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SENATE BILL 6533

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State of Washington

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By Senators McCoy, Ericksen, Sheldon, and Takko

Read first time 01/25/16. Referred to Committee on Energy,  
Environment & Telecommunications.

1 AN ACT Relating to improving the accuracy and transparency of the  
2 reporting and calculation of the fuel mix information to retail  
3 electric customers; amending RCW 19.29A.060, 19.29A.070, and  
4 19.29A.080; and reenacting and amending RCW 19.29A.010.

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

6 **Sec. 1.** RCW 19.29A.010 and 2015 c 285 s 1 are each reenacted and  
7 amended to read as follows:

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

10 (1) "Biomass generation" means electricity derived from burning  
11 solid organic fuels from wood, forest, or field residue, or dedicated  
12 energy crops that do not include wood pieces that have been treated  
13 with chemical preservatives such as creosote, pentachlorophenol, or  
14 copper-chrome-arsenic.

15 (2) "Bonneville power administration system mix" means a  
16 generation mix sold by the Bonneville power administration that is  
17 net of any resource specific sales and that is net of any electricity  
18 sold to direct service industrial customers, as defined in section  
19 3(8) of the Pacific Northwest electric power planning and  
20 conservation act (16 U.S.C. Sec. 839(a)(8)).

1 (3) "Coal generation" means the electricity produced by a  
2 generating facility that burns coal as the primary fuel source.

3 (4) "Commission" means the utilities and transportation  
4 commission.

5 (5) "Conservation" means an increase in efficiency in the use of  
6 energy use that yields a decrease in energy consumption while  
7 providing the same or higher levels of service. Conservation includes  
8 low-income weatherization programs.

9 (6) "Consumer-owned utility" means a municipal electric utility  
10 formed under Title 35 RCW, a public utility district formed under  
11 Title 54 RCW, an irrigation district formed under chapter 87.03 RCW,  
12 a cooperative formed under chapter 23.86 RCW, or a mutual corporation  
13 or association formed under chapter 24.06 RCW, that is engaged in the  
14 business of distributing electricity to more than one retail electric  
15 customer in the state.

16 (7) "Declared resource" means an electricity source specifically  
17 identified by a retail supplier to serve retail electric customers. A  
18 declared resource includes a stated quantity of electricity tied  
19 directly to a specified generation facility or set of facilities  
20 either through ownership or contract purchase, or a contractual right  
21 to a stated quantity of electricity from a specified generation  
22 facility or set of facilities.

23 (8) "Department" means the department of commerce.

24 (9) "Electric meters in service" means those meters that record  
25 in at least nine of twelve calendar months in any calendar year not  
26 less than two hundred fifty kilowatt-hours per month.

27 (10) "Electric utility" means a consumer-owned or investor-owned  
28 utility as defined in this section.

29 (11) "Electricity" means electric energy measured in kilowatt-  
30 hours, or electric capacity measured in kilowatts, or both.

31 ~~(12) ("Electricity information coordinator" means the~~  
32 ~~organization selected by the department under RCW 19.29A.080 to: (a)~~  
33 ~~Compile generation data in the Northwest power pool by generating~~  
34 ~~project and by resource category; (b) compare the quantity of~~  
35 ~~electricity from declared resources reported by retail suppliers with~~  
36 ~~available generation from such resources; (c) calculate the net~~  
37 ~~system power mix; and (d) coordinate with other comparable~~  
38 ~~organizations in the western interconnection.~~

39 (+13)) "Electricity product" means the electrical energy produced  
40 by a generating facility or facilities that a retail supplier sells

1 or offers to sell to retail electric customers in the state of  
2 Washington, provided that nothing in this title shall be construed to  
3 mean that electricity is a good or product for the purposes of Title  
4 62A RCW, or any other purpose. It does not include electrical energy  
5 generated on-site at a retail electric customer's premises.

6 ~~((14))~~ (13) "Fuel mix" means the actual or imputed sources of  
7 electricity sold to retail electric customers, expressed in terms of  
8 percentage contribution by resource category. The total fuel mix  
9 included in each disclosure shall total one hundred percent.

