

HOUSE BILL REPORT

SHB 2644

As Passed House:

February 9, 2000

Title: An act relating to the restoration and redevelopment of unfinished nuclear power project sites for purposes of economic development, providing for sufficient water supply for restoration and redevelopment of such sites.

Brief Description: Restoring unfinished nuclear power sites.

Sponsors: By House Committee on Agriculture & Ecology (originally sponsored by Representatives Delvin, Grant, Hankins, Linville and G. Chandler).

Brief History:

Committee Activity:

Agriculture & Ecology: 2/1/00, 2/3/00 [DPS].

Floor Activity:

Passed House: 2/9/00, 97-0.

Brief Summary of Substitute Bill

- Site restoration responsibilities for unfinished nuclear reactor sites located on federal property may be transferred to a political subdivision of the state.

HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives G. Chandler, Republican Co-Chair; Linville, Democratic Co-Chair; Cooper, Democratic Vice Chair; Koster, Republican Vice Chair; Anderson; B. Chandler; Delvin; Fortunato; Grant; Reardon; Schoesler; Stensen; Sump; and Wood.

Staff: Bill Lynch (786-7092).

Background:

The Energy Facility Site Evaluation Council (EFSEC) developed recommendations for approving energy facility site certification agreements for several proposed nuclear

reactor projects owned by the Washington Public Power Supply System during the 1970's. These agreements were subsequently approved. Once a site certification agreement is approved, any other provision of law regarding land use is preempted. Only one nuclear plant was completed.

In 1996, the Legislature authorized the transfer of site restoration responsibilities for unfinished nuclear reactor sites from the Washington Public Power Supply System to a political subdivision or subdivisions of the state. This authority only extended to nuclear power projects that are not located on federal property. Two unfinished reactors located in Grays Harbor County were transferred pursuant to this authority to a local public development district composed of Grays Harbor County and the Grays Harbor Public Utility District.

If site restoration responsibility is transferred to a political subdivision, all responsibilities for maintaining the public welfare, including health and safety, are transferred. If a transfer of existing surface water rights from the project for site restoration is not possible under existing statutes and rules, the Department of Ecology is required within six months of a transfer of responsibility to create a trust water right containing between 10 and 20 cubic feet per second to the political subdivision assuming responsibility for site restoration. The trust water right must be used to fulfill site restoration responsibilities, including economic development. The trust water right must be from existing water rights within the basin where the site is located.

When all or a portion of a site is transferred from a certificate holder to a political subdivision of the state, the site certification agreement must be amended to release those portions of the site that are transferred. The EFSEC actions pertaining to the transfer of all or a portion of a site are exempt from State Environmental Policy Act (SEPA) review.

Summary of Bill:

The restriction on transferring site restoration responsibilities for unfinished nuclear reactor sites located on federal property to a political subdivision of the state is removed. If all or a portion of a site is transferred after September 1, 1999, the political subdivision must comply with all applicable provisions of the Growth Management Act.

If property is to be transferred to a political subdivision of the state, all portions of the site that are no longer intended for the development of an energy facility must be included in the transfer.

A definition of "political subdivision of the state" is added to clarify that it means a city, town, county, public utility district, port district, or joint operating agency.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: (Original bill) The success of restoring the Satsop site can be duplicated at Hanford. Energy Northwest, the city of Richland, the port and the PUD have been working on this recovery effort for two years. This will save tax dollars, increase economic development, and help diversify the local economy. Clients are already being recruited for the site. A finished project is a bigger boon to an area than an unfunded project. The right to use water under the site certification agreement is still valid. The water that this project will use is minimal.

Testimony Against: (Original bill) Nothing in current law states that EFSEC obtains a transferable water right. Satsop used water transfers and trust water rights to secure water. Water can be obtained under current procedures. This sets a precedent of granting a special water right in statute. A risk analysis should look at the cumulative effects of the various water withdrawals. Idaho and Oregon are likely to have concerns. Withdrawing water could have Endangered Species Act overtones. The bill should be amended to make sure that all portions of a site are transferred so that a parcel of property without funds available for site restoration is not left behind.

Testified: (In support) Representative Jerome Delvin, prime sponsor; Representative Shirley Hankins; David Arbaugh, Benton Redevelopment Initiative; Leo Bowman, Benton County; Ben Floyd, Benton County; Jim Rowland, Energy Northwest; and Dan Sexton, Washington State Association of Plumbers and Pipefitters.

(Concerns) Deb Ross, EFSEC.

(Opposed) Judy Turpin, Washington Environmental Council; Carl Samuelson, Department of Fish and Wildlife; and Ken Slattery, Department of Ecology.