

SSB 6692 - H COMM AMD

By Committee on Technology, Energy & Communications

ADOPTED 02/28/2010

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 36.140.010 and 2009 c 281 s 1 are each amended to
4 read as follows:

5 (1) Any county legislative authority of a county where a public
6 utility district owns and operates a plant or system for the
7 generation, transmission, and distribution of electric energy for sale
8 within the county may construct, purchase, acquire, operate, and
9 maintain ((a)) one facility within the county to generate electricity
10 from biomass energy that is a renewable resource under RCW 19.285.030
11 or from biomass energy that is produced from lignin in spent pulping
12 liquors or liquors derived from algae and other sources. The county
13 legislative authority has the authority to regulate and control the
14 use, distribution, sale, and price of the electricity produced from the
15 biomass facility authorized under this section.

16 (2) For the purposes of this section:

17 (a) "County legislative authority" means the board of county
18 commissioners or the county council; ((and))

19 (b) "Plant" means a natural gas-fueled, combined-cycle combustion
20 turbine capable of generating at least two hundred forty megawatts of
21 electricity; and

22 (c) "Public utility district" means a municipal corporation formed
23 under chapter 54.08 RCW.

24 **Sec. 2.** RCW 54.44.020 and 2008 c 198 s 3 are each amended to read
25 as follows:

26 (1) Except as provided in subsections (2) and (3) of this section,
27 cities of the first class, public utility districts organized under
28 chapter 54.08 RCW, and joint operating agencies organized under chapter
29 43.52 RCW, any such cities and public utility districts which operate

1 electric generating facilities or distribution systems and any joint
2 operating agency shall have power and authority to participate and
3 enter into agreements with each other and with electrical companies
4 which are subject to the jurisdiction of the Washington utilities and
5 transportation commission or the public utility commissioner of Oregon,
6 hereinafter called "regulated utilities", and with rural electric
7 cooperatives, including generation and transmission cooperatives for
8 the undivided ownership of any type of electric generating plants and
9 facilities, including, but not limited to, nuclear and other thermal
10 power generating plants and facilities and transmission facilities
11 including, but not limited to, related transmission facilities,
12 hereinafter called "common facilities", and for the planning,
13 financing, acquisition, construction, operation and maintenance
14 thereof. It shall be provided in such agreements that each city,
15 public utility district, or joint operating agency shall own a
16 percentage of any common facility equal to the percentage of the money
17 furnished or the value of property supplied by it for the acquisition
18 and construction thereof and shall own and control a like percentage of
19 the electrical output thereof.

20 (2) Cities of the first class, public utility districts organized
21 under chapter 54.08 RCW, and joint operating agencies organized under
22 chapter 43.52 RCW, shall have the power and authority to participate
23 and enter into agreements for the undivided ownership of a coal-fired
24 thermal electric generating plant and facility placed in operation
25 before July 1, 1975, including related common facilities, and for the
26 planning, financing, acquisition, construction, operation, and
27 maintenance of the plant and facility. It shall be provided in such
28 agreements that each city, public utility district, or joint operating
29 agency shall own a percentage of any common facility equal to the
30 percentage of the money furnished or the value of property supplied by
31 the city, district, or agency, for the acquisition and construction of
32 the facility, and shall own and control a like percentage of the
33 electrical output thereof. Cities of the first class, public utility
34 districts, and joint operating agencies may enter into agreements under
35 this subsection with each other, with regulated utilities, with rural
36 electric cooperatives, with electric companies subject to the
37 jurisdiction of the regulatory commission of any other state, and with

1 any power marketer subject to the jurisdiction of the federal energy
2 regulatory commission.

3 (3)(a) Except as provided in subsections (1) and (2) of this
4 section, cities of the first class, counties with a biomass facility
5 authorized under RCW 36.140.010, public utility districts organized
6 under chapter 54.08 RCW, any cities that operate electric generating
7 facilities or distribution systems, any joint operating agency
8 organized under chapter 43.52 RCW, or any separate legal entity
9 comprising two or more thereof organized under chapter 39.34 RCW shall,
10 either directly or as co-owners of a separate legal entity, have power
11 and authority to participate and enter into agreements described in (b)
12 and (c) of this subsection with each other, and with any of the
13 following, either directly or as co-owners of a separate legal entity:

14 (i) Any public agency, as that term is defined in RCW 39.34.020;

15 (ii) Electrical companies that are subject to the jurisdiction of
16 the Washington utilities and transportation commission or the
17 regulatory commission of any state; and

18 (iii) Rural electric cooperatives and generation and transmission
19 cooperatives or any wholly owned subsidiaries of either rural electric
20 cooperatives or generation and transmission cooperatives.

21 (b) Except as provided in (b)(i)(B) of this subsection (3),
22 agreements may provide for:

23 (i)(A) The undivided ownership, or indirect ownership in the case
24 of a separate legal entity, of common facilities that include any type
25 of electric generating plant (~~(powered by)~~) generating an eligible
26 renewable resource, as defined in RCW 19.285.030, and transmission
27 facilities including, but not limited to, related transmission
28 facilities, and for the planning, financing, acquisition, construction,
29 operation, and maintenance thereof;

30 (B) For counties with a biomass facility authorized under RCW
31 36.140.010, the provisions in (b)(i)(A) of this subsection (3) are
32 limited to the purposes of RCW 36.140.010; and

33 (ii) The formation, operation, and ownership of a separate legal
34 entity that may own the common facilities.

35 (c) Agreements must provide that each city, county, public utility
36 district, or joint operating agency:

37 (i) Owns a percentage of any common facility or a percentage of any

1 separate legal entity equal to the percentage of the money furnished or
2 the value of property supplied by it for the acquisition and
3 construction thereof; and

4 (ii) Owns and controls, or has a right to own and control in the
5 case of a separate legal entity, a like percentage of the electrical
6 output thereof.

7 (d) Any entity in which a public utility district participates,
8 either directly or as co-owner of a separate legal entity, in
9 constructing or developing a common facility pursuant to this
10 subsection shall comply with the provisions of chapter 39.12 RCW.

11 (4) Each participant shall defray its own interest and other
12 payments required to be made or deposited in connection with any
13 financing undertaken by it to pay its percentage of the money furnished
14 or value of property supplied by it for the planning, acquisition and
15 construction of any common facility, or any additions or betterments
16 thereto. The agreement shall provide a uniform method of determining
17 and allocating operation and maintenance expenses of the common
18 facility.

19 (5) Each city, county acting under RCW 36.140.010, public utility
20 district, joint operating agency, regulated utility, and cooperatives
21 participating in the direct or indirect ownership or operation of a
22 common facility described in subsections (1) through (3) of this
23 section shall pay all taxes chargeable to its share of the common
24 facility and the electric energy generated thereby under applicable
25 statutes as now or hereafter in effect, and may make payments during
26 preliminary work and construction for any increased financial burden
27 suffered by any county or other existing taxing district in the county
28 in which the common facility is located, pursuant to agreement with
29 such county or taxing district."

30 Correct the title.

EFFECT: Limits eligible counties to one biomass energy facility. Specifies that for a county authorized to construct, purchase, acquire, operate, and maintain a biomass energy facility, the county must have a public utility district within its boundaries that owns or operates a natural gas-fueled, combined-cycle combustion turbine capable of

generating at least two hundred forty megawatts of electricity.

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