
**Technology, Energy &
Communications Committee**

HB 1036

Brief Description: Regarding the purchase of renewable energy by public entities.

Sponsors: Representatives Morris, Hudgins, Morrell, Linville, B. Sullivan and Goodman.

Brief Summary of Bill

- Requires certain state agencies to purchase 20 percent of their total electricity in the form of alternative energy.

Hearing Date: 1/17/07

Staff: Kara Durbin (786-7133).

Background:

Electricity in Washington

Most of the electricity generated in Washington comes from hydroelectric projects. According to the state's 2004 aggregate utility fuel mix report, hydroelectric power accounts for 66 percent of electricity sold; coal represents 18 percent; natural gas supplies 9 percent; and nuclear power supplies 5.6 percent. Non-hydro renewable sources such as wind, solar, landfill gas, and biomass represent 1.52 percent.

Green Power Programs:

Beginning January 1, 2002, all electric utilities (except for small electric utilities) had to offer their customers the option to purchase electricity generated using alternative energy resources. This was a voluntary approach to encourage the use and development of electricity generation through a mix of renewable resources. The Department of Community, Trade, and Economic Development (CTED) and the Utilities and Transportation Commission (UTC) must report annually on the products offered to customers, customer participation, and the investments made by each utility in qualifying alternative energy resources.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

According to the 2006 green power report submitted by CTED and the UTC, customers purchased 23.9 average megawatts of green power through voluntary green power programs between January and September of 2006. This represents a 67 percent increase over 2005 green power sales. In terms of customer participation, the green power program has seen a 9 percent increase in customer participation since 2005.

Summary of Bill:

State agencies that are served by a public or private utility are required to purchase 20 percent of their total electricity in the form of qualified alternative energy resources from their local electric utility.

In purchasing qualified alternative energy resources from their local electric utility, a state agencies shall pay a rate no less than the retail price of a qualified alternative energy product that their local electric utility charges its customers under its green power program, established under RCW 19.29A.090.

State agencies are not required to purchase qualified alternative energy resources from their local electric utility if the utility is exempt from offering a qualified alternative energy product.

A qualified alternative energy resource is defined as electricity produced from generation facilities fueled by any of the following sources: wind; solar energy; geothermal energy; biogas produced during treatment of human or animal waste or evolved from landfills; wave or tidal action; gas produced during the treatment of wastewater; qualified hydropower; combined heat and power or cogeneration; or biomass energy.

Appropriation: None.

Fiscal Note: Requested on January 16, 2007.

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