

# FINAL BILL REPORT

## EHB 2733

---

### C 45 L 14

Synopsis as Enacted

**Brief Description:** 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.

**Sponsors:** Representatives Haler and Magendanz.

**House Committee on Technology & Economic Development**  
**Senate Committee on Energy, Environment & Telecommunications**

#### **Background:**

Approved by voters in 2006, the Energy Independence Act (EIA), also known as Initiative 937, requires electric utilities with 25,000 or more customers to meet targets for energy conservation and for using eligible renewable resources. Utilities that must comply with the EIA are called qualifying utilities.

#### Eligible Renewable Resource Targets and Compliance Dates.

Each qualifying utility must use eligible renewable resources or acquire equivalent renewable energy credits (RECs), or a combination of both, to meet the following annual targets:

- at least 3 percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;
- at least 9 percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and
- at least 15 percent of its load by January 1, 2020, and each year thereafter.

#### Eligible Renewable Resource.

"Eligible renewable resource" means electricity generated from a resource such as wind, solar, geothermal energy, landfill and sewage gas, wave and tidal power, and certain biodiesel fuels. In addition, an eligible renewable resource must be generated in a facility that started operating after March 31, 1999, and the facility must either be located in the Pacific Northwest or the electricity from the facility must be delivered into the state on a realtime basis.

#### Incremental Hydroelectricity as an Eligible Renewable Resource.

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Incremental electricity produced as a result of efficiency improvements to the following hydroelectric generation facilities may also count as an eligible renewable resource if the improvements do not result in new water diversions or impoundments, and the improvements are completed after March 31, 1999:

- hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest; and
- hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest.

Renewable Energy Credit.

A renewable energy credit (REC) is a tradable certificate of proof of at least one megawatt hour of an eligible renewable resource where the generation facility is not powered by fresh water. Under the EIA, a REC represents all the nonpower attributes associated with the power. The RECs can be bought and sold in the marketplace, and they may be used during the year they are acquired, the previous year, or the subsequent year.

**Summary:**

The following is classified as an eligible renewable resource under the EIA: 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 municipal use, and wastewater pipes located in Washington where the generation does not result in new water diversions or impoundments.

**Votes on Final Passage:**

House	89	8
Senate	39	10

**Effective:** June 12, 2014