
**Technology & Economic Development
Committee**

HB 1998

Brief Description: Allowing public utility districts to produce and sell renewable natural gas.

Sponsors: Representatives Johnson, Morris, Short, Wylie, Smith, McCabe, Nealey, Tarleton, Tharinger and Van De Wege.

Brief Summary of Bill

- Authorizes public utility districts to produce, use, and sell or distribute renewable natural gas.

Hearing Date: 2/17/15

Staff: Nikkole Hughes (786-7156).

Background:

Public Utility Districts.

A public utility district (PUD) is a type of special purpose district authorized by the Legislature for the purpose of generating and distributing electricity, providing water and sewer services, and providing telecommunications services. A PUD may operate on a countywide basis or may encompass a smaller jurisdiction. A PUD is governed by a board of either three or five elected commissioners.

Authority of a Public Utility District to Produce and Distribute Biodiesel, Ethanol, and Ethanol Blend Fuels.

A PUD has the authority to produce and distribute biodiesel, ethanol, and ethanol blend fuels, including entering into crop purchase contracts for a dedicated energy crop for the purpose of

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generating electricity or producing biodiesel for use in internal operations or for sale or distribution.

Summary of Bill:

A PUD is authorized to produce renewable natural gas for use in internal operations or for sale. A PUD may not own or operate natural gas distribution pipeline systems used to serve retail customers.

Pipes connecting a PUD's renewable natural gas production facilities to gas transmission pipelines are considered production facilities and are not considered distribution pipeline systems used to serve retail customers.

"Renewable natural gas" means a gas consisting largely of methane and other hydrocarbons derived from the decomposition of organic materials in landfills, wastewater treatment facilities, and anaerobic digesters.

Appropriation: None.

Fiscal Note: Requested on February 11, 2015.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.