

HOUSE BILL REPORT

HB 1953

As Reported By House Committee On:
Energy & Utilities
Appropriations

Title: An act relating to energy siting review.

Brief Description: Creating an energy siting process review committee.

Sponsors: Representatives Grant, Rayburn, Johanson and Long.

Brief History:

Reported by House Committee on:
Energy & Utilities, February 26, 1993, DPS;
Appropriations, March 6, 1993, DPS(EN).

HOUSE COMMITTEE ON ENERGY & UTILITIES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Grant, Chair; Finkbeiner, Vice Chair; Casada, Ranking Minority Member; Johanson; Kessler; Kremen; Long; and Ludwig.

Staff: Ken Conte (786-7113).

Background: In 1970, the Legislature established the Energy Facility Site Evaluation Council (EFSEC) to evaluate, and approve or disapprove, applications for energy facility sites. EFSEC's jurisdiction applies only to large energy plants and transmission facilities, for example, electrical generating plants with generating capacity of 250,000 kilowatts or more. Today, most energy facility projects are too small to fall under EFSEC jurisdiction. Approval for projects that do not fall under EFSEC jurisdiction is spread out across various agencies at both the state and local government levels.

In its report, the Energy Strategy Committee concluded that the state of Washington has an "ambiguous and dysfunctional licensing environment" for energy facilities. The committee also noted that the proponents of today's smaller energy facilities, including renewables, can not afford lengthy and multiple licensing procedures. The committee stressed the need for early public involvement, efficiency and coordination in siting energy facilities.

The Energy Strategy Committee recommends the creation of a siting review panel to develop state siting procedures and legislation needed to implement these procedures.

Summary of Substitute Bill: The Energy Siting Process Review Committee is created. The committee is to review the siting processes currently applicable to energy facilities including various types of generation plants, pipelines, and transmission lines.

The committee is to recommend changes to statutes, rules, and policies that will reduce the cost and provide for timely siting of new energy resources. Committee recommendations are to ensure preservation of environmental quality, public participation, and appropriate roles for local government.

The committee is made up of 14 members including one member from each caucus of the Senate and the House of Representatives, and 10 members appointed by the governor. Gubernatorial appointees are to represent cities, counties, publicly-owned electric utilities, privately-owned electric utilities, natural gas utilities, environmental organizations, independent power producers, and citizens at large. Gubernatorial appointees are to represent the various geographic regions of the state.

The Energy Office is to staff the committee. The committee is to submit its report and recommended legislation to the governor and the Legislature by December 1, 1993.

Substitute Bill Compared to Original Bill: The substitute clarifies that legislative members are to represent each of the four caucuses. It adds one member so that publicly-owned and investor-owned electric utilities are represented, removes the reference to the "local government representative," and adds a representative of cities and a representative of counties. It also requires that the gubernatorial appointees be representative of the various geographical regions of the state.

Fiscal Note: Available.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: This is one of the major issues coming out of the work of the Energy Strategies Committee. Our permitting and decision-making process has grown by accretion; it is haphazard and redundant. It is not a matter of not working well; it doesn't work. The panel needs to deal with the matter of how we rationally integrate energy facility needs with other needs and concerns. Over the next several years

electric utilities will be looking at a number of power generating alternatives; if we can streamline the siting process now it will benefit everyone. The panel should include privately and publicly owned utilities, a member of the House and Senate Energy and Utilities committees, and provide for regional representation. NOTE: the substitute responds to most of these membership issues.

Testimony Against: None.

Witnesses: (All pro): Jim Waldo and Jim Harding, Washington State Energy Office; Ron Newbry, Pacificorp; and Collins Sprague, Washington Water Power.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Energy & Utilities be substituted therefor and the substitute bill do pass. Signed by 21 members: Representatives Locke, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dorn; Dunshee; Lemmon; Leonard; Linville; Peery; Rust; Sehlin; Sheahan; Sommers; Stevens; Talcott; and Wolfe.

Staff: Nancy Stevenson (786-7137).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Energy & Utilities: No new changes were recommended.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This is one of the major issues coming out of the work of the Energy Strategies Committee. The Energy Office can absorb the cost of staffing the Energy Siting Process Review Committee.

Testimony Against: None.

Witnesses: Steve McLellan and Jim Harding, Washington State Energy Office (pro).