H-3648.2

SUBSTITUTE HOUSE BILL 2183

State of Washington 63rd Legislature 2014 Regular Session

By House Technology & Economic Development (originally sponsored by Representatives Morris, Ormsby, Fey, and Hudgins)

READ FIRST TIME 01/29/14.

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AN ACT Relating to maintaining a robust, clean, and job rich energy policy in the state of Washington that builds upon the goals created by the energy independence act; creating new sections; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

It is the intent of the legislature to NEW SECTION. Sec. 1. establish and support an inclusive legislative-driven process to build on the current goals of chapter 19.285 RCW, the energy independence act. The legislature recognizes that under the best of circumstances, it can take five years to plan and procure energy resources for the electric grid and under the worst circumstances much longer. recent report on electric utility integrated resource planning, as required in chapter 19.280 RCW, the department of commerce noted that there is a lack of specifically identified electric generating resources after 2020. While the goals of the renewable portfolio standard created in the energy independence act are many, the prime outcomes of the energy independence act are nurturing the build out of renewable energy resources, being as efficient with current energy resources as possible, and creating economic opportunity.

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- **Sec. 2.** (1) By December 31, 2014, the joint 1 NEW SECTION. 2 committee on energy supply and energy conservation created in RCW 3 44.39.010 shall make recommendations to the energy committees of the legislature on ways to improve the effectiveness and implementation of 4 5 the existing law and policies that would further the renewable energy and energy efficiency goals for utilities after 2020. 6 7 committee must consider how its recommendations will achieve the 8 following objectives:
 - (a) Ensure that Washington continues to capture all cost-effective energy conservation and address any barriers to achieving this goal;
 - (b) Encourage renewable energy resources;

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- (c) Promote the greatest efficiency in using existing resources, especially compared with states that Washington competes with economically;
- 15 (d) Enable technologies that make existing practices and processes 16 more efficient;
 - (e) Reduce the overall amount of pollution generated in the production and consumption of energy;
 - (f) Reduce the amount of wealth Washington exports to neighboring jurisdictions for energy procurement;
 - (g) Keep rates as low as practical in a policy environment where there are often competing goals;
 - (h) Create regulatory certainty in advance of typical energy planning and procurement cycles; and
 - (i) Maximize the creation of jobs in Washington.
 - (2) The joint committee on energy supply and energy conservation may also identify and recommend policies that eliminate barriers to achieving goals identified in their recommendations, including, but not limited to, permitting timelines, financing, and technology availability.
 - (3) The joint committee on energy supply and energy conservation shall conduct an assessment of the cost of maintenance at baseload energy generation facilities necessary to meet the ramping and cycling of eligible renewable resources. The joint committee must consult with energy generation facility operators and use commercially available information on the increased fatigue on energy generation facilities.
- 37 (4) The joint committee on energy supply and energy conservation 38 shall review existing reports on the capacity of the electricity grid

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infrastructure to handle the load from intermittent renewable energy resources. The joint committee shall examine potential issues that may arise if the state's renewable energy targets are increased.

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- (5) The joint committee on energy supply and energy conservation shall conduct an assessment of energy storage material supplies, costs, and enabling technologies. The assessment must include an evaluation of the domestic availability of the components in the supply chain and enabling potential limitations in material supplies and affect renewable technologies may the integration of energy technologies.
- NEW SECTION. Sec. 3. (1) In order to facilitate the development of the recommendations in section 2 of this act, the joint committee on energy supply and energy conservation shall hold a minimum of four meetings:
 - (a) The first meeting must provide an opportunity for the public to present to the joint committee on what goals the joint committee should consider when making its recommendation to the legislature to meet the goals in section 1 of this act;
 - (b) A second meeting to summarize and report on areas of consensus and division among stakeholders. The joint committee shall direct staff on the next steps needed in order to work through areas of division towards consensus draft recommendations;
 - (c) A third meeting to take public testimony on a draft set of recommendations. The joint committee shall deliberate and direct staff to prepare final recommendations; and
 - (d) The fourth meeting to vote on final recommendations to the 2015 legislature for new or revised energy performance standards after 2020.
- (2) Additional meetings may be scheduled by the joint committee on energy supply and energy conservation as deemed necessary by the chair before, between, or after the four meetings listed in subsection (1)(a) through (d) of this section.
 - NEW SECTION. Sec. 4. It is widely acknowledged that as a state and country, nearly two-thirds of the energy consumed through various processes is lost as waste heat. To assist the joint committee on energy supply and energy conservation deliberations in developing new energy performance standards after 2020, the legislature directs the

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- 1 Washington State University energy program to conduct a resource
- 2 assessment on the amount of new energy resources that could be made
- 3 available with a high efficiency cogeneration policy or a thermal
- 4 heating efficiency policy.
- 5 <u>NEW SECTION.</u> **Sec. 5.** Sections 1 through 4 of this act expire
- 6 January 1, 2015.

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