
SUBSTITUTE SENATE BILL 5116

State of Washington

66th Legislature

2019 Regular Session

By Senate Environment, Energy & Technology (originally sponsored by Senators Carlyle, Palumbo, McCoy, Pedersen, Wellman, Das, Rolfes, Frockt, Wilson, C., Kuderer, Nguyen, Keiser, Lias, Hunt, Saldaña, Darneille, and Billig; by request of Governor Inslee)

READ FIRST TIME 02/01/19.

1 AN ACT Relating to supporting Washington's clean energy economy
2 and transitioning to a clean, affordable, and reliable energy future;
3 amending RCW 80.84.010, 19.280.030, 82.08.962, 82.12.962, 80.04.250,
4 and 43.21F.090; adding a new section to chapter 80.28 RCW; adding a
5 new chapter to Title 19 RCW; creating new sections; prescribing
6 penalties; providing expiration dates; and declaring an emergency.

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

8 NEW SECTION. **Sec. 1.** (1) The legislature finds that Washington
9 must address the impacts of climate change by leading the transition
10 to a clean energy economy. One way in which Washington must lead this
11 transition is by transforming its energy supply, modernizing its
12 electricity system, and ensuring that the benefits of this transition
13 are broadly shared throughout the state.

14 (2) With our wealth of carbon-free hydropower, Washington has
15 some of the cleanest electricity in the United States. But
16 electricity remains a large source of emissions in our state. We are
17 at a critical juncture for transforming our electricity system. It is
18 the policy of the state to eliminate coal-fired electricity,
19 transition the state's electricity supply to one hundred percent
20 carbon-neutral by 2030, and one hundred percent carbon-free by 2045.
21 In implementing this chapter, the state must prioritize the

1 maximization of family wage job creation, seek to ensure that all
2 customers are benefiting from the transition to a clean energy
3 economy, and provide safeguards to ensure that the achievement of
4 this policy does not impair the reliability of the electricity system
5 or impose unreasonable costs on utility customers.

6 (3) The transition to one hundred percent clean energy is
7 underway, but must happen faster than our current policies can
8 deliver. Absent significant and swift reductions in greenhouse gas
9 emissions, climate change poses immediate significant threats to our
10 economy, health, safety, and national security. The prices of clean
11 energy technologies continue to fall, and are, in many cases,
12 competitive or even cheaper than conventional energy sources.

13 (4) The legislature finds that Washington can accomplish the
14 goals of this act while promoting energy independence, creating high-
15 quality jobs in the clean energy sector, maximizing the value of
16 hydropower, our principal renewable resource, continuing to electrify
17 the transportation sector, maintaining safe and reliable electricity
18 to all customers at stable and affordable rates, and protecting clean
19 air and water in the Pacific Northwest. Clean energy creates more
20 jobs per unit of energy produced than fossil fuel sources, so this
21 transition will contribute to job growth in Washington while
22 addressing our climate crisis head on. Our abundance of renewable
23 energy and our strong clean technology sector make Washington well
24 positioned to be at the forefront of the transition to one hundred
25 percent clean electricity.

26 (5) The legislature declares that utilities in the state have an
27 important role to play in this transition, and must be fully
28 empowered, through regulatory tools and incentives, to achieve the
29 goals of this policy. In combination with new technology and emerging
30 opportunities for customers, this policy will spur transformational
31 change in the utility industry. Given these changes, the legislature
32 recognizes and finds that the utilities and transportation
33 commission's statutory grant of authority for rate making includes
34 consideration and implementation of performance and incentive-based
35 regulation, multiyear rate plans, and other flexible regulatory
36 mechanisms where appropriate to achieve fair, just, reasonable, and
37 sufficient rates and its public interest objectives.

38 (6) The legislature recognizes and finds that the public interest
39 includes, but is not limited to: The equitable distribution of
40 benefits and reduction of burdens to vulnerable populations and

1 highly impacted communities; long-term and short-term public health,
2 economic, and environmental benefits, costs, and risks; and energy
3 security and resiliency. It is the intent of the legislature that in
4 achieving this policy for Washington, there should not be an increase
5 in environmental health impacts to highly impacted communities.

6 NEW SECTION. **Sec. 2.** The definitions in this section apply
7 throughout this chapter unless the context clearly requires
8 otherwise.

9 (1) "Allocation of electricity" means, for the purposes of
10 setting electricity rates, the costs and benefits associated with the
11 resources used to provide electricity to an electric utility's retail
12 electricity consumers that are located in this state.

13 (2) "Alternative compliance payment" means the payment
14 established in section 8(2) of this act.

15 (3) "Attorney general" means the Washington state office of the
16 attorney general.

17 (4) "Auditor" means: (a) The Washington state auditor's office or
18 its designee for qualifying utilities under its jurisdiction that are
19 not investor-owned utilities; or (b) an independent auditor selected
20 by a utility that is not under the jurisdiction of the state auditor
21 and is not an investor-owned utility.

22 (5)(a) "Biomass energy" includes: (i) Organic by-products of
23 pulping and the wood manufacturing process; (ii) animal manure; (iii)
24 solid organic fuels from wood; (iv) forest or field residues; (v)
25 untreated wooden demolition or construction debris; (vi) food waste
26 and food processing residuals; (vii) liquors derived from algae;
27 (viii) dedicated energy crops; and (ix) yard waste.

28 (b) "Biomass energy" does not include: (i) Wood pieces that have
29 been treated with chemical preservatives such as creosote,
30 pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old
31 growth forests; or (iii) municipal solid waste.

32 (6) "Carbon credit" has the same meaning as defined in RCW
33 80.70.010.

34 (7) "Carbon dioxide emissions content inherent in electricity"
35 means the carbon dioxide generated by the production of electricity
36 from fossil fuels.

37 (8) "Carbon dioxide equivalent" has the same meaning as defined
38 in RCW 70.235.010.

1 (9) "Carbon offset" means the credit given for activities that
2 result in the reduction or avoidance of greenhouse gas emissions, or
3 for the sequestration of greenhouse gases. For the purposes of this
4 chapter, one carbon offset is equal to the reduction, avoidance, or
5 sequestration of one metric ton of carbon dioxide emissions in
6 Washington state or its functional equivalent in other greenhouse
7 gases.

8 (10)(a) "Coal-fired resource" means a facility that uses coal-
9 fired generating units, or that uses units fired in whole or in part
10 by coal as feedstock, to generate electricity.

11 (b) "Coal-fired resource" does not include a facility generating
12 electricity that is included as part of a limited duration wholesale
13 power purchase made by an electric utility for immediate delivery to
14 retail electricity consumers that are located in this state for which
15 the source of the power is not known at the time of entry into the
16 transaction to procure the electricity.

17 (11) "Commission" means the Washington utilities and
18 transportation commission.

19 (12) "Conservation and efficiency resources" means any reduction
20 in electric power consumption that results from increases in the
21 efficiency of energy use, production, transmission, or distribution.

22 (13) "Consumer-owned utility" means a municipal electric utility
23 formed under Title 35 RCW, a public utility district formed under
24 Title 54 RCW, an irrigation district formed under chapter 87.03 RCW,
25 a cooperative formed under chapter 23.86 RCW, or a mutual corporation
26 or association formed under chapter 24.06 RCW, that is engaged in the
27 business of distributing electricity to more than one retail electric
28 customer in the state.

29 (14) "Demand response" means changes in electric usage by demand-
30 side resources from their normal consumption patterns in response to
31 changes in the price of electricity over time, or to incentive
32 payments designed to induce lower electricity use, at times of high
33 wholesale market prices or when system reliability is jeopardized.
34 "Demand response" may include measures to increase or decrease
35 electricity production on the customer's side of the meter in
36 response to incentive payments.

37 (15) "Department" means the department of commerce.

38 (16) "Distributed energy resource" means a nonemitting resource
39 that provides electric energy, capacity, or ancillary services to an
40 electric utility and that is located on the distribution system, any

1 subsystem of the distribution system, or behind the customer meter,
2 including conservation and energy efficiency.

3 (17) "Electric utility" means a consumer-owned utility or an
4 investor-owned utility.

5 (18) "Energy assistance" means a program undertaken by a utility
6 to reduce the household energy burden of its customers.

7 (a) Energy assistance includes, but is not limited to,
8 weatherization, conservation and efficiency services, and monetary
9 assistance, such as a grant program or rate class for lower income
10 households, intended to lower a household's energy burden.

11 (b) Energy assistance may include direct customer ownership in
12 energy assets or other strategies if such strategies achieve a
13 reduction in energy burden for the customer above other available
14 conservation and demand-side measures.

15 (19) "Energy assistance need" means the amount of assistance
16 necessary to achieve a level of household energy burden established
17 by the department or commission.

18 (20) "Energy burden" means the share of annual household income
19 used to pay annual home energy bills.

20 (21)(a) "Energy transformation project" means a project or
21 program that provides energy-related goods or services, other than
22 the generation of electricity, and that results in a reduction of
23 fossil fuel consumption and in a reduction of the emission of
24 greenhouse gases attributable to that consumption, which provides
25 benefits to the customers of an electric utility.

