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SUBSTITUTE HOUSE BILL 3216

State of Washington 60th Legislature 2008 Regular Session

By House Technology, Energy & Communications (originally sponsored by Representatives Seaquist, Morris, Upthegrove, Hudgins, Loomis, Kelley, Morrell, VanDeWege, Ericks, Hankins, and Eddy)

READ FIRST TIME 01/29/08.

- AN ACT Relating to hydrokinetic energy; creating new sections; and providing an expiration date.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) The legislature finds that the global 4 5 energy economy is undergoing significant changes creating a situation where energy prices are increasingly more expensive and the sources of 6 7 energy increasingly less secure. Additionally, the legislature finds 8 that there is growing concern about the consequences associated with greenhouse gas emissions from conventional sources of energy and the 9 10 need for action to address the threats of climate change. The legislature finds ocean and tidal resources, as well as other forms of 11 12 hydrokinetic energy, will play an important role in providing clean, carbon-free, reliable, and affordable energy to the citizens of 13 14 Washington. The legislature finds that the development of wave and tidal energy technologies in Washington will create more highly valued 15 green jobs in the state. 16
- 17 (2) It is the intent of the legislature to facilitate the 18 development of clean, carbon-free, reliable, and affordable power 19 sources for the energy needs of Washington's growing economy. Also, it

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- is the intent of the legislature to help catalyze the emergence of a 1 2 new water-power industry that is able to export technology and expertise to the rest of the country and the world. In addition, the 3 legislature finds that hydrokinetic energy technologies are in their 4 5 infancy and care must be taken to properly design and site these facilities in order to avoid impacts on the marine environment. 6 7 achieve these goals, the legislature intends to establish a publicprivate organization that will support a sustainable approach to 8 9 hydrokinetic energy development aimed at economic development, 10 environmental protection, and community stability.
 - (3)(a) It is the intent of the legislature for state agencies to develop a programmatic permit for the siting of wave and tidal power projects through a streamlined approach to environmental permit decision making.
 - (b) To optimize the development and siting process for wave and tidal power systems and to provide environmental protection, the legislature finds that state regulatory and natural resource agencies, public and private sector interests, tribes, local and regional governments, and applicable federal agencies must work cooperatively to establish common goals, minimize project siting delays, develop consistency in the application of environmental standards, and eliminate duplicative processes through assigned responsibilities of selected permit drafting and compliance activities between state agencies.
- NEW SECTION. Sec. 2. The definitions in this section apply throughout this act unless the context clearly requires otherwise.
- 27 (1) "Center" means the Washington state center for excellence in hydrokinetic energy.
 - (2) "Council" means the energy facility site evaluation council.
- 30 (3) "Department" means the department of community, trade and 31 economic development.
 - (4) "Hydrokinetic energy" means hydroelectric generation from ocean waves, tides, and currents, from free-flowing rivers and streams, and from water discharges.
- 35 (5) "Water discharges" means water discharges from agricultural, 36 industrial, and commercial operations, wastewater treatment plants, or 37 residential properties.

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- NEW SECTION. Sec. 3. The department and the council shall convene and cochair a work group to develop the Washington state center for excellence in hydrokinetic energy and develop a unique one-stop permit process for both wave power and tidal power projects.
- 5 <u>NEW SECTION.</u> **Sec. 4.** (1) The work group created under section 3 of this act consists of, but is not limited to, representatives from:
 - (a) The department of natural resources;
- 8 (b) The department of ecology;

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- (c) The department of fish and wildlife;
- 10 (d) The utilities and transportation commission;
- 11 (e) A wave energy company or tidal energy company, or both;
- 12 (f) A wave energy industry association or tidal energy industry 13 association, or both;
- 14 (g) Either a state or private university researching wave energy or 15 a state or private university researching tidal energy, or both;
 - (h) The Northwest Indian fisheries commission;
- 17 (i) An electrical utility;
- 18 (j) A local government;
- 19 (k) A commercial fishing association;
- 20 (1) A conservation group with expertise in energy-related issues;
- 21 (m) A conservation group with expertise in marine ecology; and
- (n) A marine recreation group.
- (2) State agencies under subsection (1) of this section that are members of the council under RCW 80.50.030 shall provide their existing designee members to serve on the work group in carrying out the responsibilities of this act.
- NEW SECTION. Sec. 5. (1) In developing the center, the work group created in section 3 of this act shall ensure that the center is a public-private entity and that the center supports a sustainable approach to hydrokinetic energy development aimed at economic development, environmental protection, and community stability.
- 32 (2) The work group created in section 3 of this act shall make 33 recommendations to the legislature to include, but not be limited to, 34 the following:
- 35 (a) How the center will conduct and support research and

