CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5921

61st Legislature 2009 Regular Session

Thomas Hoemann, Secretary of the nate of the State of Washington hereby certify that the attached SUBSTITUTE SENATE BILL 5921 as seed by the Senate and the House Representatives on the dates seen set forth
ssed by the Senate and the House Representatives on the dates
of Representatives on the date hereon set forth.
Secretary
FILED
Secretary of State State of Washington

SUBSTITUTE SENATE BILL 5921

AS AMENDED BY THE HOUSE

Passed Legislature - 2009 Regular Session

State of Washington 61st

61st Legislature

2009 Regular Session

By Senate Economic Development, Trade & Innovation (originally sponsored by Senators Rockefeller, Pridemore, Ranker, Kline, and Kohl-Welles)

READ FIRST TIME 02/19/09.

- 1 AN ACT Relating to creating a clean energy leadership initiative;
- 2 creating new sections; providing an expiration date; and declaring an
- 3 emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that Washington is
- 6 recognized as a leader in sustainability and climate change and has the
- 7 foundation to become a leader in the clean energy technologies,
- 8 products, and services that will be required throughout the world to
- 9 provide reliable and reduced-emission energy. However, to become a
- 10 leader, Washington will need policies and strategies to develop new
- 11 clean energy technologies, attract federal and private investments,
- 12 attract and grow clean energy companies, and create green jobs.
- 13 The legislature further finds that positioning Washington to be
- 14 competitive for federal and private sector clean energy investments
- 15 will require collaboration between Washington's state agencies, clean
- 16 energy technology companies, research institutions, national
- 17 laboratory, and workforce development system to identify our strengths
- 18 and develop the requisite policies and strategies.

It is the intent of the legislature to create a clean energy leadership initiative that will set the path to leverage Washington's energy infrastructure and make Washington a hub for clean energy technology and a leader in the creation of green jobs and the development, deployment, and export of clean energy technologies and services.

- NEW SECTION. Sec. 2. (1) The office of the governor, in collaboration with a statewide, public-private alliance, shall convene a clean energy leadership council to prepare a strategy for growing the clean energy technology sector in Washington state. The clean energy leadership council shall be supported by public and private resources including, to the extent available, the resources of the energy policy division of the department of community, trade, and economic development and Washington State University's energy program. The governor, in consultation with the public-private alliance, shall appoint and convene the council by July 31, 2009.
- (2) The clean energy leadership council must develop strategies and recommendations for growing Washington's clean energy sector. The clean energy leadership council must consist of the following clean energy leaders:
- 21 (a) Up to ten representatives of companies in the clean energy 22 sector;
 - (b) Representatives of two organizations providing support to clean energy companies; and
 - (c) One representative from each of the following: A public university; the Pacific Northwest national laboratory; a venture capital firm making investments in clean energy companies; and a professional services firm serving clean energy technology.
- 29 (3) The clean energy leadership council must also include the 30 following members:
- 31 (a) Four members of the legislature, with one member from each caucus of the house of representatives appointed by the speaker of the house of representatives and one member from each caucus of the senate appointed by the president of the senate;
- 35 (b) The director of the department of community, trade, and 36 economic development or its successor agency;

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1 (c) The governor's designee for energy and climate change 2 initiatives within state government; and

- (d) One representative from the economic development commission.
- (4) The clean energy leadership council must be cochaired by: (a) A representative of the clean energy sector, selected by the members of the clean energy leadership council; and (b) the director of the department of community, trade, and economic development or its successor agency.
- (5) The clean energy leadership council must designate one of its members as its representative on the evergreen jobs leadership team to ensure that the efforts of the clean energy leadership council align with the work of the evergreen jobs leadership team in coordinating the state's effort to lead in the green economy.
- (6) Legislators shall not receive any compensation, including reimbursement of expenses, for their participation on the clean energy leadership council.
- (7) The clean energy leadership council may appoint such advisory groups as it deems necessary to carry out its work.
 - (8) The clean energy leadership council shall:
- (a) Conduct a strategic analysis to identify the clean energy industry segments where Washington can either provide national leadership or become one of the top ten states in that segment. The council shall contract with national experts with detailed knowledge of energy markets and other states' operations to conduct the strategic analysis. The strategic analysis must:
- (i) Identify where Washington has a competitive advantage or emerging strength in research, development, or deployment of clean energy solutions;
- (ii) Evaluate Washington's competitiveness in its business environment, including regulatory requirements, as it relates to supporting clean energy projects and companies, compared to other states and regions; and
- (iii) Evaluate Washington's ability to provide national leadership in reducing carbon emissions, developing and deploying utility-scale clean energy applications, and creating exportable products and applications;

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37 (b) Develop a set of strategic recommendations, including 38 implementation steps and responsible parties for carrying them out.

- The strategic recommendations must provide direction for positioning each clean energy segment identified to provide national leadership and must include a delineation of clear, specific outcomes for each segment to achieve. The strategic recommendations must include recommendations on:
 - (i) Consistent policy frameworks that provide stability to encourage investment through a combination of incentives, regulation, taxation, and use of government purchasing power to build viable markets;
- 10 (ii) The steps necessary for increasing Washington's ability to obtain available competitive federal funds;
- (iii) The development of public-private partnerships that can help each sector grow, including partnerships to facilitate development and deployment of new technologies at scale;
 - (iv) Necessary investments in universities;
 - (v) Management, entrepreneurial, and emerging business needs;
- 17 (vi) Joint use facilities, demonstration facilities, and signature 18 research centers that are needed for leadership;
- 19 (vii) Market access requirements;

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- (viii) Infrastructure needs; and
- 21 (ix) Capital and financing requirements;
- (c) Recommend an institutional mechanism to foster effective implementation of its recommendations, including organizational structure, staffing, and funding;
 - (d) Review investments made by the energy policy division of the department of community, trade, and economic development, Washington State University's energy program, utilities, and other entities to identify ways to leverage, increase the effectiveness of, or redirect those funds to increase the state's competitiveness in clean energy technology; and
 - (e) Make recommendations on potential clean energy programs and projects for possible federal funding through the state energy program, consistent with federal requirements and guidelines.
- (9)(a) By December 1, 2009, the clean energy leadership council shall submit an interim clean energy strategy and initial recommendations to the governor and appropriate committees of the legislature.

1 (b) By December 1, 2010, the clean energy leadership council shall 2 complete and submit its final clean energy strategy and recommendations 3 to the governor and appropriate committees of the legislature.

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- NEW SECTION. **Sec. 3.** (1) The energy policy division of the department of community, trade, and economic development, or its successor agency, must consider the clean energy leadership strategy once it is developed under section 2 of this act when preparing its application for federal state energy program funding and determining the type and number of clean energy projects to fund.
- 10 (2) The energy policy division of the department of community, 11 trade, and economic development, or its successor agency, must consult 12 the clean energy leadership council, once it has been convened, prior 13 to awarding federal energy stimulus funding for clean energy projects.
- NEW SECTION. Sec. 4. (1) The governor shall designate an existing full-time equivalent position within state government as the single point of accountability for all energy and climate change initiatives within state agencies. All agencies, councils, or work groups with energy or climate change initiatives must coordinate with the person in this designated position.
- (2) The person designated by the governor under subsection (1) of this section shall chair the evergreen jobs leadership team established in section 3, chapter . . . (Engrossed Second Substitute House Bill No. 23 2227), Laws of 2009.
- 24 <u>NEW SECTION.</u> **Sec. 5.** This act expires December 31, 2011.
- NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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