

6027-S2

Sponsor(s): Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Winsley and Finkbeiner; by request of Governor Locke)

Brief Description: Creating the diversification of electricity supply and demand management act.

SB 6027-S2 - DIGEST

(AS OF SENATE 2ND READING 3/14/01)

Requires that by January 1, 2007, and each year thereafter through December 31, 2011, each electric utility shall ensure that at least five percent of its resources used to serve its Washington customers are qualified diversity resources. Of the five percent, not less than one and one-quarter percent must be alternative energy resources and not less than one and one-quarter percent must be conservation and efficiency resources.

Requires that, by January 1, 2012, and each year thereafter, each electric utility shall ensure that at least ten percent of its resources used to serve its Washington customers are qualified diversity resources. Of the ten percent, not less than two and one-half percent must be alternative energy resources and not less than two and one-half percent must be conservation and efficiency resources.

Declares that an electric utility that as of March 1, 2001, owns or has under contract sufficient resources to meet one hundred percent of its forecasted needs to serve its customers is exempt from this act until such time as those resources are no longer sufficient to serve at least ninety-five percent of its forecasted needs, or January 1, 2009, whichever is earlier.

Provides that, by January 1, 2007, and each year thereafter through December 31, 2011, each natural gas distribution utility that provides gas services within two or more counties shall ensure that at least two and one-half percent of its resources used to serve its Washington retail customers are conservation and efficiency resources.

Requires that, by January 1, 2012, and each year thereafter, each natural gas distribution utility that provides gas services within two or more counties shall ensure that at least five percent of its resources used to serve its Washington retail customers are conservation and efficiency resources.

Requires each electric utility, as defined in RCW 80.60.010, to undertake and complete by January 1, 2003, a feasibility study to determine effective methods for reducing by at least three percent use of electricity during daily peak periods of electricity demand. Each utility shall report the results of its study under this act.

Requires the study to consider the feasibility and effectiveness of such factors as: Providing consumers information on the cost of electricity at different times of day or season; "smart meters" technology or other energy management systems that enable consumers and utilities to improve management of electricity

supply and cost; and rate structures that create an incentive for demand reduction dispatched by utilities.

Provides that any direct service industrial customer that obtains a sales and use tax exemption or deferral or business and occupation tax or public utility tax credit under chapter . . . (House Bill No. 1404, Senate Bill No. 5539, or other similar legislation), Laws of 2001 must meet the obligations under sections 4 and 6 of this act as if it were an electric utility.

Declares that, if chapter . . . (House Bill No. 1404, Senate Bill No. 5539, or other similar legislation), Laws of 2001 does not become law by June 30, 2001, section 10 of this act is null and void.