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SENATE BILL 5167

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State of Washington

57th Legislature

2001 Regular Session

By Senators Fraser, Morton, Patterson, Hale, Regala, Prentice, T. Sheldon, Eide, Thibaudeau, Franklin, Spanel and Jacobsen

Read first time 01/12/2001. Referred to Committee on Environment, Energy & Water.

1 AN ACT Relating to the state energy strategy; amending RCW  
2 43.21F.090 and 43.21F.025; adding a new section to chapter 43.21F  
3 RCW; creating a new section; providing an effective date; and  
4 declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that the state  
7 energy strategy was developed in 1993 to assist the state in  
8 meeting its goals of fostering the wise and efficient use of  
9 energy and to promote energy self-sufficiency. The legislature  
10 further finds that, due to the recent energy shortages,  
11 fluctuations in the price of natural gas, oil, and electricity,  
12 changing energy technologies, and the increased need for  
13 conservation and development of renewable sources of energy, the  
14 state energy strategy is in need of review and revision.

15 **Sec. 2.** RCW 43.21F.090 and 1996 c 186 s 106 are each amended to  
16 read as follows:

17 The department shall review and revise the state energy

1 strategy (~~as developed under section 1, chapter 201, Laws of~~  
2 ~~1991, periodically~~), with the guidance of an advisory committee  
3 comprised of the membership identified in section 3 of this act,  
4 at least every five years after July 1, 2001. (~~For each review, an~~  
5 ~~advisory committee shall be established with a membership~~  
6 ~~resembling as closely as possible the original energy strategy~~  
7 ~~advisory committee specified under section 1, chapter 201, Laws of~~  
8 ~~1991.~~) Each review and revision shall be finalized within two  
9 years. Upon completion of a public hearing regarding the advisory  
10 committee's advice and recommendations for revisions to the energy  
11 strategy, a written report shall be conveyed by the department to  
12 the governor and the appropriate legislative committees. Any  
13 advisory committee established under this section shall be  
14 dissolved within three months after their written report is  
15 conveyed.

16 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.21F  
17 RCW to read as follows:

18 (1) The department shall create an advisory committee for the  
19 purpose of reviewing and revising the state energy strategy. The  
20 advisory committee shall include twenty-four members and represent  
21 different regions of the state, including seventeen citizens  
22 appointed by the director from the following groups: One person  
23 recommended by the investor-owned electric utilities, one person  
24 recommended by the investor-owned natural gas utilities, one  
25 person employed by or recommended by a natural gas pipeline  
26 serving the state, one person recommended by the suppliers of  
27 petroleum products, one person recommended by municipally owned  
28 electric utilities, one person recommended by the public utility  
29 districts, one person recommended by industrial energy users, one  
30 person recommended by commercial energy users, one person  
31 recommended by agricultural energy users, one person recommended  
32 by the association of Washington cities, one person recommended by  
33 the Washington state association of counties, three persons  
34 recommended by organizations with expertise in consumer affairs,  
35 low-income issues, and energy conservation, two persons  
36 recommended by environmental organizations, and one person  
37 employed by an educational or nonprofit research organization with

1 expertise in emerging energy technologies. In addition, the  
2 advisory committee shall include one of the representatives of the  
3 state of Washington to the Northwest power planning council  
4 selected by the director; the chair of the energy facility site  
5 evaluation council; one member of the utilities and transportation  
6 commission selected by the chair of the commission; two members of  
7 the house of representatives, one each selected by the leader of  
8 each major party; and two members of the senate, one each selected  
9 by the majority and minority leaders of the senate. The chair of  
10 the advisory committee shall be appointed by the director from  
11 citizen members. The director may establish technical advisory  
12 groups as necessary to assist in the development of the  
13 strategy. The director shall provide for extensive public  
14 involvement throughout the revision of the strategy.

