S-0729.1

Braun, Parlette, Schoesler, Hewitt, and Carrell

## SENATE BILL 5294

By Senators Ericksen, Holmquist Newbry, Roach, Sheldon, Rivers, Bailey, Padden, Delvin, Smith, Honeyford, Pearson, King,

63rd Legislature

2013 Regular Session

Read first time 01/25/13. Referred to Committee on Energy, Environment & Telecommunications.

1 AN ACT Relating to recognizing hydroelectricity as an eligible

2. renewable resource in the energy independence act; amending RCW

19.285.020; and reenacting and amending RCW 19.285.030. 3

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 4

5 Sec. 1. RCW 19.285.020 and 2007 c 1 s 2 are each amended to read

6 as follows:

7

8

9

10

15

State of Washington

Increasing energy conservation and the use of appropriately sited

renewable energy facilities ((builds on the strong foundation of low-

cost renewable hydroelectric generation in Washington state and)) will

promote energy independence in the state and the Pacific Northwest

11 Making the most of our plentiful local resources will region.

stabilize electricity prices for Washington residents, provide economic 12

13 benefits for Washington counties and farmers, create high-quality jobs

in Washington, provide opportunities for training apprentice workers in 14

the renewable energy field, protect clean air and water, and position

16 Washington state as a national leader in clean energy technologies.

17 RCW 19.285.030 and 2012 c 22 s 2 are each reenacted and

amended to read as follows: 18

> SB 5294 p. 1

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

3

4

5

6 7

8

9

1112

13

14

15 16

17

18

19 20

21

22

23

24

25

26

27

28

31

32

3334

35

- (1) "Attorney general" means the Washington state office of the attorney general.
- (2) "Auditor" means: (a) The Washington state auditor's office or its designee for qualifying utilities under its jurisdiction that are not investor-owned utilities; or (b) an independent auditor selected by a qualifying utility that is not under the jurisdiction of the state 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.
- (b) "Biomass energy" does not include: (i) Wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old growth forests; or (iii) municipal solid waste.
- (4) "Commission" means the Washington state utilities and transportation commission.
  - (5) "Conservation" means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.
- (6) "Cost-effective" has the same meaning as defined in RCW 80.52.030.
- (7) "Council" means the Washington state apprenticeship and training council within the department of labor and industries.
- 29 (8) "Customer" means a person or entity that purchases electricity 30 for ultimate consumption and not for resale.
  - (9) "Department" means the department of commerce or its successor.
  - (10) "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.
    - (11) "Eligible renewable resource" means:
- 36 (a) Electricity from a generation facility powered by a renewable 37 resource ((other than freshwater)) that commences operation after March 38 31, 1999, where: (i) The facility is located in the Pacific Northwest;

SB 5294 p. 2

- or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services; and
  - (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; and
    - (c))) Qualified biomass energy.

1

2

4

5

7

8

9

10

11

1415

16

17

18 19

20

21

22

23

24

2526

27

28

- 12 (12) "Investor-owned utility" has the same meaning as defined in 13 RCW 19.29A.010.
  - (13) "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.
    - (14) "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.
  - (15) "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).
- 29 (16) "Public facility" has the same meaning as defined in RCW 30 39.35C.010.
- 31 (17) "Qualified biomass energy" means electricity produced from a 32 biomass energy facility that: (a) Commenced operation before March 31, 33 1999; (b) contributes to the qualifying utility's load; and (c) is 34 owned either by: (i) A qualifying utility; or (ii) an industrial 35 facility that is directly interconnected with electricity facilities 36 that are owned by a qualifying utility and capable of carrying 37 electricity at transmission voltage.

p. 3 SB 5294

(18) "Qualifying utility" means an electric utility, as the term "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.

- (19) "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.
- (20) "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.
- (21) "Rule" means rules adopted by an agency or other entity of Washington state government to carry out the intent and purposes of this chapter.
- 23 (22) "Year" means the twelve-month period commencing January 1st 24 and ending December 31st.

--- END ---

SB 5294 p. 4