10 ~~((15))~~ (14) "Geothermal generation" means electricity derived  
11 from thermal energy naturally produced within the earth.

12 ~~((16))~~ (15) "Governing body" means the council of a city or  
13 town, the commissioners of an irrigation district, municipal electric  
14 utility, or public utility district, or the board of directors of an  
15 electric cooperative or mutual association that has the authority to  
16 set and approve rates.

17 ~~((17))~~ (16) "High efficiency cogeneration" means electricity  
18 produced by equipment, such as heat or steam used for industrial,  
19 commercial, heating, or cooling purposes, that meets the federal  
20 energy regulatory commission standards for qualifying facilities  
21 under the public utility regulatory policies act of 1978.

22 ~~((18))~~ (17) "Hydroelectric generation" means a power source  
23 created when water flows from a higher elevation to a lower elevation  
24 and the flow is converted to electricity in one or more generators at  
25 a single facility.

26 ~~((19))~~ (18) "Investor-owned utility" means a company owned by  
27 investors that meets the definition of RCW 80.04.010 and is engaged  
28 in distributing electricity to more than one retail electric customer  
29 in the state.

30 ~~((20))~~ (19) "Landfill gas generation" means electricity  
31 produced by a generating facility that uses waste gases produced by  
32 the decomposition of organic materials in landfills.

33 ~~((21))~~ (20) "Natural gas generation" means electricity produced  
34 by a generating facility that burns natural gas as the primary fuel  
35 source.

36 ~~((22))~~ "~~Net system power mix~~" means the fuel mix in the Northwest  
37 power pool, net of: (a) Any declared resources in the Northwest power  
38 pool identified by in-state retail suppliers or out-of-state entities  
39 that offer electricity for sale to retail electric customers; (b) any  
40 electricity sold by the Bonneville power administration to direct

1 ~~service industrial customers; and (c) any resource specific sales~~  
2 ~~made by the Bonneville power administration.~~

3 ~~(+23+))~~ (21) "Northwest power pool" means the generating resources  
4 included in the United States portion of the Northwest power pool  
5 area as defined by the western ~~((systems))~~ electric coordinating  
6 council.

7 ~~((+24+))~~ (22) "Oil generation" means electricity produced by a  
8 generating facility that burns oil as the primary fuel source.

9 ~~((+25+))~~ (23) "Private customer information" includes a retail  
10 electric customer's name, address, telephone number, and other  
11 personally identifying information.

12 ~~((+26+))~~ (24) "Proprietary customer information" means: (a)  
13 Information that relates to the source, technical configuration,  
14 destination, and amount of electricity used by a retail electric  
15 customer, a retail electric customer's payment history, and household  
16 data that is made available by the customer solely by virtue of the  
17 utility-customer relationship; and (b) information contained in a  
18 retail electric customer's bill.

19 ~~((+27+))~~ (25) "Renewable resources" means electricity generation  
20 facilities fueled by: (a) Water; (b) wind; (c) solar energy; (d)  
21 geothermal energy; (e) landfill gas; or (f) biomass energy based on  
22 solid organic fuels from wood, forest, or field residues, or  
23 dedicated energy crops that do not include wood pieces that have been  
24 treated with chemical preservatives such as creosote,  
25 pentachlorophenol, or copper-chrome-arsenic.

26 ~~((+28+))~~ (26) "Resale" means the purchase and subsequent sale of  
27 electricity for profit, but does not include the purchase and the  
28 subsequent sale of electricity at the same rate at which the  
29 electricity was purchased.

30 ~~((+29+))~~ (27) "Retail electric customer" means a person or entity  
31 that purchases electricity for ultimate consumption and not for  
32 resale.

33 ~~((+30+))~~ (28) "Retail supplier" means an electric utility that  
34 offers an electricity product for sale to retail electric customers  
35 in the state.

36 ~~((+31+))~~ (29) "Small utility" means any consumer-owned utility  
37 with twenty-five thousand or fewer electric meters in service, or  
38 that has an average of seven or fewer customers per mile of  
39 distribution line.

