

ESSB 5735 - S AMD 801

By Senator McCoy

1 On page 1, line 11, after "The" strike "2015" and insert "2016"

2 On page 7, line 25, after "2019;" strike "and" and insert
3 "~~(and)~~"

4 On page 7, line 27, after "thereafter" insert "; and
5 (iv) Beginning January 1, 2021, the qualifying utility shall use
6 eligible renewable resources or acquire equivalent renewable energy
7 credits, or any combination of them, for at least fifteen percent of
8 its load and, in addition, shall comply with the requirements of (e)
9 of this subsection"

10 On page 8, beginning on line 7, after "(e)" strike all material
11 through "compliance path." on line 40 and insert "Except as provided
12 in (b), (c), and (d) of this subsection, beginning January 1, 2021,
13 and each year thereafter, all electric utilities as that term is
14 defined in RCW 19.29A.010 shall meet one hundred percent of any new
15 generation need with any one or any combination of the following:
16 Conservation, eligible renewable resources, and storage.

17 (i) New generation subject to the requirements of this
18 subsection, whether that new generation is needed to replace retiring
19 generation, to meet load growth, or for any other purpose, includes
20 the following:

21 (A) A utility's new or increased ownership interest in a new or
22 existing generation facility or unit, consistent with RCW
23 19.285.030(16); and

24 (B) A new or increased contractual commitment that obligates a
25 utility to purchase a specified amount of megawatt-hours. Contracts
26 do not comply with this subsection unless the sources or origins of
27 generation can be ascertained with reasonable certainty. A contract
28 is not in compliance with this subsection if the contract specifies a
29 source of generation where the megawatt-hours from such source are
30 double counted or contractually committed to another purchaser.

1 (ii) The following are not subject to the requirements of this
2 subsection: (A) A utility's allocation of Bonneville power
3 administration tier 1 power, as determined pursuant to a utility's
4 tier 1 contract with the Bonneville power administration; (B) short-
5 term spot market purchases; (C) generation that is found by the
6 Washington utilities and transportation commission or a utility's
7 governing board to be required to maintain reliable service and
8 comply with applicable standards of the North American electric
9 reliability corporation or its successor; and (D) increased megawatt-
10 hours from a generation facility that is already owned by a utility
11 where the utility's ownership interest in the facility does not
12 increase.

13 (iii) A utility may acquire new generation other than
14 conservation, eligible renewable resources, and storage for
15 integration, ancillary services, load following, and peak load
16 requirements only if the new generation is found by the Washington
17 utilities and transportation commission or a utility's governing
18 board to be required for such purposes.

19 (iv) A utility may only acquire existing Washington-based and
20 Washington utility-owned hydropower in a year where a utility
21 acquires new generation that individually or collectively serves more
22 than ten percent of the utility's annual load. The hydropower
23 acquired pursuant to this subsection (2)(e)(iv) may not exceed fifty
24 percent of the new generation acquired by the utility.

25 (v) If a utility acquires a new ownership interest or contractual
26 commitment in gas-fired generation after January 1, 2015, and before
27 January 1, 2021, only the megawatt-hours needed to serve the
28 utility's load in the year that the utility acquires such ownership
29 interest or contractual commitment will be considered existing
30 generation. Any increase in the megawatt-hours used or acquired by
31 the utility after January 1, 2021, must be treated as new generation
32 and is subject to the requirements of this subsection (2)(e).

33 (vi) For the purposes of this subsection, "storage" means a set
34 of technologies capable of storing previously generated electric
35 energy and releasing that energy at a later time. For the purposes of
36 this subsection (2)(e), pumped storage projects are considered an
37 energy storage tool for grid stabilization and improved integration
38 of variable renewable energy resources and should not cause any
39 additional adverse impacts to waterways. Adverse impacts may be in
40 river, in-channel peaking, ramping, new pumping of groundwater, or

1 diversion of surface water resources. Utilities should focus on
2 reservoirs already built where water rights are already issued."

3 Reletter the remaining subsections consecutively and correct any
4 internal references accordingly.

EFFECT: Replaces the compliance alternatives relating to carbon reduction investments with a compliance requirement beginning January 2021 applicable to new generation.

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