26 (b) "Energy transformation project" may include but is not
27 limited to:

28 (i) Home weatherization or other energy efficiency measures,
29 including market transformation for energy efficiency products, in
30 excess of the target established under RCW 19.285.040(1), if
31 applicable, other state obligations, or other obligations in effect
32 on the effective date of this section;

33 (ii) Support for electrification of the transportation sector
34 including, but not limited to:

35 (A) Equipment on an electric utility's transmission and
36 distribution system to accommodate electric vehicle connections, and
37 smart grid systems that enable electronic interaction between the
38 electric utility and charging systems, and facilitate the utilization
39 of vehicle batteries for system needs;

40 (B) Incentives for car dealers to sell electric vehicles;

1 (C) Incentives for property owners to install charging equipment
2 for electric vehicles; and
3 (D) Incentives for the electrification of vehicle fleets;
4 (iii) Investment in distributed energy resources;
5 (iv) Investments in renewable natural gas production, including
6 equipment to condition biogas, or equipment used solely for the
7 purpose of delivering biogas for consumption;
8 (v) Contributions to self-directed investments in the following
9 measures to serve the sites of large industrial gas and electrical
10 customers: (A) Conservation; (B) new renewable resources; (C) behind-
11 the-meter technology that facilitates demand response cooperation to
12 reduce peak loads; (D) infrastructure to support electrification of
13 transportation needs; or (E) renewable natural gas production,
14 including gas conditioning equipment for biogas; and
15 (vi) Projects and programs that achieve energy efficiency and
16 emission reductions in the agricultural sector, including bioenergy
17 and biogas projects.

18 (22) "Fossil fuel" means natural gas, petroleum, coal, or any
19 form of solid, liquid, or gaseous fuel derived from such a material.

20 (23) "Governing body" means the council of a city or town, the
21 commissioners of an irrigation district, municipal electric utility,
22 or public utility district, or the board of directors of an electric
23 cooperative or mutual association that has the authority to set and
24 approve rates.

25 (24) "Greenhouse gas" includes carbon dioxide, methane, nitrous
26 oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and
27 any other gas or gases designated by the department of ecology by
28 rule under RCW 70.235.010.

29 (25) "Greenhouse gas content calculation" means a calculation
30 made by the department of ecology, in consultation with the
31 department, for the purposes of determining the emissions from the
32 complete combustion or oxidation of fossil fuels and the greenhouse
33 gas emissions in electricity for use in calculating the greenhouse
34 gas emissions content in electricity, expressed in carbon dioxide
35 equivalent.

36 (26) "Highly impacted communities" are those communities
37 designated by the agencies based on cumulative impact analyses in
38 section 23 of this act and census tracts that are fully or partially
39 on "Indian country" as defined in 18 U.S.C. Sec. 1151.

1 (27) "Investor-owned utility" means a company owned by investors
2 that meets the definition of "corporation" in RCW 80.04.010 and is
3 engaged in distributing electricity to more than one retail electric
4 customer in the state.

5 (28) "Low-income" means household incomes as defined by the
6 department or commission, provided that the definition may not exceed
7 the higher of eighty percent of area median household income or two
8 hundred percent of the federal poverty level, adjusted for household
9 size.

10 (29) "Market customer" means a nonresidential customer of an
11 electric utility that: (a) Purchases electricity from an entity or
12 entities other than the utility with which it is directly
13 interconnected; or (b) generates electricity to meet its own needs.

14 (30)(a) "Natural gas" means naturally occurring mixtures of
15 hydrocarbon gases and vapors consisting principally of methane,
16 whether in gaseous or liquid form, including methane clathrate.

17 (b) "Natural gas" does not include renewable natural gas or the
18 portion of renewable natural gas when blended into other fuels.

19 (31) "Nonemitting electric generation" means electricity from a
20 generating facility or a resource, including a distributed energy
21 resource, that provides electric energy, capacity, or ancillary
22 services to an electric utility and that does not emit greenhouse
23 gases as a by-product of energy generation.

24 (32)(a) "Nonpower attributes" means all environmentally related
25 characteristics, exclusive of energy, capacity reliability, and other
26 electrical power service attributes, that are associated with the
27 generation of electricity, including but not limited to the
28 facility's fuel type, geographic location, vintage, qualification as
29 a renewable resource, and avoided emissions of pollutants to the air,
30 soil, or water, and avoided emissions of carbon dioxide and other
31 greenhouse gases.

32 (b) "Nonpower attributes" does not include any aspects, claims,
33 characteristics, and benefits associated with the on-site capture and
34 destruction of methane or other greenhouse gases at a facility
35 through a digester system, landfill gas collection system, or other
36 mechanism, which may be separately marketable as greenhouse gas
37 emission reduction credits, offsets, or similar tradable commodities.
38 However, these separate avoided emissions may not result in or
39 otherwise have the effect of attributing greenhouse gas emissions to
40 the electricity.

1 (33) "Qualified transmission line" means an overhead transmission
2 line that is: (a) Designed to carry a voltage in excess of one
3 hundred thousand volts; (b) owned in whole or in part by an investor-
4 owned utility; and (c) primarily or exclusively used by such an
5 investor-owned utility as of the effective date of this section to
6 transmit electricity generated by a coal-fired resource.

7 (34) "Renewable energy credit" means a tradable certificate of
8 proof of one megawatt-hour of a renewable resource. The certificate
9 includes all of the nonpower attributes associated with that one
10 megawatt-hour of electricity and the certificate is verified by a
11 renewable energy credit tracking system selected by the department.

12 (35) "Renewable natural gas" means a gas consisting largely of
13 methane and other hydrocarbons derived from the decomposition of
14 organic material in landfills, wastewater treatment facilities, and
15 anaerobic digesters.

16 (36) "Renewable resource" means: (a) Water; (b) wind; (c) solar
17 energy; (d) geothermal energy; (e) renewable natural gas; (f) wave,
18 ocean, or tidal power; (g) biodiesel fuel that is not derived from
19 crops raised on land cleared from old growth or first growth forests;
20 or (h) biomass energy.

21 (37)(a) "Retail electric customer" means a person or entity that
22 purchases electricity from any electric utility for ultimate
23 consumption and not for resale.

24 (b) "Retail electric customer" does not include, in the case of
25 any electric utility, any person or entity that is purchasing
26 electricity exclusively from nonemitting and eligible renewable
27 resources, as defined in RCW 19.285.030 as of January 1, 2019,
28 pursuant to a special contract with an investor-owned utility
29 approved, prior to the effective date of this section, by order of
30 the commission.

31 (38) "Retail electric load" means the amount of megawatt-hours of
32 electricity delivered in a given calendar year by an electric utility
33 to its Washington retail electric customers.

34 (39) "Unbundled renewable energy credit" means a renewable energy
35 credit that is sold, delivered, or purchased separately from
36 electricity.

37 (40) "Unspecified electricity" means an electricity source for
38 which the fuel attribute is unknown or has been separated from the
39 energy.

1 (41) "Vulnerable populations" means communities that experience a
2 disproportionate cumulative risk from environmental burdens due to:

3 (a) Adverse socioeconomic factors, including unemployment, high
4 housing and transportation costs relative to income, access to food
5 and health care, and linguistic isolation; and

6 (b) Sensitivity factors, such as low birth weight and higher
7 rates of hospitalization.

8 NEW SECTION. **Sec. 3.** (1) On or before December 31, 2025, all
9 electric utilities must eliminate coal-fired resources from their
10 allocation of electricity. This does not include costs associated
11 with decommissioning and remediation of these facilities. The
12 commission shall allow in electric rates all decommissioning and
13 remediation costs prudently incurred by an electric utility for a
14 coal-fired facility.

15 (2) The commission shall accelerate depreciation schedules for
16 any coal-fired resource to a date no later than December 31, 2025.
17 The commission may accelerate the depreciation schedule for any
18 qualified transmission line owned by an investor-owned utility when
19 the commission finds the qualified transmission line is no longer
20 used and useful and there is no reasonable likelihood that the
21 qualified transmission line will be utilized in the future. The
22 adjusted depreciation schedule must require such a coal-fired
23 resource or qualified transmission line to be fully depreciated on or
24 before December 31, 2025.

25 (3) The commission shall allow in rates, directly or indirectly,
26 amounts on an investor-owned utility's books of account that the
27 commission finds represent prudently incurred undepreciated
28 investment in a fossil fuel generating resource that has been retired
29 from service when:

30 (a) The retirement is due to ordinary wear and tear, casualties,
31 acts of God, acts of governmental authority, inability to procure or
32 use fuel, termination or expiration of any ownership, and operation
33 agreement affecting such a fossil fuel generating resource; or

34 (b) The commission finds that the retirement is in the public
35 interest.

36 (4) An electric utility that fails to comply with the
37 requirements of this section must pay the administrative penalty
38 established under section 8(1) of this act.

1 (5) Provided that the resources in the Bonneville power
2 administration system mix, as determined by the department under
3 section 4(1)(g) of this act, do not include coal-fired resources as
4 defined in section 2 of this act, nothing in this section prohibits
5 an electric utility from purchasing power from the Bonneville power
6 administration.

7 NEW SECTION. **Sec. 4.** (1) It is the policy of the state that all
8 retail sales of electricity to Washington retail electric customers
9 be greenhouse gas neutral by January 1, 2030.

10 (a) By January 1, 2030, and each year thereafter through December
11 31, 2044, an electric utility must demonstrate its compliance with
12 this target using a combination of nonemitting electric generation
13 and electricity from renewable resources and resources that reduce
14 greenhouse gas emissions. To achieve compliance with this standard,
15 an electric utility must: (i) Pursue all cost-effective, reliable,
16 and feasible conservation and efficiency resources to reduce or
17 manage retail electric load, using the methodology established in RCW
18 19.285.040, if applicable; and (ii) use electricity from renewable
19 resources and nonemitting electric generation in an amount equal to
20 one hundred percent of the utility's average annual retail electric
21 load.