1       ~~((32))~~ (30) "Solar generation" means electricity derived from  
2 radiation from the sun that is directly or indirectly converted to  
3 electrical energy.

4       ~~((33))~~ (31) "State" means the state of Washington.

5       ~~((34))~~ (32) "Unspecified sources" means the fuel mix of the  
6 Northwest power pool that may be modified on an intra-annual basis as  
7 recommended by the work group pursuant to RCW 19.29A.070(1) and is  
8 the net of: (a) Any declared resources in the Northwest power pool  
9 identified by in-state retail suppliers or out-of-state entities that  
10 offer electricity for sale to retail electric customers; (b) any  
11 electricity sold by the Bonneville power administration to direct  
12 service industrial customers; and (c) any resource specific sales  
13 made by the Bonneville power administration to retail suppliers that  
14 are delivered to retail electric customers in Washington.

15       (33) "Waste incineration generation" means electricity derived  
16 from burning solid or liquid wastes from businesses, households,  
17 municipalities, or waste treatment operations.

18       ~~((35))~~ (34) "Wind generation" means electricity created by  
19 movement of air that is converted to electrical energy.

20       **Sec. 2.** RCW 19.29A.060 and 2000 c 213 s 4 are each amended to  
21 read as follows:

22       (1) Each retail supplier shall disclose the fuel mix of each  
23 electricity product it ~~((offers))~~ delivers to its retail electric  
24 customers as follows:

25       (a) ~~((For an electricity product comprised entirely of declared~~  
26 ~~resources,))~~ A retail supplier shall disclose the fuel mix for the  
27 electricity product based on the quantity of electric generation from  
28 ~~((those))~~ declared resources for the previous calendar year,  
29 unspecified sources, and any adjustment, if taken, available under  
30 subsection (6) of this section.

31       (b) ~~((For an electricity product comprised of no declared~~  
32 ~~resources, a retail supplier shall report the fuel mix for the~~  
33 ~~electricity product as the fuel mix of net system power for the~~  
34 ~~previous calendar year, as determined by the electricity information~~  
35 ~~coordinator under RCW 19.29A.080.))~~ Declared resources must be  
36 reported by the retail supplier as those resources reasonably known  
37 to be used to serve the retail supplier's electric customers in the  
38 state.

1 (c) For an electricity product comprised of a combination of  
2 declared resources and (~~the net system power~~) unspecified sources,  
3 a retail supplier shall disclose the fuel mix for the electricity  
4 product as a weighted average of the megawatt-hours from declared  
5 resources and the megawatt-hours from (~~the net system power mix~~)  
6 unspecified sources for the previous calendar year according to the  
7 proportion of declared resources and (~~net system power~~) unspecified  
8 sources contained in the electricity product.

9 (2) The disclosures required by this section shall identify the  
10 percentage of the total electricity product sold by a retail supplier  
11 during the previous calendar year from each of the following  
12 categories:

13 (a) Coal generation;

14 (b) Hydroelectric generation;

15 (c) Natural gas generation;

16 (d) Nuclear generation; (~~and~~)

17 (e) Other generation, except that when a component of the other  
18 generation category meets or exceeds two percent of the total  
19 electricity product sold by a retail supplier during the previous  
20 calendar year, the retail supplier shall identify the component or  
21 components and display the fuel mix percentages for these component  
22 sources, which may include, but are not limited to: (i) Biomass  
23 generation; (ii) geothermal generation; (iii) landfill gas  
24 generation; (iv) oil generation; (v) solar generation; (vi) waste  
25 incineration; or (vii) wind generation. A retail supplier may  
26 voluntarily identify any component or components within the other  
27 generation category that comprises two percent or less of annual  
28 sales; and

29 (f) Unspecified sources, using the fuel mix for unspecified  
30 sources as determined annually by the department under RCW 19.29A.080  
31 (4)(b).

32 (3) Retail suppliers may separately report a subcategory of  
33 natural gas generation to identify high efficiency cogeneration.

34 (4) Except as provided in subsection (3) of this section, a  
35 retail supplier cannot include in the disclosure label any  
36 environmental quality or environmental impact qualifier related to  
37 any of the generation categories disclosed.