15 (2) The committee's review and revision of the state energy  
16 strategy shall include consideration of state energy goals and all  
17 forms of energy, each major sector of energy consumption, and  
18 energy conservation, and shall:

19 (a) Assess future needs of the state and future resources  
20 available for use in the state for each form of energy;

21 (b) Identify strategies to increase the use of renewable forms  
22 of energy, increase conservation, and achieve a reliable, long-  
23 term sustainable supply of energy;

24 (c) Identify strategies to increase rate predictability,  
25 stability, and affordability;

26 (d) Identify and, to the extent possible, quantify the costs  
27 and benefits of: (i) Energy alternatives including direct  
28 economic costs and benefits, environmental costs and benefits, and  
29 the costs of inadequate or unreliable energy supplies; and (ii) a  
30 long-term sustainable supply of energy;

31 (e) Consider revision to the framework in which public  
32 decisions and actions affecting energy supply and use can be  
33 evaluated including the impact of decisions in other areas of  
34 public policy on energy supply and cost and on the use of energy  
35 and the establishment of goals to guide energy-related decisions;

36 (f) Evaluate the effects of regulatory actions taken by other  
37 western states or Canada that may impact the supply or cost of  
38 energy in Washington state;

1 (g) Evaluate the future role of the department and means of  
2 financing those activities determined essential to that role; and

3 (h) Recommend energy goals and policies to the governor and the  
4 legislature.

5 (3) In reviewing and revising the state energy strategy, the  
6 department shall:

7 (a) Ensure that the information developed is objective and  
8 impartial and facilitates the effective and efficient operation of  
9 such energy markets as may exist and recognizes and conforms to  
10 the pattern of regulation governing public service companies but  
11 shall not mandate the use of one energy source over another;

12 (b) Draw upon existing public and private sector information  
13 and expertise in energy matters to the fullest extent possible  
14 through consultation and cooperation;

15 (c) Recognize the planning horizons required for each segment  
16 of the energy industry and the need for state actions and  
17 decisions to take those planning horizons into consideration; and

18 (d) Ensure that the strategy is coordinated with the energy  
19 planning activities of federal, state, and private entities and  
20 does not duplicate what is already available.

21 **Sec. 4.** RCW 43.21F.025 and 1996 c 186 s 102 are each amended to  
22 read as follows:

23 (1) "Energy" means petroleum or other liquid fuels; natural or  
24 synthetic fuel gas; solid carbonaceous fuels; fissionable nuclear  
25 material; electricity; solar radiation; geothermal resources;  
26 hydropower; organic waste products; wind; tidal activity; any  
27 other substance or process used to produce heat, light, or motion;  
28 or the savings from nongeneration technologies, including  
29 conservation or improved efficiency in the usage of any of the  
30 sources described in this subsection;

31 (2) "Person" means an individual, partnership, joint venture,  
32 private or public corporation, association, firm, public service  
33 company, political subdivision, municipal corporation, government  
34 agency, public utility district, joint operating agency, or any  
35 other entity, public or private, however organized;

36 (3) "Director" means the director of the department of  
37 community, trade, and economic development;

1 (4) "Assistant director" means the assistant director of the  
2 department of community, trade, and economic development  
3 responsible for energy policy activities;

4 (5) "Department" means the department of community, trade, and  
5 economic development;

6 (6) "Distributor" means any person, private corporation,  
7 partnership, individual proprietorship, utility, including  
8 investor-owned utilities, municipal utility, public utility  
9 district, joint operating agency, or cooperative, which engages in  
10 or is authorized to engage in the activity of generating,  
11 transmitting, or distributing energy in this state; and

12 (7) "State energy strategy" means the document and energy  
13 policy direction originally developed under section 1, chapter  
14 201, Laws of 1991 including any related appendices, as revised  
15 pursuant to RCW 43.21F.090.

16 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
17 preservation of the public peace, health, or safety, or support of  
18 the state government and its existing public institutions, and  
19 takes effect July 1, 2001.

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