22 (b) Through December 31, 2044, an electric utility may satisfy up
23 to twenty percent of its compliance obligation under (a) of this
24 subsection with an alternative compliance option consistent with this
25 section. An alternative compliance option may include any combination
26 of the following:

27 (i) Making an alternative compliance payment under section 8(2)
28 of this act;

29 (ii) Using unbundled renewable energy credits, including
30 unbundled renewable energy credits used for compliance with RCW
31 19.285.040. Renewable energy credits used for compliance with this
32 section may be banked and used for compliance within three years of
33 being generated;

34 (iii) Investing in energy transformation projects, provided the
35 projects meet the requirements of subsection (3) of this section and
36 are not credited as resources used to meet the standard under (a) of
37 this subsection.

38 (c) Electricity from renewable resources used to meet an electric
39 utility's compliance obligation under (a) of this subsection must be

1 verified by the retirement of renewable energy credits. Renewable
2 energy credits must be tracked and retired in the tracking system
3 selected by the department.

4 (d) In meeting the targets established under this section,
5 hydroelectric generation may not include new diversions, new
6 impoundments, new bypass reaches, or expansion of existing reservoirs
7 constructed after the effective date of this section unless the
8 diversions, bypass reaches, or reservoir expansions are necessary for
9 the operation of a pumped storage facility that: (i) Does not
10 conflict with existing state or federal fish recovery plans; and (ii)
11 complies with all local, state, and federal laws and regulations.

12 (e) Nothing in (d) of this subsection precludes an electric
13 utility that owns and operates hydroelectric generating facilities
14 from making efficiency or other improvements to its hydroelectric
15 generating facilities existing as of the effective date of this
16 section or installing hydroelectric generation in pipes, culverts,
17 irrigation canals, and other manmade waterways, as long as those
18 changes do not create conflicts with existing state or federal fish
19 recovery plans and comply with all local, state, and federal laws and
20 regulations.

21 (f) Nonemitting electric generation resources used to meet an
22 electric utility's compliance obligation under (a) of this subsection
23 must be generated during the compliance year and must be verified by
24 documentation that the electric utility owns the nonpower attributes
25 of the electricity generated by the nonemitting resource.

26 (g) Nothing in this section prohibits an electric utility from
27 purchasing power from the Bonneville power administration.

28 (2) (a) The commission for investor-owned utilities or the auditor
29 for consumer-owned utilities shall consider an electric utility to be
30 in compliance with this section if the utility's net costs of
31 compliance, including any alternative compliance costs:

32 (i) Meet or exceed five percent of a utility's annual retail
33 electric revenue requirement; or

34 (ii) Will cause its retail electricity rates in any given year
35 for any customer class to increase at a rate of three percentage
36 points above the most recent three-year rolling average annual rate
37 increase for the class.

38 (b) For utilities subject to RCW 19.285.040, the net cost of
39 compliance with this section does not include costs associated with
40 compliance with that section.

1 (c) In considering compliance with this subsection, the
2 commission for investor-owned utilities and the auditor for consumer-
3 owned utilities shall require an electric utility to demonstrate that
4 it attempted to maximize the cumulative benefits to customers
5 consistent with the goals and objectives of this chapter.

6 (3) Investments in energy transformation projects used to satisfy
7 an alternative compliance option provided under subsection (1)(b) of
8 this section must use criteria developed by the department of
9 ecology, in consultation with the department and the commission. For
10 the purpose of crediting an energy transformation project toward the
11 standard in subsection (1)(a) of this section, the conversion factor
12 must be set in a manner consistent with the default emission factors
13 for electricity established for other markets in the western
14 interconnection, or, if the department has not adopted a default
15 emission factor by rule, 0.437 metric tons of carbon dioxide per
16 megawatt-hour of electricity. Emissions reductions from energy
17 transformation projects must be:

18 (a) Real, specific, identifiable, and quantifiable;

19 (b) Permanent: The department must look to other jurisdictions in
20 setting this standard and make a reasonable determination on length
21 of time;

22 (c) Enforceable by the state of Washington;

23 (d) Verifiable;

24 (e) Not required by another statute, rule, or other legal
25 requirement in place as of the effective date of this section; and

26 (f) Not reasonably assumed to occur absent investment, or if an
27 investment has already been made, not reasonably assumed to occur
28 absent additional funding in the near future.

29 (4) Energy transformation projects must be associated with the
30 consumption of energy in Washington and must not create a new use of
31 fossil fuels that results in a net increase of fossil fuel usage.

32 (5) The compliance eligibility of energy transformation projects
33 may be scaled or prorated by an approved protocol in order to
34 distinguish effects related to reductions in electricity usage from
35 reductions in fossil fuel usage.

36 (6) Any compliance obligation fulfilled through an investment in
37 an energy transformation project is eligible for use only by: (a) The
38 electric utility that makes the investment; (b) if the investment is
39 made by the Bonneville power administration, by electric utilities
40 that are preference customers of the Bonneville power administration;

1 or (c) if the investment is made by a joint operating agency
2 organized under chapter 43.52 RCW, a member of the joint operating
3 agency. An electric utility making an investment in partnership with
4 another electric utility or entity may claim credit proportional to
5 its share invested of the total project cost.

6 (7) The department shall implement rule making, in consultation
7 with the commission and the department of ecology, to establish the
8 guidelines for utilities to implement energy transformation project
9 investments including, but not limited to, verification procedures,
10 reporting standards, and other logistical issues as necessary.

11 (8) The commission, after a hearing, must adopt by order annual
12 interim targets for each investor-owned utility. The interim targets
13 for an investor-owned utility must be informed by the utility's clean
14 energy action plans submitted under RCW 19.280.030, beginning no
15 later than January 1, 2020. The commission must, at a minimum, adopt
16 interim targets for energy efficiency, demand response, and renewable
17 energy.

18 (9) The governing body of a consumer-owned utility must adopt
19 interim targets, informed by the utility's clean energy action plans
20 submitted under RCW 19.280.030. The governing body must, at a
21 minimum, adopt annual interim targets for energy efficiency, demand
22 response, and renewable energy.

23 (10)(a) In meeting interim targets established under this
24 section, and to meet projected demand, an electric utility must
25 pursue all cost-effective, reliable, and feasible conservation and
26 efficiency resources, reductions in demand, and demand management
27 prior to making new investments to meet projected demand, and to the
28 maximum extent feasible must:

29 (i) Achieve targets at the lowest reasonable cost, considering
30 risk;

31 (ii) Consider acquisition of existing surplus renewable
32 resources; and

33 (iii) In the acquisition of new resources constructed after the
34 effective date of this section, rely on renewable resources, demand
35 response, and energy storage, insofar as doing so is consistent with
36 (a)(i) of this subsection, the utility's clean energy action plan,
37 and, for an investor-owned utility, its compliance strategy developed
38 under RCW 19.280.030.

1 (b) Electric utilities subject to RCW 19.285.040 must demonstrate
2 pursuit of all conservation and efficiency resources through
3 compliance with the requirements in RCW 19.285.040.

4 (11) An electric utility that fails to meet the requirements of
5 this section must pay the administrative penalty established under
6 section 8(1) of this act.

7 (12) In complying with this section, an electric utility must
8 seek to maximize equitable distribution of energy and nonenergy
9 benefits and reduction of burdens to vulnerable populations and
10 highly impacted communities; long-term and short-term public health
11 and environmental benefits, costs, and risks; and energy security and
12 resiliency.

13 (13) Customers who become market customers after the effective
14 date of this section must comply with the obligations of this
15 section.

16 (14) A market customer that purchases electricity exclusively
17 from carbon-free resources and eligible renewable resources, as
18 defined in RCW 19.285.030 as of January 1, 2019, pursuant to a
19 special contract with an investor-owned utility approved, prior to
20 the effective date of this section, by order of the commission must
21 be subject to the requirements of such an order and not to the
22 standards established in this section. For purposes of interpreting
23 any such special contract, chapter 19.285 RCW, as in effect on
24 January 1, 2019, is not, either directly or indirectly, amended or
25 supplemented.

26 NEW SECTION. **Sec. 5.** (1) It is the policy of the state that
27 nonemitting electric generation and electricity from renewable
28 resources supply one hundred percent of all sales of electricity to
29 Washington retail electric customers by January 1, 2045.

30 (2) Each electric utility must incorporate subsection (1) of this
31 section into all relevant planning and resource acquisition
32 practices.

33 (3) Customers who become market customers after the effective
34 date of this section are subject to the requirements of this section
35 to the same extent as the electric utility to which they are
36 interconnected. This requirement does not apply to any market
37 customer that purchases electricity exclusively from nonemitting
38 electric generation and renewable resources pursuant to a special

1 contract approved by the commission or the governing body on or
2 before the effective date of this section.

3 (4) The commission, for investor-owned utilities, or the
4 governing body, for consumer-owned utilities, may adopt more
5 aggressive targets or expedited timelines if it can be demonstrated
6 that levels of attainment can be achieved in a manner consistent with
7 the following:

8 (a) Maintaining and protecting the safety, reliable operation,
9 and balancing of the electric system;

10 (b) Planning to meet the standard at the lowest reasonable cost,
11 considering risk;

12 (c) Ensuring that all customers are benefiting from the
13 transition to clean energy, including: An equitable distribution of
14 energy and nonenergy benefits and reduction of burdens to vulnerable
15 populations and highly impacted communities; long-term and short-term
16 public health and environmental benefits, costs, and risks; and
17 energy security and resiliency; and

18 (d) Ensuring that no customer or class of customers are
19 unreasonably harmed by any resulting increases in the cost of
20 utility-supplied electricity necessary to comply with this section.

