SENATE BILL REPORT SHB 1712

As of March 21, 2011

Title: An act relating to null power.

Brief Description: Regarding null power.

Sponsors: House Committee on Environment (originally sponsored by Representatives Harris,

Crouse, Short, Jacks and McCune).

Brief History: Passed House: 2/26/11, 91-6.

Committee Activity: Environment, Water & Energy: 3/22/11.

SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

Staff: William Bridges (786-7416)

Background: <u>Fuel Mix Disclosure</u>. Each retail electric utility in the state must disclose its actual or imputed annual fuel mix used to generate electricity. The disclosure must provide the percentage attributable to each of the following generation sources: coal, hydroelectric, natural gas, nuclear, or other. Utilities may separately report a subcategory of natural gas generation to identify high efficiency cogeneration.

If a source categorized as other totals more than 2 percent of a utility's total mix, it must identify the component sources, which may include the following: biomass, geothermal, landfill gas, oil, solar, waste incineration, or wind.

Utilities that do not declare their actual sources must report the fuel mix of the Northwest power pool, called the net system power mix. In 2009 the net system power mix contained about 43 percent coal and 35 percent hydropower, among other resources. Utilities that purchase electricity from the Bonneville Power Administration (BPA) may disclose the source as the BPA system mix.

The Department of Commerce compiles fuel mix data from all retail electric utilities in the state, calculates the net system power mix, and publishes an annual fuel mix report.

<u>Null Generation or Null Power.</u> The terms null generation or null power generally refer to renewable electricity from which the renewable or nonpower attributes have been separated. Under the fuel mix reporting law, null power is assigned the net system power mix. On

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January 19, 2011, the issue of null power was discussed during a work session held by the Senate Environment, Water & Energy Committee. The committee subsequently heard two bills addressing null power: SB 5510 on February 8, 2011, and SB 5809 on February 16, 2011.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Amendment): <u>Defining Null Power for Fuel Mix Reports.</u> The term null power means electricity that has been separated from its nonpower attributes; it is not renewable and cannot be represented as such. Nonpower attributes means all environmentally related characteristics, exclusive of energy, capacity, reliability, and other electrical power service attributes, that are associated with the generation of electricity.

<u>Creating Fuel Mix Category for Null Power.</u> When developing its fuel mix report, a retail electric utility with declared resources must identify the percentage of its total electricity sold from null power. The utility must include the following footnote describing null power: "Null power means electricity without environmental attributes and other nonpower attributes."

<u>Making Technical Corrections.</u> References to the Departments of Community, Trade, and Economic Development are corrected to the Department of Commerce.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created No

Effective Date: Ninety days after adjournment of session in which bill is passed.

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