

SENATE BILL REPORT

SB 5431

As Reported by Senate Committee On:
Environment, Water & Energy, February 18, 2011

Title: An act relating to null generation electricity.

Brief Description: Defining the attributes of null generation electricity.

Sponsors: Senators Rockefeller and Nelson.

Brief History:

Committee Activity: Environment, Water & Energy: 2/18/11 [DPS, w/oRec].

SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

Majority Report: That Substitute Senate Bill No. 5431 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rockefeller, Chair; Nelson, Vice Chair; Honeyford, Ranking Minority Member; Chase, Fraser, Morton and Ranker.

Minority Report: That it be referred without recommendation.

Signed by Senator Delvin.

Staff: William Bridges (786-7416)

Background: Fuel Mix Disclosure. 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

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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.

Null Generation or Null Power. 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 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 (Recommended Substitute): Defining Null Generation for Fuel Mix Reports. The term null generation means electricity generated from renewable resources that is separated from its renewable attributes by the use of renewable energy credits or other tradable evidence of nonpower attributes.

Creating Fuel Mix Category for Null Generation. When developing its fuel mix report, a retail electric utility must identify the percentage of its total electricity sold from null generation.

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

EFFECT OF CHANGES MADE BY ENVIRONMENT, WATER & ENERGY COMMITTEE (Recommended Substitute): Amendments to the emissions performance law have been removed. The definition of null generation is modified.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: No public hearing was held.

Persons Testifying: N/A.