21 (5) In meeting interim targets established under this section,
22 and to meet projected demand, an electric utility must pursue all
23 cost-effective, reliable, and feasible conservation and efficiency
24 resources, reductions in demand, and demand management prior to
25 making new investments to meet projected demand, and to the maximum
26 extent feasible must:

27 (a) Achieve targets at the lowest reasonable cost;

28 (b) Consider acquisition of existing surplus renewable resources;
29 and

30 (c) In the acquisition of new resources constructed after the
31 effective date of this section, rely on renewable resources, demand
32 response, and energy storage, insofar as doing so is consistent with
33 (a) of this subsection, the utility's clean energy action plan, and,
34 for an investor-owned utility, its compliance strategy developed
35 under RCW 19.280.030.

36 (6) The commission, department, energy facility site evaluation
37 council, department of ecology, and all other state agencies shall
38 incorporate this section into all relevant planning and utilize all
39 programs authorized by statute to achieve subsection (1) of this
40 section.

1 (7) (a) In satisfying the requirements of this section,
2 hydroelectric generation may not include new diversions, new
3 impoundments, new bypass reaches, or expansion of existing reservoirs
4 constructed after the effective date of this section unless the
5 diversions, bypass reaches, or reservoir expansions are necessary for
6 the operation of a pumped storage facility that: (i) Does not
7 conflict with existing state or federal fish recovery plans; and (ii)
8 complies with all local, state, and federal laws and regulations.

9 (b) Nothing in (a) of this subsection precludes an electric
10 utility that owns and operates hydroelectric generating facilities
11 from making efficiency or other improvements to its hydroelectric
12 generating facilities existing as of the effective date of this
13 section or installing hydroelectric generation in pipes, culverts,
14 irrigation canals, and other manmade waterways as long as those
15 changes do not create conflicts with existing state or federal fish
16 recovery plans and comply with all local, state, and federal laws and
17 regulations.

18 (8) Nothing in this section prohibits an electric utility from
19 purchasing power from the Bonneville power administration.

20 (9) Customers who become new market customers as of the effective
21 date of this section must comply with the obligations of this
22 section.

23 (10) Any market customer that purchases electricity exclusively
24 from carbon-free resources and eligible renewable resources, as
25 defined in RCW 19.285.030 as of January 1, 2019, pursuant to a
26 special contract with an investor-owned utility approved, prior to
27 the effective date of this section, by order of the commission is
28 subject to the requirements of such an order and not to the standards
29 established in this section. For the purposes of interpreting such a
30 special contract, chapter 19.285 RCW, as in effect on January 1,
31 2019, is not, either directly or indirectly, amended or supplemented.

32 NEW SECTION. **Sec. 6.** (1)(a) The department shall adopt rules
33 that establish the official fuel mix for the Bonneville power
34 administration for the purposes of compliance with sections 3 through
35 5 of this act. The department shall calculate annually the percentage
36 of the Bonneville power administration's reported fuel mix that is
37 electricity from renewable resources and nonemitting electric
38 generation. The department shall multiply this percentage by the
39 total megawatt-hours sold by the Bonneville power administration to

1 an electric utility or market customer in Washington. The megawatt-
2 hours resulting from this calculation must be deemed to be the total
3 megawatt-hours of electricity from renewable resources and
4 nonemitting electric generation resulting from the power sold by the
5 Bonneville power administration to an electric utility or market
6 customer.

7 (b) For the purposes of these calculations, the Bonneville power
8 administration may exclude from its fuel mix reported to the
9 department any purchases of electric generation that are made for the
10 purpose of serving load outside of the state of Washington.

11 (2) Each electric utility must disclose the greenhouse gas
12 content inherent in its electricity supply in conformance with this
13 section. A utility's disclosure must be consistent with the fuel
14 sources that it reports and discloses in compliance with chapter
15 19.29A RCW. The department must by rule incorporate the carbon
16 content disclosure into the power source or fuel mix disclosure
17 required under chapter 19.29A RCW. For the purposes of disclosing the
18 greenhouse gas content inherent in a megawatt-hour of electricity
19 where the source used to generate the electricity is incompletely or
20 insufficiently provided through chapter 19.29A RCW, as determined by
21 the department, the department of ecology may require other
22 information as the department of ecology deems necessary for the
23 purposes of determining the greenhouse gas content calculation under
24 this chapter.

25 (3) For unspecified sources of electricity, the utility must use
26 an emissions rate determined, and periodically updated, by the
27 department by rule.

28 NEW SECTION. **Sec. 7.** (1) By January 1, 2021, and at least every
29 two years thereafter and in compliance with RCW 43.01.036, the
30 commission and the department shall submit a joint report to the
31 legislature. The joint report must include the following:

32 (a) A review of the policies described in sections 3 through 5 of
33 this act focused on technologies, forecasts, and existing
34 transmission, and an evaluation of safety, environmental and public
35 safety protection, affordability, and system reliability.

36 (b) (i) An evaluation, produced in consultation with electric
37 utilities, transmission operators in Washington, the reliability
38 coordinator for electric utilities, and any regional planning
39 organization serving electric utilities, identifying the potential

1 benefits, impacts, and risks on system reliability associated with
2 achieving the policies described in sections 4 and 5 of this act. The
3 evaluation must assess whether electric utilities have sufficient
4 electric generation resources to meet forecasted retail electric load
5 in addition to adequate transmission capability to implement sections
6 3 through 5 of this act.

7 (ii) If the evaluation finds insufficient generation resources or
8 inadequate transmission capability, the evaluation must also identify
9 the mitigation and investments necessary to correct those
10 deficiencies at the lowest reasonable cost.

11 (c) An evaluation identifying the nature of any anticipated
12 financial costs and benefits to electric, gas, and water utilities,
13 including customer rate impacts and benefits including, but not
14 limited to:

15 (i) Rates of electric utilities;

16 (ii) Greenhouse gas emissions of electric utilities;

17 (iii) The allocation of risk between customers and electric
18 utilities;

19 (iv) The allocation of financial costs among electric utilities
20 in the state and whether retail electric customers are equitably
21 bearing the financial costs of implementing sections 3 through 5 of
22 this act;

23 (v) The timing of cost recovery for the generation of electricity
24 generated by nonemitting electric generation or renewable resources;

25 (vi) The resource procurement process of electric utilities; and

26 (vii) The barriers to, and benefits of, implementing sections 4
27 and 5 of this act.

28 (d) An evaluation of new or emerging technologies that could be
29 considered to be a renewable resource.

30 (e) An assessment of the impacts of sections 3 through 5 of this
31 act on middle-income families, small businesses, and manufacturers in
32 Washington.

33 (2) If the joint report indicates adverse system reliability
34 impacts from implementation of sections 4 and 5 of this act, then the
35 governor, consistent with the emergency powers inherent in RCW
36 43.21G.040, may suspend or delay implementation of this act until
37 system reliability impacts can be addressed. Adverse system
38 reliability impacts may include, but are not limited to, the
39 inability of electric utilities or transmission operators to meet

1 reliability standards mandated by law and required by prudent utility
2 practices.

3 NEW SECTION. **Sec. 8.** (1) An electric utility that fails to
4 comply with sections 3 and 4 of this act shall pay an administrative
5 penalty to the state of Washington in the amount of sixty dollars for
6 each megawatt-hour of electric generation used to meet load that is
7 not electricity from a renewable resource or nonemitting electric
8 generation. Beginning in 2027, this penalty must be adjusted on a
9 biennial basis according to the rate of change of the inflation
10 indicator, gross domestic product implicit price deflator, as
11 published by the bureau of economic analysis of the United States
12 department of commerce or its successor. Beginning in 2040, the
13 commission may by rule increase this penalty for investor-owned
14 utilities if the commission determines that doing so will accelerate
15 utilities' compliance with the standards established under this
16 chapter and that doing so is in the public interest.

17 (2) Consistent with the requirements of section 4(1)(b) of this
18 act, a utility may opt to make a payment in the amount of the
19 administrative penalty as an alternative compliance payment, without
20 incurring a penalty for noncompliance.

21 (3)(a) Upon its own motion or at the request of an investor-owned
22 utility, and after a hearing, the commission may issue an order
23 relieving the utility of its administrative penalty obligation under
24 subsection (1) of this section if it finds that:

25 (i) After taking all reasonable measures, the investor-owned
26 utility's compliance with this chapter is likely to result in
27 conflicts with or compromises to its obligation to comply with the
28 mandatory and enforceable reliability standards of the North American
29 electric reliability corporation, violate prudent utility practice
30 for assuring resource adequacy, or compromise the power quality or
31 integrity of its system; or

32 (ii) The investor-owned utility is unable to comply with the
33 standards established in sections 3 and 4 of this act due to reasons
34 beyond the reasonable control of the investor-owned utility, as set
35 forth in subsection (8) of this section.

36 (b) If the commission issues an order pursuant to (a) of this
37 subsection that relieves an investor-owned utility of its
38 administrative penalty obligation under subsection (1) of this
39 section, the commission may issue an order:

1 (i) Notwithstanding the standards established in sections 3 and 4
2 of this act, temporarily exempting the investor-owned utility from
3 the requirements of section 4 of this act for an amount of time
4 sufficient to allow the investor-owned utility to achieve full
5 compliance with the standard;

6 (ii) Directing the investor-owned utility to file a progress
7 report to the commission on achieving full compliance with the
8 standard within six months after issuing the order, or within an
9 amount of time determined to be reasonable by the commission; and

10 (iii) Directing the investor-owned utility to take specific
11 actions to achieve full compliance with the requirements of this
12 chapter.

