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**SUBSTITUTE HOUSE BILL 1854**

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**State of Washington**

**58th Legislature**

**2003 Regular Session**

**By** House Committee on Technology, Telecommunications & Energy  
(originally sponsored by Representatives Crouse, Sullivan, Delvin,  
Blake, Bush and Grant)

READ FIRST TIME 03/05/03.

1 AN ACT Relating to joint operating agencies; adding a new section  
2 to chapter 43.52 RCW; adding a new section to chapter 54.16 RCW; adding  
3 a new section to chapter 35.92 RCW; adding a new section to chapter  
4 35.22 RCW; adding a new section to chapter 35.23 RCW; adding a new  
5 section to chapter 35.27 RCW; and adding a new section to chapter  
6 35A.80 RCW.

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

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.52 RCW  
9 to read as follows:

10 A city or district may contract to purchase from an operating  
11 agency electric power and energy required for its present or future  
12 requirements. Except for natural gas fueled thermal electric  
13 generating projects, the contract may include the purchase of the  
14 capability of one or more specified projects to produce electricity in  
15 addition to the actual output of the projects. The contract may  
16 provide that the city or district must make the payments required by  
17 the contract whether or not a project is completed, operable, or  
18 operating and notwithstanding the suspension, interruption,  
19 interference, reduction, or curtailment of the output of a project or

1 the power and energy contracted for. The contract may also provide  
2 that payments under the contract are not subject to reduction, whether  
3 by offset or otherwise, and shall not be conditioned upon the  
4 performance or nonperformance of the operating agency or a city or  
5 district under the contract or other instrument.

6 NEW SECTION. **Sec. 2.** A new section is added to chapter 54.16 RCW  
7 to read as follows:

8 A district may contract to purchase from a joint operating agency  
9 electric power and energy required for its present or future  
10 requirements. Except for natural gas fueled thermal electric  
11 generating projects, the contract may include the purchase of the  
12 capability of one or more specified projects to produce electricity in  
13 addition to the actual output of the projects. The contract may  
14 provide that the district must make the payments required by the  
15 contract whether or not a project is completed, operable, or operating  
16 and notwithstanding the suspension, interruption, interference,  
17 reduction, or curtailment of the output of a project or the power and  
18 energy contracted for. The contract may also provide that payments  
19 under the contract are not subject to reduction, whether by offset or  
20 otherwise, and shall not be conditioned upon the performance or  
21 nonperformance of the joint operating agency or a city, town, or  
22 district under the contract or other instrument.

23 NEW SECTION. **Sec. 3.** A new section is added to chapter 35.92 RCW  
24 to read as follows:

25 A city or town may contract to purchase from a joint operating  
26 agency electric power and energy required for its present or future  
27 requirements. Except for natural gas fueled thermal electric  
28 generating projects, the contract may include the purchase of the  
29 capability of one or more specified projects to produce electricity in  
30 addition to the actual output of the projects. The contract may  
31 provide that the city or town must make the payments required by the  
32 contract whether or not a project is completed, operable, or operating  
33 and notwithstanding the suspension, interruption, interference,  
34 reduction, or curtailment of the output of a project or the power and  
35 energy contracted for. The contract may also provide that payments  
36 under the contract are not subject to reduction, whether by offset or

1 otherwise, and shall not be conditioned upon the performance or  
2 nonperformance of the joint operating agency or a city, town, or public  
3 utility district under the contract or other instrument.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.22 RCW  
5 to read as follows:

6 A city of the first class may contract to purchase from a joint  
7 operating agency electric power and energy required for its present or  
8 future requirements. Except for natural gas fueled thermal electric  
9 generating projects, the contract may include the purchase of the  
10 capability of one or more specified projects to produce electricity in  
11 addition to the actual output of the projects. The contract may  
12 provide that the city must make the payments required by the contract  
13 whether or not a project is completed, operable, or operating and  
14 notwithstanding the suspension, interruption, interference, reduction,  
15 or curtailment of the output of a project or the power and energy  
16 contracted for. The contract may also provide that payments under the  
17 contract are not subject to reduction, whether by offset or otherwise,  
18 and shall not be conditioned upon the performance or nonperformance of  
19 the joint operating agency or a city, town, or public utility district  
20 under the contract or other instrument.

21 NEW SECTION. **Sec. 5.** A new section is added to chapter 35.23 RCW  
22 to read as follows:

23 A city of the second class may contract to purchase from a joint  
24 operating agency electric power and energy required for its present or  
25 future requirements. Except for natural gas fueled thermal electric  
26 generating projects, the contract may include the purchase of the  
27 capability of one or more specified projects to produce electricity in  
28 addition to the actual output of the projects. The contract may  
29 provide that the city must make the payments required by the contract  
30 whether or not a project is completed, operable, or operating and  
31 notwithstanding the suspension, interruption, interference, reduction,  
32 or curtailment of the output of a project or the power and energy  
33 contracted for. The contract may also provide that payments under the  
34 contract are not subject to reduction, whether by offset or otherwise,  
35 and shall not be conditioned upon the performance or nonperformance of

1 the joint operating agency or a city, town, or public utility district  
2 under the contract or other instrument.

3 NEW SECTION. **Sec. 6.** A new section is added to chapter 35.27 RCW  
4 to read as follows:

5 A town may contract to purchase from a joint operating agency  
6 electric power and energy required for its present or future  
7 requirements. Except for natural gas fueled thermal electric  
8 generating projects, the contract may include the purchase of the  
9 capability of one or more specified projects to produce electricity in  
10 addition to the actual output of the projects. The contract may  
11 provide that the town must make the payments required by the contract  
12 whether or not a project is completed, operable, or operating and  
13 notwithstanding the suspension, interruption, interference, reduction,  
14 or curtailment of the output of a project or the power and energy  
15 contracted for. The contract may also provide that payments under the  
16 contract are not subject to reduction, whether by offset or otherwise,  
17 and shall not be conditioned upon the performance or nonperformance of  
18 the joint operating agency or a city, town, or public utility district  
19 under the contract or other instrument.

20 NEW SECTION. **Sec. 7.** A new section is added to chapter 35A.80 RCW  
21 to read as follows:

22 A code city may contract to purchase from a joint operating agency  
23 electric power and energy required for its present or future  
24 requirements. Except for natural gas fueled thermal electric  
25 generating projects, the contract may include the purchase of the  
26 capability of one or more specified projects to produce electricity in  
27 addition to the actual output of the projects. The contract may  
28 provide that the code city must make the payments required by the  
29 contract whether or not a project is completed, operable, or operating  
30 and notwithstanding the suspension, interruption, interference,  
31 reduction, or curtailment of the output of a project or the power and  
32 energy contracted for. The contract may also provide that payments  
33 under the contract are not subject to reduction, whether by offset or  
34 otherwise, and shall not be conditioned upon the performance or

1 nonperformance of the joint operating agency or a city, town, or public  
2 utility district under the contract or other instrument.

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