's expenses that arise directly from processing a site certification application.

Deposit for Inspections and Compliance Determinations.

Within 30 days of executing a site certification agreement, a certificate holder must deposit at least \$50,000 or a greater specified amount with the EFSEC. The deposit covers all of the EFSEC's expenses that arise directly from inspecting and determining compliance with the terms of the site certification.

Payment of Site Restoration Costs Requirements.

In addition to paying the reasonable costs associated with monitoring the effects of construction and the operation of an energy facility, the certificate holder must pay reasonable costs associated with site restoration of the facility.

Allocation of Rulemaking Costs.

Rulemaking costs incurred by the EFSEC in implementing and administering this act must be proportionately divided among the certificate holders and applicants directly affected by this act.

Votes on Final Passage:

House	96	2	
Senate	43	2	(Senate amended)
House	95	0	(House concurred)

Effective: June 10, 2010