13 (c) An investor-owned utility may request an extension of a
14 temporary exemption granted under this section. An investor-owned
15 utility that requests an extension must request an update to the
16 order issued by the commission under (b) of this subsection.

17 (4) Subsection (3) of this section does not permanently relieve
18 an investor-owned utility of its obligation to comply with the
19 requirements of this chapter.

20 (5)(a) The attorney general may, at the recommendation of the
21 auditor and, in accordance with the findings of the joint report to
22 the legislature submitted pursuant to section 7 of this act, relieve
23 a consumer-owned utility of its administrative penalty obligation
24 under subsection (1) of this section if the attorney general finds
25 that:

26 (i) The consumer-owned utility's compliance with this chapter is
27 likely to result in conflicts with or compromises to its obligation
28 to comply with the mandatory and enforceable reliability standards of
29 the North American electric reliability corporation, violate prudent
30 utility practice for assuring resource adequacy, or compromise the
31 power quality or integrity of its system;

32 (ii) The consumer-owned utility is unable to comply with the
33 standards established in sections 3 and 4 of this act due to reasons
34 beyond the reasonable control of the utility, as set forth in
35 subsection (8) of this section and based on documentation submitted
36 by the governing body of the consumer-owned utility.

37 (b) Notwithstanding the standards established in sections 3 and 4
38 of this act, the attorney general may issue a finding:

39 (i) Temporarily exempting the consumer-owned utility from the
40 requirements of section 4 of this act for an amount of time

1 sufficient to allow the consumer-owned utility to achieve full
2 compliance with the standard;

3 (ii) Directing the consumer-owned utility to file a progress
4 report to the attorney general on achieving full compliance with the
5 standard within six months after issuing the finding, or within an
6 amount of time determined to be reasonable by the attorney general;
7 and

8 (iii) Directing the consumer-owned utility to take specific
9 actions to achieve full compliance with the requirements of this
10 chapter.

11 (c) A consumer-owned utility may request an extension of a
12 temporary exemption granted under this section.

13 (d) This subsection does not permanently relieve a consumer-owned
14 utility of its obligation to comply with the requirements of this
15 chapter.

16 (6) Upon petition by an investor-owned utility, and after a
17 hearing, the commission may issue an order relieving the utility of
18 the requirements of this section if it finds that the utility had no
19 choice but to use electric generation that is not electricity from a
20 renewable resource or nonemitting electric generation to maintain the
21 reliability and safety of the grid. The commission may use its
22 standard practices and procedures to make a reliability determination
23 under this subsection.

24 (7) The auditor may relieve a consumer-owned utility of the
25 requirements of this section if the auditor finds that the utility
26 had no choice but to use electric generation that is not electricity
27 from a renewable resource or nonemitting electric generation to
28 maintain reliability and safety of the grid based on documentation
29 submitted by the governing body of the consumer-owned utility.

30 (8) To the extent an event or circumstance cannot be reasonably
31 foreseen and ameliorated, such events or circumstances beyond the
32 reasonable control of an electric utility may include but are not
33 limited to:

34 (a) Weather-related damage;

35 (b) Natural disasters;

36 (c) Mechanical or resource failure;

37 (d) Failure of a third party to meet contractual obligations to
38 the electric utility;

39 (e) Labor strikes or lockouts;

1 (f) Actions of governmental authorities that adversely affect the
2 generation, transmission, or distribution of nonemitting electric
3 generation or renewable resources under contract to an electric
4 utility;

5 (g) Inability to acquire sufficient transmission to transmit
6 electricity from nonemitting electric generation or renewable
7 resources to load; and

8 (h) Substantial limitations, restrictions, or prohibitions on
9 nonemitting electric generation or renewable resources.

10 (9) An electric utility must notify its retail electric customers
11 in published form within three months of paying the administrative
12 penalty established under subsection (1) of this section. An electric
13 utility is not required to notify its retail electric customers when
14 making a payment in the amount of the administrative penalty as an
15 alternative compliance payment consistent with the requirements of
16 section 4(1)(b) of this act.

17 (10) Moneys collected under this section must be deposited into
18 the low-income weatherization and structural rehabilitation
19 assistance account created in RCW 70.164.030.

20 (11) For an investor-owned utility, the commission shall
21 determine compliance with the requirements of this chapter.

22 (12) For utilities that are not investor-owned utilities, the
23 auditor is responsible for auditing compliance with this chapter and
24 rules adopted under this chapter that apply to those utilities and
25 the attorney general is responsible for enforcing that compliance.

26 (13) At a request of an investor-owned or consumer-owned utility,
27 the governor may exempt an electric utility from paying the
28 administrative penalty in this chapter for purchasing fossil fuel
29 power when the governor declares a hydropower drought and until the
30 governor declares the hydropower drought finished. This includes
31 years when the Northwest river forecast center's May final forecast
32 for April through August runoff is less than the twentieth percentile
33 of average at the Dalles, per the prevailing thirty-year period of
34 record.

35 **Sec. 9.** RCW 80.84.010 and 2016 c 220 s 1 are each amended to
36 read as follows:

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

1 (1) "Eligible coal plant" means a coal-fired electric generation
2 facility that: (a) ~~((Had two or fewer generating units as of January~~
3 ~~1, 1980, and four generating units as of January 1, 2016;~~ (b)) Is
4 owned in whole or in part by more than one electrical company as of
5 January 1, 2016; and ~~((e))~~ (b) provides, as a portion of the load
6 served by the coal-fired electric generation facility, electricity
7 paid for in rates by customers in the state of Washington.

8 (2) "Eligible coal unit" means any generating unit of an eligible
9 coal plant.

10 NEW SECTION. Sec. 10. (1) The department must adopt rules
11 establishing annual reporting requirements for electric utilities to
12 demonstrate compliance with this chapter. The requirements must, to
13 the extent practicable, be consistent with the disclosures required
14 under chapter 19.29A RCW.

15 (2) An investor-owned utility must also report all information
16 required in subsection (1) of this section to the commission.

17 (3) An electric utility must also make reports required in this
18 section available to its retail electric customers.

19 NEW SECTION. Sec. 11. (1) It is the intent of this chapter that
20 the commission and department adopt rules to streamline the
21 implementation of this act with chapter 19.285 RCW to simplify
22 compliance and avoid duplicative processes. The commission may adopt
23 rules to ensure the proper implementation and enforcement of this
24 chapter as it applies to investor-owned utilities.

25 (2) The department may adopt rules to ensure the proper
26 implementation and enforcement of this chapter as it applies to
27 consumer-owned utilities. Nothing in this subsection may be construed
28 to restrict the rate-making authority of the governing body of a
29 consumer-owned utility as otherwise provided by law.

30 (3) The commission and department may coordinate in developing
31 rules related to process, timelines, and documentation that are
32 necessary for implementation of this chapter.

33 (4) The commission and department may consult with other state
34 agencies in the development of rules under this chapter.

35 (5) Pursuant to the administrative procedure act, chapter 34.05
36 RCW, rules needed for the implementation of this chapter must be
37 adopted by January 1, 2021. These rules may be revised as needed to
38 carry out the intent and purposes of this chapter.

1 NEW SECTION. **Sec. 12.** (1) The requirements of sections 3
2 through 8 of this act do not replace or modify the requirements
3 established under chapter 19.285 RCW. All utility activities to
4 comply with the requirements established under chapter 19.285 RCW
5 also qualify for compliance with the requirements contained in this
6 chapter.

7 (2) Any market customer that purchases electricity exclusively
8 from nonemitting resources and eligible renewable resources, as
9 defined in RCW 19.285.030 as of January 1, 2019, pursuant to a
10 special contract with an investor-owned utility approved, prior to
11 the effective date of this section, by order of the commission is
12 subject to the requirements of such an order and not to sections 4
13 and 5 of this act. For the purposes of interpreting such a special
14 contract, chapter 19.285 RCW, as in effect on January 1, 2019, is
15 not, either directly or indirectly, amended or supplemented.

16 **Sec. 13.** RCW 19.280.030 and 2015 3rd sp.s. c 19 s 9 are each
17 amended to read as follows:

18 Each electric utility must develop a plan consistent with this
19 section.

20 (1) Utilities with more than twenty-five thousand customers that
21 are not full requirements customers shall develop or update an
22 integrated resource plan by September 1, 2008. At a minimum, progress
23 reports reflecting changing conditions and the progress of the
24 integrated resource plan must be produced every two years thereafter.
25 An updated integrated resource plan must be developed at least every
26 four years subsequent to the 2008 integrated resource plan. The
27 integrated resource plan, at a minimum, must include:

28 (a) A range of forecasts, for at least the next ten years or
29 longer, of projected customer demand which takes into account
30 econometric data and customer usage;

31 (b) An assessment of commercially available conservation and
32 efficiency resources, as informed, as applicable, by the ten-year
33 assessment for cost-effective conservation potential under RCW
34 19.285.040. Such assessment may include, as appropriate,
35 opportunities for development of combined heat and power as an energy
36 and capacity resource, demand response and load management programs,
37 and currently employed and new policies and programs needed to obtain
38 the conservation and efficiency resources;

1 (c) An assessment of commercially available, utility scale
2 renewable and nonrenewable generating technologies including a
3 comparison of the benefits and risks of purchasing power or building
4 new resources;

5 (d) A comparative evaluation of renewable and nonrenewable
6 generating resources, including transmission and distribution
7 delivery costs, and conservation and efficiency resources using
8 "lowest reasonable cost" as a criterion;

