

SENATE BILL REPORT

SB 6146

As Reported By Senate Committee On:
Natural Resources, Energy & Water, January 29, 2004

Title: An act relating to encouraging renewable energy and energy efficiency businesses in Washington.

Brief Description: Encouraging renewable energy and energy efficiency businesses in Washington.

Sponsors: Senators Fraser, Morton, Esser, Eide, Winsley, Kohl-Welles, Keiser and Kline.

Brief History:

Committee Activity: Natural Resources, Energy & Water: 1/23/04, 1/29/04 [DPS].

SENATE COMMITTEE ON NATURAL RESOURCES, ENERGY & WATER

Majority Report: That Substitute Senate Bill No. 6146 be substituted therefor, and the substitute bill do pass.

Signed by Senators Morton, Chair; Hewitt, Vice Chair; Doumit, Fraser, Hale, Hargrove, Honeyford, Oke and Regala.

Staff: Andrea McNamara (786-7483)

Background: According to a recent report issued by the Department of Community, Trade, and Economic Development (CTED), the renewable energy and energy efficiency sectors in Washington currently generate close to one billion dollars in annual revenues and employ over 3,800 people. The report also explores how these sectors are likely to react to current market conditions and public policies, and concludes that the long-term prospects show strong potential for future growth.

The Washington Technology Center (WTC) is a collaborative effort between the state's universities, private industry, and government housed at the University of Washington. The statutory mission of the WTC includes performing and commercializing research on a statewide basis that benefits the intermediate and long-term economic vitality of the state. The WTC recently created a Northwest Energy Technology Collaborative of business, government, nonprofit, industry, and educational institutions to accelerate the emergence and growth of the energy technology industry in the Pacific Northwest region.

Summary of Substitute Bill: Legislative findings are outlined relating to the many benefits the state derives from its renewable energy and energy efficiency sectors and the Legislature's intent is declared to establish the state as a leader in clean energy research, development, manufacturing, and marketing.

The Washington Technology Center (WTC) is directed to use its existing Northwest Energy Technology Collaborative Project to provide a forum for public and private collaborative

initiatives to promote renewable energy and energy efficiency sectors in Washington State and the Pacific Northwest.

The WTC's responsibilities are amended to include using the collaborative project to develop and implement a strategic plan for public and private sector collaboration in renewable energy and energy efficiency business development. A process for developing the strategic plan, addressing necessary elements, and reporting back to the Governor and the Legislature are specified.

The definitions of "high technology" and "technology" in the WTC's chapter are expanded to include renewable energy and energy efficiency.

Substitute Bill Compared to Original Bill: The directive to create a new Renewable Energy Business Council is replaced with direction to the Washington Technology Center (WTC) to use its existing Northwest Energy Technology Collaborative Project to provide a forum for public and private collaborative initiatives. The Collaborative Project would assume the responsibilities for developing and implementing the strategic plan and reporting to the Governor and Legislature. References to "energy efficiency" and "products and services that promote energy efficiency" are added in several places to clarify the intent to address the energy efficiency sector in addition to the renewable energy sector. The direction to WTC to allocate 25 percent of its available grant funding to renewable energy or energy efficiency technology projects is deleted.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Washington State and the Pacific Northwest are the best places for these sectors to cluster and grow. The bill has the laudable purpose of informing state policy makers of the most effective strategies to position Washington to capture this potential. Promoting the renewable energy and energy efficiency industries has a variety of significant economic and non-economic benefits to the region.

Testimony Against: None.

Testified: Dave Warren, WA PUD Assn. (pro w/suggestion); Toni Potter, League of Women Voters (pro); Dave Danner, Governor's Office (pro); Tony Usebelli, CTED (pro); R. Lee Cheatham, Washington Technology Center (pro).