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- demonstrations of wave and tidal energy technologies in order to 1 2 facilitate the deployment and commercialization of these technologies 3 in Washington;
 - (b) How the center will establish and operate wave and tidal energy test ranges that allow developers to demonstrate their wave and tidal energy technologies;
 - (c) How the center will maintain processes to assist developers in permitting their wave and tidal energy technologies;
 - (d) How the center will collect, manage, and disseminate data necessary to assess statewide wave and tidal resources;
- 11 (e) How the center will promote Washington as the optimal location for the development of and deployment of wave and tidal energy 12 technologies; 13
- (f) What the public-private governance structure of the center will 14 be, considering the life sciences discovery fund as a model; 15
- 16 (g) How the center will coordinate with other governmental wave and 17 tidal institutions and initiatives in the Pacific Northwest economic 18 region;
- (h) How the center will be funded through either state, federal, or private sources of funding, or a combination of these funding sources; 20
- 21 (i) How the center will assist the state and various other entities 22 in reducing greenhouse gas emissions;
- (j) How the center will assist other forms of hydrokinetic energy 23 24 technologies in addition to wave and tidal energy;
 - (k) How the center will identify and develop protocols to manage issues involving competing uses of water space; and
- 27 (1) How hydrokinetic energy may be designed and sited so as to avoid negative impacts on marine ecosystems. 28
- 29 NEW SECTION. Sec. 6. The work group created in section 3 of this
- 30 act shall provide a report to the appropriate committees of the
- 31 legislature containing its recommendations under section 5 of this act,
- as well as draft legislation implementing its recommendations, by 32
- December 1, 2008. 33

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- 34 NEW SECTION. Sec. 7. (1) The work group created in section 3 of
- 35 this act shall develop a unique one-stop permit process for both wave
- 36 power and tidal power projects. The one-stop permit process must use

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interagency review of wave and tidal power projects to streamline 1 2 permit decision making. The work group shall develop a process that allows for concurrent public review, concurrent public hearings, and a 3 unified appeals process of various state regulatory requirements. The 4 5 work group shall collaborate with appropriate governmental agencies and stakeholders to identify existing environmental standards, to assess 6 the application of those standards, and to develop an integrated 7 permitting process based upon environmental standards and best 8 management practices for wave and tidal power projects that may be 9 10 applied with certainty and consistency while taking into account varying environmental conditions. 11

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- (2) By June 30, 2009, the work group created in section 3 of this act shall develop a detailed work plan of the process to develop the one-stop programmatic permitting for wave and tidal projects for review by the legislature. The work plan must be updated every six months and provided to the legislature. If the work group determines that additional time is required to develop the one-stop programmatic permitting process for wave power projects, the work group shall report to the legislature on the need for additional time and update the work plan accordingly.
- (3) In creating one-stop programmatic permitting processes for wave and tidal power projects, the work group created in section 3 of this act shall:
- (a) Develop and prioritize a list of permit streamlining opportunities, specifically identifying substantive and procedural duplications and recommendations for resolving those duplications;
- (b) Evaluate flexible approaches that promote wave and tidal power development and protect environmental interests;
- 29 (c) Make recommendations regarding where those approaches should be 30 implemented;
 - (d) Identify whether legislative measures are required to implement the one-stop programmatic permitting process for wave and tidal power projects; and
 - (e) Determine how to maximize possible use of programmatic approaches to simplify issuance of federally required permits and project approvals.
 - (4) The work group created in section 3 of this act, in developing

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- recommendations for a one-stop programmatic permit, shall consider additional issues that may be associated with permitting a wave or tidal energy project, which include:
 - (a) Disturbance or destruction of marine life;

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- 5 (b) Toxic releases from leaks or accidental spills of liquids used 6 in those systems with working hydraulic fluids;
 - (c) Possible threat to navigation from collisions;
- 8 (d) Interference of mooring and anchorage lines with commercial and 9 sport fishing; and
- 10 (e) Tidal power plants that dam estuaries that can impede sea life 11 migration and build up silt behind such facilities, impacting local 12 ecosystems.
- (5) By June 30, 2010, the work group created in section 3 of this act shall provide a final report to the legislature on the one-stop programmatic permitting process proposed by the work group as required by this act.
- 17 <u>NEW SECTION.</u> **Sec. 8.** This act expires January 1, 2011.

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