9 (e) An assessment of methods, commercially available
10 technologies, or facilities for integrating renewable resources,
11 including but not limited to battery storage and pumped storage, and
12 addressing overgeneration events, if applicable to the utility's
13 resource portfolio;

14 (f) An assessment and ten-year forecast of the availability of
15 regional generation and transmission capacity on which the utility
16 may rely to provide and deliver electricity to its customers;

17 (g) A determination of load loss probability under different
18 resource acquisition scenarios for implementing sections 3 through 5
19 of this act;

20 (h) A ten-year forecast of distributed energy resources that may
21 be installed by the utility's customers and an assessment of their
22 effect on the utility's load and operations;

23 (i) An identification of an appropriate resource adequacy
24 requirement and measurement metric consistent with prudent utility
25 practice in implementing sections 3 through 5 of this act;

26 (j) The integration of the demand forecasts ((and)), resource
27 evaluations, and resource adequacy requirement into a long-range
28 assessment describing the mix of supply side generating resources and
29 conservation and efficiency resources that will meet current and
30 projected needs, including mitigating overgeneration events and
31 implementing sections 3 through 5 of this act, at the lowest
32 reasonable cost and risk to the utility and its ((ratepayers))
33 customers, while maintaining and protecting the safety, reliable
34 operation, and balancing of its electric system; ((and

35 (g)) (k) A ((short-term)) ten-year clean energy action plan and
36 compliance strategy identifying the specific actions to be taken by
37 the utility consistent with the long-range integrated resource plan
38 and resource adequacy requirements, and proposing interim targets for
39 implementing sections 3 and 4 of this act at the lowest reasonable
40 cost, and at an acceptable resource adequacy standard;

1 (1) A twenty-year clean energy transformation plan identifying
2 the lowest reasonable cost pathways to implement section 5 of this
3 act.

4 (2) For an investor-owned utility, the clean energy action plan
5 and compliance strategy must: (a) Propose interim targets for meeting
6 the requirement in section 4 of this act; (b) identify and be
7 informed by the utility's ten-year cost-effective conservation
8 potential assessment as determined under RCW 19.285.040, if
9 applicable; (c) establish a resource adequacy requirement; (d)
10 identify the potential cost-effective demand response and load
11 management programs that may be acquired; (e) identify renewable
12 resources, nonrenewable resources, and distributed energy resources
13 that may be acquired and evaluate how each identified resource may be
14 expected to contribute to meeting the utility's resource adequacy
15 requirement; (f) identify any need to develop new, or expand or
16 upgrade existing, transmission and distribution facilities; and (g)
17 identify the nature and possible extent to which the utility may need
18 to rely on alternative compliance options under section 4(1)(b) of
19 this act, if appropriate.

20 (3)(a) An electric utility shall consider the social cost of
21 greenhouse gas emissions, as determined by the commission for
22 investor-owned utilities pursuant to section 16 of this act and the
23 department for consumer-owned utilities, when developing integrated
24 resource plans and clean energy action plans. An electric utility
25 must incorporate the social cost of greenhouse gas emissions as a
26 cost adder when:

27 (i) Evaluating and selecting conservation policies, programs, and
28 targets;

29 (ii) Developing integrated resource plans and clean energy action
30 plans; and

31 (iii) Evaluating and selecting intermediate term and long-term
32 resource options.

33 (b) For the purposes of this subsection: (i) Gas consisting
34 largely of methane and other hydrocarbons derived from the
35 decomposition of organic material in landfills, wastewater treatment
36 facilities, and anaerobic digesters must be considered a nonemitting
37 resource; and (ii) qualified biomass energy must be considered a
38 nonemitting resource.

39 (4) To facilitate broad, equitable, and efficient implementation
40 of this act, a consumer-owned energy utility may enter into an

1 agreement with a joint operating agency organized under chapter 43.52
2 RCW or other nonprofit organization to develop and implement a joint
3 clean energy action plan in collaboration with other utilities.

4 (5) All other utilities may elect to develop a full integrated
5 resource plan as set forth in subsection (1) of this section or, at a
6 minimum, shall develop a resource plan that:

7 (a) Estimates loads for the next five and ten years;

8 (b) Enumerates the resources that will be maintained and/or
9 acquired to serve those loads; (~~and~~)

10 (c) Explains why the resources in (b) of this subsection were
11 chosen and, if the resources chosen are not: (i) Renewable resources;
12 (ii) methods, commercially available technologies, or facilities for
13 integrating renewable resources, including addressing any
14 overgeneration event; or (iii) conservation and efficiency resources,
15 why such a decision was made; and

16 (d) By December 31, 2020, identifies how the utility plans over a
17 ten-year period to meet the standard in section 4 of this act and by
18 December 31, 2025, identifies how the utility plans over a twenty-
19 year period to implement section 5 of this act.

20 (~~(3)~~) (6) Assessments for demand side resources included in an
21 integrated resource plan may include combined heat and power systems
22 as one of the measures in a conservation supply curve. The value of
23 recoverable waste heat resulting from combined heat and power must be
24 reflected in analyses of cost-effectiveness under this subsection.

25 (~~(4)~~) (7) An electric utility that is required to develop a
26 resource plan under this section must complete its initial plan by
27 September 1, 2008.

28 (~~(5) Resource~~) (8) Plans developed under this section must be
29 updated on a regular basis, at a minimum on intervals of two years.

30 (~~(6)~~) (9) Plans shall not be a basis to bring legal action
31 against electric utilities.

32 (~~(7)~~) (10) Each electric utility shall publish its final plan
33 either as part of an annual report or as a separate document
34 available to the public. The report may be in an electronic form.

35 NEW SECTION. Sec. 14. (1) It is the intent of the legislature
36 to demonstrate progress toward making energy assistance funds
37 available to low-income households consistent with the targets
38 identified in this section.

1 (2) An electric utility must make funding available for energy
2 assistance to low-income households by July 31, 2021. Each utility
3 must demonstrate progress on energy assistance pursuant to the
4 assessment and plans in subsection (4) of this section. To the extent
5 practicable, priority must be given to low-income households with a
6 higher energy burden.

7 (3) Beginning July 31, 2020, each retail supplier must disclose
8 the following information on energy assistance and energy assistance
9 need in their service territory. The disclosure must be updated
10 biennially and submitted to the department. The disclosure must
11 include, but is not limited to:

12 (a) The number of low-income households in the utility's service
13 territory;

14 (b) The level of energy assistance need in the utility's service
15 territory; and

16 (c) The amount and type of energy assistance and the number and
17 type of households served in the electric utility's most recent
18 completed budget period.

19 (4) In addition to the disclosures required in subsection (3) of
20 this section, each electric utility must submit biennially to the
21 department an assessment and plans to improve:

22 (a) The mechanisms used to reduce energy burden including, but
23 not limited to, a low-income specific rate class and the
24 effectiveness of those mechanisms in both short-term and sustained
25 energy burden reductions;

26 (b) The outreach strategies used to maximize participation of all
27 eligible households, including consultation with community-based
28 organizations and Indian tribes as appropriate, and comprehensive
29 enrollment campaigns that are language and culturally appropriate to
30 the vulnerable populations in their service territory to inform and
31 enroll more difficult to reach eligible households; and

32 (c) Current and prospective funding mechanisms including, but not
33 limited to, customer rates, system benefits charges, public funds,
34 and private funds needed to meet sixty percent of the energy
35 assistance need or a fifteen percent increase over 2020 levels,
36 whichever is greater, by 2030, and ninety percent of the energy
37 assistance need by 2050.

38 (5) A consumer-owned utility may enter into an agreement with a
39 public university, community-based organization, or joint operating
40 agency organized under chapter 43.52 RCW to aggregate the disclosures

1 required in this section and submit the assessment required in
2 subsection (4) of this section.

3 (6) The commission, for investor-owned utilities, and department,
4 for consumer-owned utilities, shall adopt rules to implement this
5 section including, but not limited to, a shared definition and
6 calculation of energy burden and energy assistance need. The
7 governing boards for consumer-owned utilities is solely responsible
8 for enforcement of this chapter for consumer-owned utilities.

9 (7) The commission and department must submit biennially to the
10 legislature a report aggregating utility disclosures into a statewide
11 summary of energy assistance programs, energy burden, and energy
12 assistance need, and identifying and sharing optimal mechanisms for
13 energy assistance.

14 NEW SECTION. **Sec. 15.** (1) By December 31, 2020, the commission
15 and the department shall investigate and complete a consultant study
16 on the feasibility, need, and potential costs and benefits of
17 participation of electric utilities in interstate organized energy
18 markets to, among other things, integrate nonemitting electric
19 generation and renewable resources and other technologies that reduce
20 greenhouse gas emissions, reduce overall greenhouse gas emissions
21 content inherent in electricity, and implement sections 4 and 5 of
22 this act at the lowest reasonable cost and risk to electric utilities
23 and retail electric customers in the state.

24 (2) The commission and the department shall work with
25 stakeholders, including investor-owned utilities, consumer-owned
26 utilities, the Bonneville power administration, the Northwest power
27 and conservation council, and public interest groups and submit a
28 final report of the findings to the energy committees of the
29 legislature by January 7, 2020.