38 (a) To ensure accuracy in informing customers and for purposes of  
39 any taxes or fees levied pursuant to the reports required to be filed  
40 by this chapter, a retail supplier and the department shall identify

1 a renewable resource according to the generation categories in  
2 subsection (2) of this section, regardless of whether or not the  
3 nonpower attributes of the resource have been unbundled from the  
4 generation resource.

5 (b) A retail supplier shall separately report the amount of  
6 renewable energy credits retired during that reporting year.

7 (5) For the portion of an electricity product purchased from the  
8 Bonneville power administration, retail suppliers may disclose the  
9 Bonneville power administration system mix.

10 (6) A retail supplier may adjust its reported fuel mix for known  
11 changes in its declared resources for the current year based on any  
12 changes in its sources of electricity supply from either generation  
13 or contracts. If a retail supplier changes its fuel mix during a  
14 calendar year, it shall report those changes to the ((electricity  
15 information coordinator)) department.

16 (7) Disclosure of the fuel mix information required in this  
17 section shall be made in the following uniform format: A tabular  
18 format with two columns, where the first column shall alphabetically  
19 list each category and the second column shall display the  
20 corresponding percentage of the total that each category represents.  
21 The percentage shall be reported as a numeric value rounded to the  
22 nearest one percent. The percentages listed for the categories  
23 identified must sum to one hundred percent with the table displaying  
24 such a total.

25 **Sec. 3.** RCW 19.29A.070 and 2000 c 213 s 5 are each amended to  
26 read as follows:

27 (1) By July 1, 2016, the department shall:  
28 ~~((1))~~ (a) Convene a work group of interested parties to  
29 ~~((suggest modifications, if any, to the disclosure requirements~~  
30 ~~required in RCW 19.29A.060 to))~~ improve information content,  
31 readability, and consumer understanding, and to suggest  
32 modifications, if any, ((to the responsibilities of the electricity  
33 ~~information coordinator required in RCW 19.29A.080))~~ to improve the  
34 accuracy and efficiency of the ((tracking process. If the department  
35 ~~serves as the electricity information coordinator, these evaluation~~  
36 ~~and reporting requirements relative to the responsibilities of the~~  
37 ~~electricity information coordinator and the tracking process shall be~~  
38 ~~assigned to an independent third party))~~ process of gathering,  
39 reporting, calculating, and tracking fuel mix data, including the

1 methods and inputs for calculating the fuel mix for unspecified  
2 sources, including a review and recommendations for intra-annual  
3 changes of unspecified sources and resources on the margin on a  
4 monthly basis or quarterly basis; and

5 ~~((2))~~ (b) Invite interested parties, including but not limited  
6 to representatives from investor-owned utilities, consumer-owned  
7 utilities, the commission, the attorney general's office, consumer  
8 advocacy groups, and the environmental community to participate in  
9 the work group convened in (a) of this subsection ~~((1) of this~~  
10 ~~section; and))~~.

11 ~~((3))~~ (2) By December 1, 2016, the department shall submit to  
12 the legislature ~~((no later than December 1, 2003,))~~ a report with  
13 suggested modifications, if any, to the disclosure methods,  
14 calculations, and requirements, the accuracy of the unspecified  
15 sources calculations and pool of resources, and the responsibilities  
16 of the ~~((electricity information coordinator))~~ department, as  
17 referred to in subsection (1) of this section.

18 **Sec. 4.** RCW 19.29A.080 and 2000 c 213 s 6 are each amended to  
19 read as follows:

20 (1) ~~((For the purpose of selecting the electricity information~~  
21 ~~coordinator, the department shall form a work group of interested~~  
22 ~~parties. The department shall invite interested parties, including,~~  
23 ~~but not limited to, representatives from investor-owned utilities,~~  
24 ~~consumer-owned utilities, the commission, the attorney general's~~  
25 ~~office, consumer advocacy groups, and the environmental community to~~  
26 ~~participate in the work group. In the event an appropriate regional~~  
27 ~~entity is not selected by November 1, 2000, the department shall~~  
28 ~~serve as the electricity information coordinator after notifying the~~  
29 ~~committees of the senate and house of representatives with~~  
30 ~~jurisdiction over energy matters.~~

31 ~~(2))~~ The department may receive any lawful gifts, grants, or  
32 endowments from public or private sources that are made from time to  
33 time, in trust or otherwise, for the use and benefit of the  
34 department in implementing this section, and may spend such gifts,  
35 grants, or endowments for the purposes of implementing this section.

