S-4352.2	

## SUBSTITUTE SENATE BILL 6421

\_\_\_\_

State of Washington 61st Legislature 2010 Regular Session

By Senate Environment, Water & Energy (originally sponsored by Senator Rockefeller)

READ FIRST TIME 02/01/10.

- 1 AN ACT Relating to Washington state's energy strategy; amending RCW
- 2 43.21F.010, 43.21F.090, and 43.21F.055; reenacting and amending RCW
- 3 43.21F.025; adding a new section to chapter 43.21F RCW; and repealing
- 4 RCW 43.21F.015.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 43.21F.010 and 1975-'76 2nd ex.s. c 108 s 1 are each 7 amended to read as follows:
- 8 (1) The legislature finds that energy drives the entire modern
  9 economy from petroleum for vehicles to electricity to light homes and
  10 businesses. The legislature further finds that the nation and the
- 11 world have started the transition to a clean energy economy, with
- 12 significant improvements in energy efficiency and investments in new
- 13 <u>clean and renewable energy resources and technologies.</u>
- 14 (2) The legislature finds and declares that it is the continuing
- 15 purpose of state government, consistent with other essential
- 16 considerations of state policy, to foster wise and efficient energy use
- 17 and to promote energy self-sufficiency through the use of indigenous
- 18 and renewable energy sources, consistent with the promotion of reliable

p. 1 SSB 6421

- 1 energy sources, the general welfare, and the protection of 2 environmental quality.
- 3 (3) The legislature further declares that the goals of the state's energy strategy are to:
- 5 (a) Maintain competitive energy prices that have been an 6 instrumental part of our state's economic success to date;
  - (b) Increase competitiveness by fostering a clean energy economy and jobs through business and workforce development; and
- 9 <u>(c) Meet the state's obligations to reduce greenhouse gas</u>
  10 emissions.
- 11 Sec. 2. RCW 43.21F.025 and 2009 c 565 s 27 are each reenacted and 12 amended to read as follows:
- 13 (1) "Assistant director" means the assistant director of the 14 department of commerce responsible for energy policy activities;
  - (2) "Department" means the department of commerce;

7

8

15 16

17

18

19 20

21

22

23

2425

26

27

2829

30

31

3233

34

35

- (3) "Director" means the director of the department of commerce;
- (4) "Distributor" means any person, private corporation, partnership, individual proprietorship, utility, including investor-owned utilities, municipal utility, public utility district, joint operating agency, or cooperative, which engages in or is authorized to engage in the activity of generating, transmitting, or distributing energy in this state;
- (5) "Energy" means petroleum or other liquid fuels; natural or synthetic fuel gas; solid carbonaceous fuels; fissionable nuclear material; electricity; solar radiation; geothermal resources; hydropower; organic waste products; wind; tidal activity; any other substance or process used to produce heat, light, or motion; or the savings from nongeneration technologies, including conservation or improved efficiency in the usage of any of the sources described in this subsection;
- (6) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, political subdivision, municipal corporation, government agency, public utility district, joint operating agency, or any other entity, public or private, however organized; and
- 36 (7) "State energy strategy" means the document ((and energy policy

SSB 6421 p. 2

- 1 direction)) developed ((under section 1, chapter 201, Laws of 1991
- 2 including any related appendices)) and updated by the department as
- 3 required in section 4 of this act.

- 4 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 43.21F RCW 5 to read as follows:
  - To meet the state energy strategy goals as specified in RCW 43.21F.010, it is the policy of the state of Washington to:
  - (1) Pursue all cost-effective energy efficiency and conservation as the state's preferred energy resource;
    - (2) Ensure that the state's energy system meets the health, welfare, and economic needs of its citizens with particular emphasis on meeting the needs of low-income and vulnerable populations;
    - (3) Maintain and enhance economic competitiveness by ensuring an affordable and reliable supply of energy resources and by supporting clean energy technology innovation, access to clean energy markets worldwide, and clean energy business and workforce development;
    - (4) Reduce dependence on fossil fuel energy sources through improved efficiency and development of cleaner energy sources, such as bioenergy, natural gas, and other low-carbon energy sources;
    - (5) Improve efficiency of transportation energy use through advances in vehicle technology, increased system efficiencies, development of electricity, biofuels, and other clean fuels, and land use policies that improve transportation choices;
    - (6) Meet the state's statutory climate change goals and targets and other environmental requirements as the state develops and uses energy resources;
    - (7) Build on the advantage provided by the state's clean regional electrical grid by expanding and integrating additional carbon-free generation and improving the transmission capacity serving the state;
    - (8) Make state government a model for energy efficiency, use of clean and renewable energy, and greenhouse gas-neutral operations;
  - (9) During energy shortage emergencies, give priority in the allocation of energy resources to maintaining the public health, safety, and welfare of the state's citizens and industry in order to minimize adverse impacts on their physical, social, and economic wellbeing;

p. 3 SSB 6421

(10) Develop and disseminate impartial and objective energy information and analysis, while taking full advantage of the capabilities of the state's institutions of higher education;