30 NEW SECTION. **Sec. 16.** A new section is added to chapter 80.28
31 RCW to read as follows:

32 For the purposes of RCW 19.280.030, and for other purposes as the
33 commission may prescribe, the cost of greenhouse gas emissions
34 resulting from the generation of electricity, including the effect of
35 emissions is equal to the cost per metric ton of carbon dioxide
36 equivalent emissions, using the two and one-half percent discount
37 rate, listed in table 2, technical support document: Technical update
38 of the social cost of carbon for regulatory impact analysis under

1 Executive Order No. 12866, published by the interagency working group
2 on social cost of greenhouse gases of the United States government,
3 August 2016. The commission must adjust the costs established in this
4 section to reflect the effect of inflation.

5 NEW SECTION. **Sec. 17.** This section is the tax preference
6 performance statement for the tax preferences contained in sections
7 18 and 19, chapter . . . , Laws of 2019 (sections 18 and 19 of this
8 act). This performance statement is only intended to be used for
9 subsequent evaluation of the tax preference. It is not intended to
10 create a private right of action by any party or be used to determine
11 eligibility for preferential tax treatment.

12 (1) The legislature categorizes this tax preference as one
13 intended to induce certain designated behavior by taxpayers, as
14 indicated in RCW 82.32.808(2) (a).

15 (2) It is the legislature's specific public policy objective to
16 reduce the amount of carbon dioxide emissions in Washington. It is
17 the legislature's intent to extend the expiration date of the
18 existing sales and use tax exemption for machinery and equipment used
19 directly in generating certain types of alternative energy, in order
20 to reduce the price charged to customers for that machinery and
21 equipment, thereby inducing some customers to buy machinery and
22 equipment for alternative energy when they might not otherwise,
23 thereby displacing electricity from fossil-fueled generating
24 resources, thereby reducing the amount of carbon dioxide emissions in
25 Washington.

26 (3) The joint legislative audit and review committee is not
27 required to perform a tax preference review under chapter 43.136 RCW
28 for the tax preferences contained in sections 18 and 19,
29 chapter . . . , Laws of 2019 (sections 18 and 19 of this act) and it
30 is the intent of the legislature to allow the tax preferences to
31 expire upon their scheduled expiration dates.

32 **Sec. 18.** RCW 82.08.962 and 2018 c 164 s 5 are each amended to
33 read as follows:

34 (1) (a) (~~Except as provided in RCW 82.08.963,~~) Purchasers who
35 have paid the tax imposed by RCW 82.08.020 on machinery and equipment
36 used directly in generating electricity using fuel cells, wind, sun,
37 biomass energy, tidal or wave energy, geothermal resources, or
38 technology that converts otherwise lost energy from exhaust, as the

1 principal source of power, or to sales of or charges made for labor
2 and services rendered in respect to installing such machinery and
3 equipment, are eligible for an exemption as provided in this section,
4 but only if the purchaser develops with such machinery, equipment,
5 and labor a facility capable of generating not less than one thousand
6 watts of electricity.

7 (b) Beginning on July 1, 2011, through January 1, ((2020)) 2030,
8 the amount of the exemption under this subsection (1) is equal to
9 seventy-five percent of the state and local sales tax paid. The
10 purchaser is eligible for an exemption under this subsection (1)(b)
11 in the form of a remittance.

12 (2) For purposes of this section and RCW 82.12.962, the following
13 definitions apply:

14 (a) "Biomass energy" includes: (i) By-products of pulping and
15 wood manufacturing process; (ii) animal waste; (iii) solid organic
16 fuels from wood; (iv) forest or field residues; (v) wooden demolition
17 or construction debris; (vi) food waste; (vii) liquors derived from
18 algae and other sources; (viii) dedicated energy crops; (ix)
19 biosolids; and (x) yard waste. "Biomass energy" does not include wood
20 pieces that have been treated with chemical preservatives such as
21 creosote, pentachlorophenol, or copper-chrome-arsenic; wood from old
22 growth forests; or municipal solid waste.

23 (b) "Fuel cell" means an electrochemical reaction that generates
24 electricity by combining atoms of hydrogen and oxygen in the presence
25 of a catalyst.

26 (c)(i) "Machinery and equipment" means fixtures, devices, and
27 support facilities that are integral and necessary to the generation
28 of electricity using fuel cells, wind, sun, biomass energy, tidal or
29 wave energy, geothermal resources, or technology that converts
30 otherwise lost energy from exhaust.

31 (ii) "Machinery and equipment" does not include: (A) Hand-powered
32 tools; (B) property with a useful life of less than one year; (C)
33 repair parts required to restore machinery and equipment to normal
34 working order; (D) replacement parts that do not increase
35 productivity, improve efficiency, or extend the useful life of
36 machinery and equipment; (E) buildings; or (F) building fixtures that
37 are not integral and necessary to the generation of electricity that
38 are permanently affixed to and become a physical part of a building.

39 (3)(a) Machinery and equipment is "used directly" in generating
40 electricity by wind energy, solar energy, biomass energy, tidal or

1 wave energy, geothermal resources, or technology that converts
2 otherwise lost energy from exhaust if it provides any part of the
3 process that captures the energy of the wind, sun, biomass energy,
4 tidal or wave energy, geothermal resources, or technology that
5 converts otherwise lost energy from exhaust, converts that energy to
6 electricity, and stores, transforms, or transmits that electricity
7 for entry into or operation in parallel with electric transmission
8 and distribution systems.

9 (b) Machinery and equipment is "used directly" in generating
10 electricity by fuel cells if it provides any part of the process that
11 captures the energy of the fuel, converts that energy to electricity,
12 and stores, transforms, or transmits that electricity for entry into
13 or operation in parallel with electric transmission and distribution
14 systems.

15 (4) (a) A purchaser claiming an exemption in the form of a
16 remittance under subsection (1) (b) of this section must pay the tax
17 imposed by RCW 82.08.020 and all applicable local sales taxes imposed
18 under the authority of chapters 82.14 and 81.104 RCW. The purchaser
19 may then apply to the department for remittance in a form and manner
20 prescribed by the department. A purchaser may not apply for a
21 remittance under this section more frequently than once per quarter.
22 The purchaser must specify the amount of exempted tax claimed and the
23 qualifying purchases for which the exemption is claimed. The
24 purchaser must retain, in adequate detail, records to enable the
25 department to determine whether the purchaser is entitled to an
26 exemption under this section, including: Invoices; proof of tax paid;
27 and documents describing the machinery and equipment.

28 (b) The department must determine eligibility under this section
29 based on the information provided by the purchaser, which is subject
30 to audit verification by the department. The department must on a
31 quarterly basis remit exempted amounts to qualifying purchasers who
32 submitted applications during the previous quarter.

33 (5) The exemption provided by this section expires September 30,
34 2017, as it applies to: (a) Machinery and equipment that is used
35 directly in the generation of electricity using solar energy and
36 capable of generating no more than five hundred kilowatts of
37 electricity; or (b) sales of or charges made for labor and services
38 rendered in respect to installing such machinery and equipment.

39 (6) This section expires January 1, (~~2020~~) 2030.

1 **Sec. 19.** RCW 82.12.962 and 2018 c 164 s 7 are each amended to
2 read as follows:

3 (1) (a) (~~Except as provided in RCW 82.12.963,~~) Consumers who
4 have paid the tax imposed by RCW 82.12.020 on machinery and equipment
5 used directly in generating electricity using fuel cells, wind, sun,
6 biomass energy, tidal or wave energy, geothermal resources, or
7 technology that converts otherwise lost energy from exhaust, or to
8 sales of or charges made for labor and services rendered in respect
9 to installing such machinery and equipment, are eligible for an
10 exemption as provided in this section, but only if the purchaser
11 develops with such machinery, equipment, and labor a facility capable
12 of generating not less than one thousand watts of electricity.

13 (b) Beginning on July 1, 2011, through January 1, (~~2020~~) 2030,
14 the amount of the exemption under this subsection (1) is equal to
15 seventy-five percent of the state and local sales tax paid. The
16 consumer is eligible for an exemption under this subsection (1)(b) in
17 the form of a remittance.

18 (2) (a) A person claiming an exemption in the form of a remittance
19 under subsection (1)(b) of this section must pay the tax imposed by
20 RCW 82.12.020 and all applicable local use taxes imposed under the
21 authority of chapters 82.14 and 81.104 RCW. The consumer may then
22 apply to the department for remittance in a form and manner
23 prescribed by the department. A consumer may not apply for a
24 remittance under this section more frequently than once per quarter.
25 The consumer must specify the amount of exempted tax claimed and the
26 qualifying purchases or acquisitions for which the exemption is
27 claimed. The consumer must retain, in adequate detail, records to
28 enable the department to determine whether the consumer is entitled
29 to an exemption under this section, including: Invoices; proof of tax
30 paid; and documents describing the machinery and equipment.

31 (b) The department must determine eligibility under this section
32 based on the information provided by the consumer, which is subject
33 to audit verification by the department. The department must on a
34 quarterly basis remit exempted amounts to qualifying consumers who
35 submitted applications during the previous quarter.

36 (3) Purchases exempt under RCW 82.08.962 are also exempt from the
37 tax imposed under RCW 82.12.020.

38 (4) The definitions in RCW 82.08.962 apply to this section.

39 (5) The exemption provided in subsection (1) of this section does
40 not apply:

1 (a) To machinery and equipment used directly in the generation of
2 electricity using solar energy and capable of generating no more than
3 five hundred kilowatts of electricity, or to sales of or charges made
4 for labor and services rendered in respect to installing such
5 machinery and equipment, when first use within this state of such
6 machinery and equipment, or labor and services, occurs after
7 September 30, 2017; and

8 (b) To any other machinery and equipment described in subsection
9 (1)(a) of this section, or to sales of or charges made for labor and
10 services rendered in respect to installing such machinery or
11 equipment, when first use within this state of such machinery and
12 equipment, or labor and services, occurs after December 31, ~~((2019))~~
13 2029.