36 ~~((3) As a condition for an appropriate regional entity to be~~  
37 ~~selected under this section to serve as the electricity information~~  
38 ~~coordinator, it must agree to))~~ (2) The department must compile the  
39 following information:



1 (a) Actual generation, expressed in megawatt hours, by fuel mix  
2 in the Northwest power pool for the prior calendar year(~~(, expressed~~  
3 ~~in megawatt hours)~~). This data will be compiled as it becomes  
4 available.

5 (b) Adjustments to the actual generation for the prior calendar  
6 year that are known and provided to the (~~electricity information~~  
7 ~~coordinator~~) department by the end of (~~January~~) July of the  
8 current calendar year to reflect known changes in declared resources  
9 for the current year and changes due to interconnection of new  
10 generating resources or decommissioning or sale of existing resources  
11 or contracts. These adjustments shall include supporting  
12 documentation.

13 (c) The amount of electricity from declared resources that retail  
14 suppliers will identify in their fuel mix disclosures during the  
15 current calendar year. Retail suppliers shall make this data  
16 available by the end of January each year.

17 (~~(4)~~) (3) Retail suppliers shall make available upon request  
18 the following information (~~to support the ownership or contractual~~  
19 ~~rights to declared resources~~):

20 (a) Documentation of ownership of declared resources by retail  
21 suppliers; (~~or~~)

22 (b) Documentation of contractual rights by retail suppliers to a  
23 stated quantity of electricity from a specific generating facility;  
24 and

25 (c) Documentation of purchases of electricity from unspecified  
26 sources.

27 (~~If the documentation referred to in either (a) or (b) of this~~  
28 ~~subsection is not available, the retail supplier may not identify the~~  
29 ~~electricity source as a declared resource and instead must report the~~  
30 ~~net system power mix for the quantity of electric generation from~~  
31 ~~that resource.~~

32 ~~(5) If the documentation referred to in either subsection (4)(a)~~  
33 ~~or (b) of this section is not available, the retail supplier may not~~  
34 ~~identify the electricity source as a declared resource and instead~~  
35 ~~must report the net system power mix for the quantity of electric~~  
36 ~~generation from that resource.~~

37 ~~(6) As a condition for an appropriate regional entity to be~~  
38 ~~selected under this section to serve as the electricity information~~  
39 ~~coordinator, it must agree to) (4) The department must:~~

1 (a) Coordinate with comparable entities or organizations in the  
2 western interconnection;

3 (b) On or before May 1st of each year, or as soon thereafter as  
4 practicable once the data in subsection ~~((3))~~ (2)(a) of this  
5 section is available, calculate and make available the ~~((net-system  
6 power-mix))~~ fuel mix for unspecified sources as follows:

7 (i) The actual Northwest power pool generation for the prior  
8 calendar year;

9 (ii) Plus any adjustments to the Northwest power pool generation  
10 ~~((as-made))~~ available to the ~~((electricity-information-coordinator))~~  
11 department by the end of January of the current calendar year  
12 pursuant to RCW 19.29A.060(6);

13 (iii) Less the quantity of electricity associated with declared  
14 resources claimed by retail suppliers for the current calendar year;

15 (iv) Plus other adjustments necessary to ensure that the same  
16 resource output is not declared more than once;

17 (c) To the extent the information is available, verify that the  
18 quantity of electricity associated with the declared resources does  
19 not exceed the available generation from those resources;

20 (d) Make the data and calculations used for developing the fuel  
21 mix information in this section available to the public as it becomes  
22 available.

23 ~~((7) Subsections (3) and (6) of this section apply to the~~  
24 ~~department in the event the department assumes the functions of the~~  
25 ~~electricity information coordinator.))~~

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