

HOUSE BILL REPORT

HB 1057

As Passed House:
January 29, 2007

Title: An act relating to alternative fuels.

Brief Description: Requesting information on the use of alternative fuels.

Sponsors: By Representatives Hudgins, Dunshee, Wood and Chase.

Brief History:

Committee Activity:

Technology, Energy & Communications: 1/17/07, 1/23/07 [DP].

Floor Activity:

Passed House: 1/29/07, 94-3.

Brief Summary of Bill

- Requires state agencies that own and operate refueling stations to provide information regarding the practical cost of offering alternative fuel to other state agencies and the public.

HOUSE COMMITTEE ON TECHNOLOGY, ENERGY & COMMUNICATIONS

Majority Report: Do pass. Signed by 11 members: Representatives Morris, Chair; McCoy, Vice Chair; Crouse, Ranking Minority Member; McCune, Assistant Ranking Minority Member; Eddy, Ericksen, Hankins, Hudgins, Hurst, Takko and VanDeWege.

Staff: Kara Durbin (786-7133).

Background:

As early as 1980, the Legislature commenced a policy regarding the use of alternative fuels in state-owned motor vehicles. The Office of Financial Management was directed to establish policies governing passenger motor vehicles owned or operated by state agencies that would support the "widest possible use of gasohol and cost-effective alternative fuels." In 1989, the Department of General Administration (GA) was directed to consider the use of state vehicles to conduct field tests on alternative fuels in areas of high air pollution. The GA was also

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directed to explore aggregated purchases of alternative fueled vehicles with the federal government, agencies of other states, other Washington agencies, local governments, or private organizations.

In 1991, the Legislature stated its policy to reduce vehicle emissions and decrease dependence on petroleum-based fuels. It directed the Utilities and Transportation Commission (UTC) to identify barriers to the development of refueling stations for vehicles operating on compressed natural gas, and to develop policies to remove those barriers. The UTC was to consider providing rate incentives to encourage natural gas companies to invest in the infrastructure required by refueling stations.

The Energy Policy Act of 1992 (Act) requires certain fleets to acquire alternative fuel vehicles that are capable of operating on non-petroleum fuels. Under the Act, by 2001, 75 percent of new light duty vehicle purchases made by state fleets must be alternative fuel vehicles. Light duty vehicles are generally passenger cars. Law enforcement, emergency, and non-road vehicles are excluded from the Act. The Energy Policy Act of 2005 (EPAct) expanded the compliance options for states under the 1992 Act by allowing state fleets to choose a petroleum reduction path in lieu of acquiring alternative fuel vehicles.

Currently, the state's motor pool fleet consists of about 1,400 vehicles. Approximately 75 percent of these vehicles are flex-fuel and can be fueled by ethanol and/or gasoline. Because ethanol is not readily available in this state, the motor pool vehicles are fueled with gasoline.

Summary of Bill:

State agencies must provide the following information to the Legislature by December 31, 2008:

- which refueling sites are practicable for offering alternative fuels for use by other state agencies;
- which refueling sites are practicable for offering alternative fuels for public use;
- each agency's plan for renovating existing refueling stations or constructing new refueling stations and the associated costs; and
- the cost of reconfiguring existing refueling stations or constructing new refueling stations to include alternative fuels and to offer alternative fuels at those stations to other state agencies.

If a state agency concludes that it is not practicable to offer alternative fuels at a particular site, the agency must specify why it is not practicable. As part of their response, each agency must include a priority list outlining which stations would be most feasible to offer alternative fuels, as well as explaining what types of alternative fuels are feasible at each location.

For purposes of the study, alternative fuels include biodiesel, ethanol (E85), hydrogen, and liquid natural gas.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) The Legislature has been a strong supporter of alternative fuels. I am focusing on the distribution side of alternative fuels. Seventy-five percent of our fleet are flex fuel vehicles that can run on ethanol, but ethanol isn't available for the state to buy. State agencies might be more willing to run these vehicles on E85 if the fuel was more readily available. The state owns over 100 fueling stations, but not all sites are feasible for offering alternative fuels. This bill seeks to get comprehensive information about what the state already has in terms of refueling stations, and to evidence the market. This is an opportunity to study how to leverage our existing investments in fueling stations, and explore whether we could open them up to the public.

(In support with concerns) We support this bill and will gladly report this information to the Legislature. Our only concern is with offering fuel to the public. This bill does not require us to do that, but if we were to offer fuel to the public at some point in the future, there would be some logistical concerns that would need to be addressed.

(Opposed) None.

Persons Testifying: (In support) Representative Hudgins, prime sponsor.

(In support with concerns) Chris Christopher, Washington State Department of Transportation.

Persons Signed In To Testify But Not Testifying: None.