
Environment & Energy Committee

HB 2819

Brief Description: Designating pumped storage projects located in a county bordering the Columbia river utilizing statutorily authorized water rights to be projects of statewide significance.

Sponsors: Representatives Mosbrucker, Blake, Chandler, Hoff, Fitzgibbon, Dent, Shewmake and Boehnke.

Brief Summary of Bill

- Expands the definition of "Project of Statewide Significance" to include a pumped storage project using water rights approved by the Legislature for that purpose.

Hearing Date: 2/3/20

Staff: Nikkole Hughes (786-7156).

Background:

Projects of Statewide Significance.

Industrial development projects located in the state may apply to the Department of Commerce for designation as a Project of Statewide Significance, which provides for voluntary expedited permitting treatment by local government jurisdictions in partnership with the Governor's Office for Regulatory Innovation and Assistance. To qualify for the designation, a project must be a private industrial development with private capital investment in manufacturing or research and development, a development that will provide a net environmental benefit, or a project designated and codified as such by the Legislature. Additional criteria include providing significant economic benefit to the local or state economy and alignment with the state's comprehensive plan for economic development.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Pumped Storage Generating Facilities.

Pumped storage generating facilities move water between two reservoirs located at different elevations to store energy and generate electricity. When electricity demand is low, excess electric generation capacity is used to pump water from the lower reservoir to the upper reservoir. When electricity demand is high, the stored water is released from the upper reservoir to the lower reservoir through a turbine to generate electricity.

In 2012, the Legislature authorized a qualifying public utility district (PUD) to supply water to any entity that sells electric energy or water to the public for the purpose of use in a pumped storage generating facility.

To qualify, the PUD must have satisfied all of the following requirements prior to June 7, 2012:

- border the Columbia River;
- obtained a water right from an industrial user; and
- hold a water right for which power generation is an authorized purpose.

Water supplied to an entity for use in a pumped storage generating facility must be supplied consistent with a contract that contains the terms and conditions deemed appropriate by the commission of the qualifying PUD. Contracts must be made pursuant to a resolution of the commission that is introduced at a meeting of the commission at least 10 days prior to the date of the adoption of the resolution.

Licenses for the siting and operation of pumped storage generating facilities are under the jurisdiction of the Federal Energy Regulatory Commission (FERC). As of September 1, 2019, the FERC has issued preliminary permits for two pumped storage projects located in Washington.

Washington Clean Energy Transformation Act.

Hydroelectric generation from a pumped storage generating facility may be used by an electric utility in meeting both the utility's 2030 compliance obligations and its 2045 compliance obligations under the Washington Clean Energy Transformation Act.

Summary of Bill:

The definition of "Project of Statewide Significance" is amended to include a pumped storage project using water rights approved by the Legislature for that purpose.

Appropriation: None.

Fiscal Note: Requested on January 29, 2020.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.