## **SHB 2504** - H AMD **1079**

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By Representatives Armstrong, Clibborn, Eddy

## ADOPTED 02/11/2010

- On page 4, beginning on line 7, after "19.112.110" strike all material through "43.19.642" and insert "((or 19.112.120, or 43.19.642))"
- Beginning on page 4, line 32, strike all of section 7 and insert the following:
- 6 "Sec. 7. RCW 43.19.642 and 2009 c 470 s 716 are each amended to read as follows:
  - (((1) Effective June 1, 2006, for agencies complying with the ultra-low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.
  - (2) Effective June 1, 2009, state agencies are required to use a minimum of twenty percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel-powered vessels, vehicles, and construction equipment.
  - (3)) All state agencies using biodiesel fuel shall, beginning on July 1, 2006, file biannual reports with the department of general administration documenting the use of the fuel and a description of how any problems encountered were resolved.
  - ((4) For the 2009-2011 fiscal biennium, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchases made by the Washington state ferries for the operation of the Washington state ferries diesel-powered vessels so long as the per gallon price of diesel containing a five percent biodiesel blend level does not exceed the per gallon price

- of diesel by more than five percent. If the per gallon price of diesel containing a five percent biodiesel blend level exceeds the per gallon price of diesel by more than five percent, the requirements of this section do not apply to vessel fuel purchases by the Washington state ferries.
- 6 (5) By December 1, 2009, the department of general administration 7 shall:
- 8 (a) Report to the legislature on the average true price 9 differential for biodiesel by blend and location; and
- 10 (b) Examine alternative fuel procurement methods that work to
  11 address potential market barriers for in-state biodiesel producers and
  12 report these findings to the legislature.))"
- On page 9, after line 6, insert the following:

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- 14 "Sec. 9. RCW 43.19.646 and 2006 c 338 s 12 are each amended to read as follows:
  - (1) The department of general administration must assist state agencies seeking to meet the biodiesel fuel requirements in RCW ((43.19.642)) 19.112.110 by coordinating the purchase and delivery of biodiesel if requested by any state agency. The department may use long-term contracts of up to ten years, when purchasing from in-state suppliers who use predominantly in-state feedstock, to secure a sufficient and stable supply of biodiesel for use by state agencies.
  - (2) The department shall compile and analyze the reports submitted under RCW 43.19.642((+4+)) and report in an electronic format its findings and recommendations to the governor and committees of the legislature with responsibility for energy issues, within sixty days from the end of each reporting period. The governor shall consider these reports in determining whether to temporarily suspend minimum renewable fuel content requirements as authorized under RCW 19.112.160."
- Renumber the remaining section consecutively, correct any internal references accordingly, and correct the title.

EFFECT: Removes the requirement under current law for state

agencies to purchase a minimum of twenty percent biodiesel (as compared to total diesel purchases). State agencies are no longer required to purchase twenty percent biodiesel.

Removes the exemption under current law from the twenty percent biodiesel requirement for the Washington state ferries (ferries) for the 2009-11 biennium. The ferries are no longer required to purchase five percent biodiesel for the 2009-11 biennium.

(This leaves in place the requirement in the underlying bill that all diesel fuel sold in the state contain a minimum of two percent biodiesel (B2).)

Removes the requirement that state agencies use a minimum of two percent biodiesel as an additive to ultra-low sulfur diesel for lubricity, if certain conditions are met.

Removes an obsolete reporting requirement for the department of general administration.

Makes technical corrections for consistency.

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