HOUSE BILL 2406

State of Washington 63rd Legislature 2014 Regular Session

By Representatives Tarleton, Short, Ryu, and Smith; by request of Utilities & Transportation Commission and Energy Facility Site Evaluation Council

Read first time 01/16/14. Referred to Committee on Technology & Economic Development.

- AN ACT Relating to administrative processes for managing deposits and cost reimbursements of the energy facility site evaluation council;
- 3 and amending RCW 80.50.071.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 Sec. 1. RCW 80.50.071 and 2011 c 261 s 1 are each amended to read 6 as follows:
 - (1) The council shall receive all applications for energy facility site certification. Each applicant shall pay ((such reasonable)) actual costs ((as are actually and necessarily)) incurred by the council and the utilities and transportation commission in processing an application.
- (a) Each applicant shall, at the time of application submission, deposit with the utilities and transportation commission an amount up to fifty thousand dollars, ((or such greater amount)) as ((may be)) specified by the council after consultation with the applicant. ((Costs that may be charged against the deposit include, but are not limited to, independent consultants' costs, councilmember's wages, employee benefits, costs of a hearing examiner, costs of a court
- 19 reporter, staff salaries, wages and employee benefits, goods and

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services, travel expenses, and miscellaneous direct expenses as arise directly from processing an application.)) The council and the utilities and transportation commission shall charge costs against the deposit if the applicant withdraws its application and has not reimbursed the commission, on behalf of the council, for all actual expenditures incurred in considering the application.

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- (b) The council may commission its own independent consultant study to measure the consequences of the proposed energy facility on the environment or any matter that it deems essential to an adequate appraisal of the site. The council, after consultation with the utilities and transportation commission, shall provide an estimate of the cost of the study to the applicant and consider applicant comments.
- (c) <u>In addition to the deposit required under (a) of this</u> subsection, applicants must reimburse the utilities and transportation commission, on behalf of the council, for actual expenditures that arise in considering the application, including the cost of any independent consultant study. The utilities and transportation commission, on behalf of the council, shall submit to each applicant a statement of ((such)) actual expenditures made during the preceding calendar quarter ((which shall be)) in sufficient detail to explain ((such)) the expenditures. The applicant shall pay the ((state treasurer)) utilities and transportation commission the amount of ((such statement to restore the total amount on deposit to the originally established level: PROVIDED, That such applicant may, at the request of the council, increase the amount of funds on deposit to cover anticipated expenses during peak periods of application processing. Any funds remaining unexpended at the conclusion of application processing shall be refunded to the applicant, or at the applicant's option, credited against required deposits of certificate holders)) the statement by the due date referenced on the statement.
- (2) Each certificate holder shall pay ((such reasonable costs as are actually and necessarily)) the actual costs incurred by the council and utilities and transportation commission for inspection and determination of compliance by the certificate holder with the terms of the certification relative to monitoring the effects of construction, operation, and site restoration of the facility.
- (a) Each certificate holder <u>shall</u>, within thirty days of execution of the site certification agreement, ((shall have on)) deposit <u>with the</u>

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utilities and transportation commission an amount up to fifty thousand dollars, ((or such greater amount)) as ((may be)) specified by the council after consultation with the certificate holder. ((Costs that may be charged against the deposit include, but are not limited to, those specified in subsection (1)(a) of this section as arise from inspection and determination of compliance by the certificate holder with the terms of the certification.)) The council and the utilities and transportation commission shall charge costs against the deposit if the certificate holder ceases operations and has not reimbursed the commission, on behalf of the council, for all actual expenditures incurred in conducting inspections and determining compliance with the terms of the certification.

- (b) <u>In addition to the deposit required under (a) of this</u> subsection, certificate holders must reimburse the utilities and transportation commission, on behalf of the council, for actual expenditures that arise in determining compliance. The council, after consultation with the utilities and transportation commission, shall submit to each certificate holder a statement of ((such)) the expenditures actually made during the preceding calendar quarter ((which shall be)) in sufficient detail to explain ((such)) the expenditures. The certificate holder shall pay the ((state treasurer)) utilities and transportation commission the amount of ((such statement to restore the total amount on deposit to the originally established level: PROVIDED, That if the actual expenditures for inspection and determination of compliance in the preceding calendar quarter have exceeded the amount of funds on deposit, such excess costs shall be paid by the certificate holder)) the statement by the due date referenced on the statement.
- (3) If an applicant or certificate holder fails to provide the initial deposit, or if subsequently required payments are not received within thirty days following receipt of the statement from the council, the council may (a) in the case of the applicant, suspend processing of the application until payment is received; or (b) in the case of a certificate holder, suspend the certification.
- (4) All payments required of the applicant or certificate holder under this section are to be made to the ((state treasurer)) utilities and transportation commission who shall make payments as instructed by the council from the funds submitted. All such funds shall be subject

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- to state auditing procedures. Any unexpended portions ((thereof)) of the deposit shall be returned to the applicant ((or certificate holder)) within sixty days following the conclusion of the application process or to the certificate holder within sixty days after a determination by the council that the certificate is no longer required
- determination by the council that the certificate is no longer required and there is no continuing need for compliance with its terms. For purposes of this section, "conclusion of the application process" means after the governor's decision granting or denying a certificate and the expiration of any opportunities for judicial review.
 - (5)(a) Upon receipt of an application for an energy facility site certification proposing an energy plant or alternative energy resource that is connected to electrical transmission facilities of a nominal voltage of at least one hundred fifteen thousand volts, the council shall notify in writing the United States department of defense. The notification shall include, but not be limited to, the following:
- 16 (i) A description of the proposed energy plant or alternative 17 energy resource;
 - (ii) The location of the site;

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- 19 (iii) The placement of the energy plant or alternative energy 20 resource on the site;
- 21 (iv) The date and time by which comments must be received by the 22 council; and
 - (v) Contact information of the council and the applicant.
 - (b) The purpose of the written notification is to provide an opportunity for the United States department of defense to comment upon the application, and to identify potential issues relating to the placement and operations of the energy plant or alternative energy resource, before a site certification application is approved. The time period set forth by the council for receipt of such comments shall not extend the time period for the council's processing of the application.
- 32 (c) In order to assist local governments required to notify the 33 United States department of defense under RCW 35.63.270, 35A.63.290, 34 and 36.01.320, the council shall post on its web site the appropriate 35 information for contacting the United States department of defense.

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