

SENATE BILL REPORT

HJM 4026

As of February 16, 2006

Brief Description: Requesting the Columbia generating station be used for the commercial production of hydrogen.

Sponsors: Representatives Haler, Takko, Newhouse, Nixon, Moeller, Grant, Morris, B. Sullivan and Woods.

Brief History: Passed House: 1/27/06, 98-0.

Committee Activity: Water, Energy & Environment:

SENATE COMMITTEE ON WATER, ENERGY & ENVIRONMENT

Staff: Richard Rodger (786-7461)

Background: The Energy Policy Act of 2005 calls for the Secretary of the United States Department of Energy (Secretary) to establish and provide for two projects in geographic areas that are regionally and climatically diverse to demonstrate the commercial production of hydrogen at existing nuclear power plants.

The Secretary is authorized by Congress to appropriate for the purpose of carrying out the demonstration not more than \$100 million. Prior to making an award, the Secretary shall determine whether the use of existing nuclear power plants is a cost-effective means of producing hydrogen.

The Columbia Generating Station is a boiling water reactor that uses nuclear fission to produce heat. It is the only commercially operated nuclear power plant in the Northwest. Columbia Generating Station is licensed by the Nuclear Regulatory Commission to run for 40 years, until 2023.

Summary of Bill: The Legislature requests that the Secretary determine that the use of existing nuclear power plants is a cost-effective means of producing hydrogen.

The Legislature further requests that the Secretary provide for the establishment of a project at the Columbia Generating Station to demonstrate the commercial production of hydrogen at an existing nuclear power plant.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Testimony For: A provision in the Energy Policy Act of 2005 provides a great opportunity for Washington State to seek the construction of a \$50 million, federally-funded demonstration project for the commercial production of hydrogen. The hydrogen produced from this project

can be used for many purposes. For example, Washington oil refineries use from 1,000 to 100,000 pounds of hydrogen daily. Oil refineries derive their hydrogen by processing natural gas. Natural gas has experienced high prices lately. Some oil refineries have expressed interest in alternative sources of hydrogen. Energy Northwest is supportive of siting this project near the Columbia Generating Station.

Testimony Against: None.

Who Testified: PRO: Representative Haler, prime sponsor; Gary Troyer, ANS.