14 (6) This section expires January 1, ~~((2020))~~ 2030.

15 **Sec. 20.** RCW 80.04.250 and 2011 c 214 s 9 are each amended to
16 read as follows:

17 (1) The provisions of this section are necessary to ensure that
18 the commission has sufficient flexible authority to determine the
19 value of utility property for rate making purposes and to implement
20 the requirements and full intent of this act.

21 (2) The commission has power upon complaint or upon its own
22 motion to ascertain and determine the fair value for rate making
23 purposes of the property of any public service company used and
24 useful for service in this state by or during the rate effective
25 period and shall exercise such power whenever it deems such valuation
26 or determination necessary or proper under any of the provisions of
27 this title. ~~((In determining what property is used and useful for~~
28 ~~providing electric, gas, wastewater company services, or water~~
29 ~~service, the commission may include the reasonable costs of~~
30 ~~construction work in progress to the extent that the commission finds~~
31 ~~that inclusion is in the public interest.~~

32 ~~(2))~~ The valuation may include consideration of any property of
33 the public service company acquired or constructed by or during the
34 rate effective period, including the reasonable costs of construction
35 work in progress, to the extent that the commission finds that such
36 an inclusion is in the public interest and will yield fair, just,
37 reasonable, and sufficient rates.

38 (3) The commission may provide changes to rates under this
39 section for up to forty-eight months after the rate effective date

1 using any standard, formula, method, or theory of valuation
2 reasonably calculated to arrive at fair, just, reasonable, and
3 sufficient rates. The commission must establish an appropriate
4 process to identify, review, and approve public service company
5 property that becomes used and useful for service in this state after
6 the rate effective date.

7 (4) The commission has the power to make revaluations of the
8 property of any public service company from time to time.

9 ~~((3))~~ (5) The commission shall, before any hearing is had,
10 notify the complainants and the public service company concerned of
11 the time and place of such hearing by giving at least thirty days'
12 written notice thereof, specifying that at the time and place
13 designated a hearing will be held for the purpose of ascertaining the
14 value of the company's property, used and useful as aforesaid, which
15 notice must be sufficient to authorize the commission to inquire into
16 and pass upon the matters designated in this section.

17 (6) Nothing in this section limits the commission's authority to
18 consider and implement performance and incentive-based regulation,
19 multiyear rate plans, and other flexible regulatory mechanisms.

20 **Sec. 21.** RCW 43.21F.090 and 1996 c 186 s 106 are each amended to
21 read as follows:

22 (1) ~~The department shall review the state energy strategy ((as~~
23 ~~developed under section 1, chapter 201, Laws of 1991, periodically~~
24 ~~with the guidance of an advisory committee. For each review, an~~
25 ~~advisory committee shall be established with a membership resembling~~
26 ~~as closely as possible the original energy strategy advisory~~
27 ~~committee specified under section 1, chapter 201, Laws of 1991.)) by~~
28 December 31, 2020, and at least once every eight years thereafter,
29 subject to funding provided for this purpose, for the purpose of
30 aligning the state energy strategy with the requirements of RCW
31 43.21F.088 and chapters 19.285 and 19.--- RCW (the new chapter
32 created in section 26 of this act), and the emission reduction
33 targets recommended by the department of ecology under RCW
34 70.235.040. The department must establish an energy strategy advisory
35 committee for each review to provide guidance to the department in
36 conducting the review. The membership of the energy strategy advisory
37 committee must consist of the following:

38 (a) One person recommended by investor-owned electric utilities;

- 1 (b) One person recommended by investor-owned natural gas
2 utilities;
- 3 (c) One person employed by or recommended by a natural gas
4 pipeline serving the state;
- 5 (d) One person recommended by suppliers of petroleum products;
- 6 (e) One person recommended by municipally owned electric
7 utilities;
- 8 (f) One person recommended by public utility districts;
- 9 (g) One person recommended by rural electrical cooperatives;
- 10 (h) One person recommended by industrial energy users;
- 11 (i) One person recommended by commercial energy users;
- 12 (j) One person recommended by agricultural energy users;
- 13 (k) One person recommended by the association of Washington
14 cities;
- 15 (l) One person recommended by the Washington association of
16 counties;
- 17 (m) One person recommended by Washington Indian tribes;
- 18 (n) One person recommended by businesses in the clean energy
19 industry;
- 20 (o) One person recommended by labor unions;
- 21 (p) Two persons recommended by civic organizations, one of which
22 must be a representative of a civic organization that represents
23 vulnerable populations;
- 24 (q) Two persons recommended by environmental organizations;
- 25 (r) The chair of the energy facility site evaluation council or
26 the chair's designee;
- 27 (s) One of the representatives of the state of Washington to the
28 Pacific Northwest electric power and conservation planning council
29 selected by the governor;
- 30 (t) The chair of the utilities and transportation commission or
31 the chair's designee;
- 32 (u) One member from each of the two largest caucuses of the house
33 of representatives selected by the speaker of the house of
34 representatives; and
- 35 (v) One member from each of the two largest caucuses of the
36 senate selected by the majority leader of the senate.
- 37 (2) The chair of the advisory committee must be appointed by the
38 governor from citizen members. The director may establish technical
39 advisory groups as necessary to assist in the development of the

1 strategy. The director shall provide for extensive public involvement
2 throughout the development of the strategy.

3 (3) Upon completion of a public hearing regarding the advisory
4 committee's advice and recommendations for revisions to the energy
5 strategy, a written report shall be conveyed by the department to the
6 governor and the appropriate legislative committees. ((Any)) The
7 energy strategy advisory committee established under this section
8 ((shall)) must be dissolved within three months after their written
9 report is conveyed.

10 NEW SECTION. Sec. 22. (1) By January 1, 2020, the department of
11 commerce must convene an energy and climate policy advisory committee
12 to develop recommendations to the legislature for the coordination of
13 existing resources, or the establishment of new ones, for the
14 purposes of examining the costs and benefits of energy-related
15 policies, programs, functions, activities, and incentives on an on-
16 going basis and conducting other energy-related studies and analyses
17 as may be directed by the legislature.

18 (2) The advisory committee convened under this section must
19 consist of, at minimum, representatives of each the state's public
20 four-year institutions of higher education, the Pacific Northwest
21 National Laboratory, and the Washington state institute for public
22 policy.

23 (3) Subject to the availability of amounts appropriated for this
24 specific purpose, and in compliance with RCW 43.01.036, the
25 department of commerce must submit its recommendations in a report to
26 the legislature by December 31, 2020.

27 NEW SECTION. Sec. 23. By December 31, 2020, the department of
28 health must develop a cumulative impact analysis to designate the
29 communities highly impacted by fossil fuel pollution and climate
30 change in Washington. The cumulative impact analysis may integrate
31 with and build upon other concurrent cross-agency efforts in
32 developing a cumulative impact analysis and population tracking
33 resources used by the department of health and analysis performed by
34 the University of Washington department of environmental and
35 occupational health sciences.

36 NEW SECTION. Sec. 24. (1) The legislature finds that based on
37 current technology, there will likely need to be upgrades to

1 electricity transmission and distribution infrastructure across the
2 state to meet the goals specified in this act. These facilities
3 require a significant planning horizon to deliver electricity
4 generation sites to retail electric load. Pursuant to RCW 80.50.040,
5 the energy facility site evaluation council chair shall convene a
6 transmission corridors work group and report its findings to the
7 governor and the appropriate committees of the legislature by
8 December 31, 2020.

9 (2) The work group must include one representative from each of
10 the following state agencies: The department of commerce, the
11 utilities and transportation commission, the department of ecology,
12 the department of fish and wildlife, the department of natural
13 resources, the department of transportation, the department of
14 archaeology and historic preservation, and the state military
15 department. The work group shall also include two representatives
16 designated by the association of Washington cities, one from central
17 or eastern Washington and one from western Washington; two
18 representatives designated by the Washington state association of
19 counties, one from central or eastern Washington and one from western
20 Washington; two members designated by sovereign tribal governments;
21 one member representing affected utility industries; one member
22 representing public utility districts; and two members representing
23 statewide environmental organizations. The energy facility site
24 evaluation council chair shall invite the Bonneville power
25 administration and the United States department of defense to each
26 appoint an ex officio work group member.

27 (3) The work group shall:

28 (a) Review the need for upgraded and new electricity transmission
29 and distribution facilities to improve reliability, relieve
30 congestion, and enhance the capability of the transmission and
31 distribution facilities in the state to deliver electricity from
32 electric generation, nonemitting electric generation, or renewable
33 resources to retail electric load;

34 (b) Identify areas where transmission and distribution facilities
35 may need to be enhanced or constructed; and

36 (c) Identify environmental review options that may be required to
37 complete the designation of such corridors and recommend ways to
38 expedite review of transmission projects without compromising
39 required environmental protection.

1 (4) The energy facility site evaluation council may contract
2 services to assist in the work group efforts.

3 NEW SECTION. **Sec. 25.** This chapter may be known and cited as
4 the Washington clean energy transformation act.

5 NEW SECTION. **Sec. 26.** Sections 1 through 8, 10 through 12, 14,
6 and 25 of this act constitute a new chapter in Title 19 RCW.

7 NEW SECTION. **Sec. 27.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

11 NEW SECTION. **Sec. 28.** This act is necessary for the immediate
12 preservation of the public peace, health, or safety, or support of
13 the state government and its existing public institutions, and takes
14 effect immediately.

--- END ---