1 2

3

4 5

6

7

8

9

10

11

14

15

16 17

18

19

20

2122

23

24

2526

27

28

2930

31

3233

3435

36

37

- (11) Actively seek to maximize federal and other nonstate funding and support to the state for energy efficiency, renewable energy, emerging energy technologies, and other activities of benefit to the state's overall energy future; and
- (12) Ensure that the state energy strategy provides primary guidance for implementation of the state's energy policy including applicable statutory policies and goals relating to energy supply and use.
- 12 **Sec. 4.** RCW 43.21F.090 and 1996 c 186 s 106 are each amended to 13 read as follows:
  - (1)(a) By December 1, 2010, and every five years thereafter, the department ((shall review the state energy strategy as developed under section 1, chapter 201, Laws of 1991, periodically with the guidance of an advisory committee. For each review, an advisory committee shall be established with a membership resembling as closely as possible the original energy strategy advisory committee specified under section 1, chapter 201, Laws of 1991. Upon completion of a public hearing regarding the advisory committee's advice and recommendations for revisions to the energy strategy, a written report shall be conveyed by the department to the governor and the appropriate legislative committees. Any advisory committee established under this section shall be dissolved within three months after their written report is conveyed.)) of commerce shall produce a fully updated and revised state energy strategy and implementation report with the guidance of an advisory committee. The strategy shall, to the maximum extent feasible, examine the state's entire energy system and provide specific recommendations for both further development of state analytical capabilities and policies as well as implementation recommendations. The strategy may also provide recommendations for legislation necessary to facilitate implementation of the strategy to the governor and <u>legislature</u>. In addition, the <u>department</u> shall review related processes and documents relevant to a state energy strategy including but not limited to prior state energy strategies, the work of the clean energy leadership council, the climate advisory and action teams, the

SSB 6421 p. 4

evergreen jobs committee, and the northwest power and conservation council. The strategy must build upon and be consistent with all relevant and applicable statutorily authorized energy and climate policies, goals, and programs, and may include recommendations for legislation.

6

7

8

22

2324

2526

27

28

2930

- (b) The department may periodically review and update the state energy strategy as necessary. The department shall engage an advisory committee as required in this section when updating the strategy.
- 9 (c) The director shall appoint an advisory committee with a membership reflecting a balance of the interests in energy generation, 10 distribution, and uses, including: Residential, commercial, 11 industrial, and agricultural users; electric and natural gas utilities, 12 13 both consumer-owned and investor-owned; petroleum and natural gas industries; local governments; civic and environmental organizations; 14 key public agencies; and other interested stakeholders. Upon 15 completion of a public hearing regarding the advisory committee's 16 advice and recommendations for revisions to the energy strategy, a 17 written report must be conveyed by the department to the governor and 18 the appropriate legislative committees. Any advisory committee 19 20 established under this section must be dissolved within three months 21 after the written report is conveyed.
  - (2) To assist in updates of the state energy strategy, the department of commerce shall actively seek both in-kind and financial support for this process from the United States department of energy and its national laboratories, other public agencies, private sector entities, foundations, and other energy organizations. The department of commerce shall develop a work plan for update of the strategy that reflects the levels of activities and deliverables commensurate with the level of funding and in-kind support available from state and nonstate sources.
- 31 **Sec. 5.** RCW 43.21F.055 and 1996 c 186 s 104 are each amended to 32 read as follows:
- 33 The department shall not intervene in any ((regulatory))
  34 adjudicative proceeding before the Washington utilities and
  35 transportation commission ((or)), but it may seek leave to submit
  36 amicus curiae briefs on matters relevant to those proceedings. The
  37 department may not intervene in proceedings of utilities not regulated

p. 5 SSB 6421

- 1 by the commission. Nothing in this chapter abrogates or diminishes the
- 2 functions, powers, or duties of the energy facility site evaluation
- 3 council pursuant to chapter 80.50 RCW, the utilities and transportation
- 4 commission pursuant to Title 80 RCW, or other state or local agencies
- 5 established by law.
- The department shall avoid duplication of activity with other state agencies and officers and other persons.
- 8 <u>NEW SECTION.</u> **Sec. 6.** The following acts or parts of acts are each 9 repealed:
- 10 (1) RCW 43.21F.015 (State policy) and 1994 c 207 s 3 & 1981 c 295 11 s 1.

--- END ---

SSB 6421 p. 6