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BILL ANALYSIS

Technology, Telecommunications & Energy Committee

HB 2131

Brief Description: Regarding applications submitted to the energy facility site evaluation council.

Sponsors: Representatives Crouse, Mielke, B. Chandler, Schindler, Dunn, Ahern, Pflug, Bush, DeBolt, Anderson, Schoesler, Jarrett, Woods, Delvin, Mitchell, Talcott and Benson.

Brief Summary of Bill

• Declares that a sufficient and reliable supply of energy is critically important to the health and welfare of the citizens of the state and to the prosperity of the region.

·Modifies the role of the Energy Facility Site Evaluation Council staff.

Directs the Governor to conduct an evaluation of the council's operations and implement recommendations for enhanced efficiency.

Hearing Date: 2/21/01

Staff: Pam Madson (786-7166).

Background:

The Energy Facility Site Evaluation Council (EFSEC) was created in 1970 to provide one stop licensing for large energy projects. Council membership includes a non-salaried citizen chair appointed by the Governor and representatives from nine state agencies: the departments of Ecology; Fish and Wildlife; Health; Community, Trade, and Economic Development; Natural Resources; Agriculture; Transportation; as well as the Military Department and the Utilities and Transportation Commission. The council's membership may include representatives from the particular cities, counties, or port districts where potential projects may be located.

EFSEC's six staff members are located in the Department of Community, Trade, and Economic Development.

EFSEC's jurisdiction includes the siting of large natural gas and oil pipelines, electric power plants above 250 megawatts (MW) and their dedicated transmission lines, new oil refineries or large expansions of existing facilities, and underground natural gas storage fields. EFSEC's jurisdiction does not include geothermal, wind, solar, or hydro power plants, nor does it cover general transmission lines.

In developing a site selection and approval process, the Legislature declared its intent to seek courses of action what would balance the demand for new energy facility location and operation with the broad interests of the public. Any actions taken by the council would be based on maintaining safety of energy facilities, protecting environmental quality, and providing abundant energy at reasonable cost.

The EFSEC siting process generally involves six steps: (1) a potential site study followed by an application; (2) State Environmental Policy Act review; (3) review for consistency with applicable local land use laws and plans; (4) a formal adjudication on all issues related to the project; (5) certain air and water pollution discharge permitting reviews as delegated by the U.S. Environmental Protection Agency; and (6) a recommendation to the Governor who then decides whether to accept, reject, or remand the application. A certification agreement approved by the Governor preempts any other state or local regulation concerning the location, construction, and operational conditions of an energy facility.

Summary of Bill:

The intent of the legislature as expressed when the Energy Facility Site Evaluation Council (EFSEC) was created is modified to reflect the need to avoid costly duplication in siting decisions and to ensure that decisions are made timely and without unnecessary delay. The legislature finds that a sufficient and reliable supply of energy is critically important to the health and welfare of the citizens of the state and to the prosperity of the region.

Council staff is given a substantive role by allowing staff to make recommendations to the council on conditions that would allow site approval. Staff is directed to assist applicants in identifying issues presented by an application and upon review of all information, must recommend solutions for issues that are in dispute that would allow site approval. The council must ensure that sufficient staff are available to support a thorough review of all applications.

When the objectives of an agency participating on the council conflict with the need for adequate and reasonably priced energy, participating agencies must give priority to the directives of EFSEC statutes. Conditions that the council may place on a certificate for siting approval must clearly be pursuant to powers delegated to the agency. Agencies may not intervene in the EFSEC process for purposes of compelling compliance with policies or requirements that are not statutorily authorized.

The governor must conduct an evaluation of the council's operations and implement recommendations for enhanced efficiency.

Appropriation: None.

Fiscal Note: Not Requested.

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

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