## ESHB 1950 - S COMM AMD

By Committee on Energy, Environment & Telecommunications

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 19.285.030 and 2013 c 158 s 1, 2013 c 99 s 1, and 2013 c 61 s 1 are each reenacted and amended to read as follows:
- 5 The definitions in this section apply throughout this chapter 6 unless the context clearly requires otherwise.
- 7 (1) "Attorney general" means the Washington state office of the 8 attorney general.
- 9 (2) "Auditor" means: (a) The Washington state auditor's office or 10 its designee for qualifying utilities under its jurisdiction that are 11 not investor-owned utilities; or (b) an independent auditor selected by 12 a qualifying utility that is not under the jurisdiction of the state 13 auditor and is not an investor-owned utility.
- (3)(a) "Biomass energy" includes: (i) Organic by-products of pulping and the wood manufacturing process; (ii) animal manure; (iii) solid organic fuels from wood; (iv) forest or field residues; (v) untreated wooden demolition or construction debris; (vi) food waste and food processing residuals; (vii) liquors derived from algae; (viii) dedicated energy crops; and (ix) yard waste.
- 20 (b) "Biomass energy" does not include: (i) Wood pieces that have 21 been treated with chemical preservatives such as creosote, 22 pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old growth 23 forests; or (iii) municipal solid waste.
- 24 (4) "Coal transition power" has the same meaning as defined in RCW 80.80.010.
- 26 (5) "Commission" means the Washington state utilities and 27 transportation commission.
- 28 (6) "Conservation" means any reduction in electric power 29 consumption resulting from increases in the efficiency of energy use, 30 production, or distribution.

- 1 (7) "Cost-effective" has the same meaning as defined in RCW 80.52.030.
  - (8) "Council" means the Washington state apprenticeship and training council within the department of labor and industries.
  - (9) "Customer" means a person or entity that purchases electricity for ultimate consumption and not for resale.
    - (10) "Department" means the department of commerce or its successor.
    - (11) "Distributed generation" means an eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts.
      - (12) "Eligible renewable resource" means:

- (a) Electricity from a generation facility powered by a renewable resource other than freshwater that commences operation after March 31, 1999, where: (i) The facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services;
- (b) Incremental electricity produced as a result of efficiency improvements completed after March 31, 1999, to hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest ((or to hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest,)) where the additional generation ((in either case)) does not result in new water diversions or impoundments;
- (c) Hydroelectric generation from a project completed after March 31, 1999, where the generation facility is located in irrigation pipes, irrigation canals, water pipes whose primary purpose is for conveyance of water for domestic use, and wastewater pipes located in Washington where the generation does not result in new water diversions or impoundments;
  - (d) Qualified biomass energy; or
- ((\(\frac{(d)}{(d)}\)) (e) For a qualifying utility that serves customers in other states, electricity from a generation facility powered by a renewable resource other than freshwater that commences operation after March 31, 1999, where: (i) The facility is located within a state in which the qualifying utility serves retail electrical customers; and (ii) the

- qualifying utility owns the facility in whole or in part or has a longterm contract with the facility of at least twelve months or more.
- 3 (13) "Investor-owned utility" has the same meaning as defined in 4 RCW 19.29A.010.

5

6 7

8

9

1112

13

14

15

16 17

18

19

2021

22

23

24

2526

27

- (14) "Load" means the amount of kilowatt-hours of electricity delivered in the most recently completed year by a qualifying utility to its Washington retail customers.
- (15)(a) "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 from a renewable resource, including but not limited to the facility's fuel type, geographic location, vintage, qualification as an eligible renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.
- (b) "Nonpower attributes" does not include any aspects, claims, characteristics, and benefits associated with the on-site capture and destruction of methane or other greenhouse gases at a facility through a digester system, landfill gas collection system, or other mechanism, which may be separately marketable as greenhouse gas emission reduction credits, offsets, or similar tradable commodities. However, these separate avoided emissions may not result in or otherwise have the effect of attributing greenhouse gas emissions to the electricity.
- (16) "Pacific Northwest" has the same meaning as defined for the Bonneville power administration in section 3 of the Pacific Northwest electric power planning and conservation act (94 Stat. 2698; 16 U.S.C. Sec. 839a).
- 28 (17) "Public facility" has the same meaning as defined in RCW 29 39.35C.010.
- 30 (18) "Qualified biomass energy" means electricity produced from a
  31 biomass energy facility that: (a) Commenced operation before March 31,
  32 1999; (b) contributes to the qualifying utility's load; and (c) is
  33 owned either by: (i) A qualifying utility; or (ii) an industrial
  34 facility that is directly interconnected with electricity facilities
  35 that are owned by a qualifying utility and capable of carrying
  36 electricity at transmission voltage.
- 37 (19) "Qualifying utility" means an electric utility, as the term 38 "electric utility" is defined in RCW 19.29A.010, that serves more than

- twenty-five thousand customers in the state of Washington. The number of customers served may be based on data reported by a utility in form 861, "annual electric utility report," filed with the energy information administration, United States department of energy.
  - (20) "Renewable energy credit" means a tradable certificate of proof of at least one megawatt-hour of an eligible renewable resource where the generation facility is not powered by freshwater. The certificate includes all of the nonpower attributes associated with that one megawatt-hour of electricity, and the certificate is verified by a renewable energy credit tracking system selected by the department.
  - (21) "Renewable resource" means: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or tidal power; (g) gas from sewage treatment facilities; (h) biodiesel fuel as defined in RCW 82.29A.135 that is not derived from crops raised on land cleared from old growth or first-growth forests where the clearing occurred after December 7, 2006; or (i) biomass energy.
- 18 (22) "Rule" means rules adopted by an agency or other entity of 19 Washington state government to carry out the intent and purposes of 20 this chapter.
- 21 (23) "Year" means the twelve-month period commencing January 1st 22 and ending December 31st."

## ESHB 1950 - S COMM AMD

5

6 7

8

9 10

1112

13

14

15

16 17

23

24

2526

27

By Committee on Energy, Environment & Telecommunications

On page 1, beginning on line 1 of the title, after "Relating to" strike the remainder of the title and insert "designating certain hydroelectric generation from a generation facility located in irrigation canals and certain pipes as an eligible renewable resource under chapter 19.285 RCW; and reenacting and amending RCW 19.285.030."

**EFFECT:** Updates the underlying statute to reflect changes made

during the 2013 legislative session. Changes the title.

--- END ---