

HOUSE BILL REPORT

HB 1955

As Passed House:

January 29, 2024

Title: An act relating to repealing the greenhouse gas content disclosure provision.

Brief Description: Repealing the greenhouse gas content disclosure provision.

Sponsors: Representatives Barnard, Doglio, Ramos, Reeves and Hackney; by request of Department of Commerce.

Brief History:

Committee Activity:

Environment & Energy: 1/9/24, 1/18/24 [DP].

Floor Activity:

Passed House: 1/29/24, 96-0.

Brief Summary of Bill

- Repeals the Clean Energy Transformation Act greenhouse gas content calculation and reporting requirement for electric utilities.

HOUSE COMMITTEE ON ENVIRONMENT & ENERGY

Majority Report: Do pass. Signed by 15 members: Representatives Doglio, Chair; Mena, Vice Chair; Dye, Ranking Minority Member; Ybarra, Assistant Ranking Minority Member; Abbarno, Barnard, Berry, Duerr, Fey, Goehner, Lekanoff, Ramel, Sandlin, Slatter and Street.

Staff: Zachary Blinkinsop (786-7296) and Megan McPhaden (786-7114).

Background:

Clean Energy Transformation Act.

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

Under the Clean Energy Transformation Act (CETA), electric utilities must eliminate coal-fired resources from their allocation of electricity by December 31, 2025. Each electric utility must make all retail sales of electricity to Washington customers greenhouse gas (GHG) neutral by January 1, 2030, and maintain compliance through December 31, 2044. By January 1, 2045, each electric utility must meet 100 percent of its retail electric load to Washington customers using non-emitting electric generation and electricity from renewable resources.

All electric utilities are required to develop a clean energy implementation plan every four years, starting January 1, 2022, to establish interim targets for energy efficiency and renewable energy.

Fuel Source Disclosures.

Each retail supplier of electricity must disclose to its customers the percentage of each electricity product that is generated by coal, hydroelectric, natural gas, nuclear, petroleum, solar, wind, other sources, and unspecified sources. If unspecified sources exceed 2 percent of an electricity product's fuel sources, the supplier must include in its disclosure a general description of the unspecified sources and explanation of why some sources are unknown to the supplier.

Every year, each retail supplier of electricity must report to the Department of Commerce (Commerce) the purchases or receipts of electricity from declared sources by generating facility and fuel type and the purchases or receipts of electricity from unspecified sources. A retail supplier that offers more than one electricity product must report the required source information separately for each product. Individual retail customer rate schedules do not constitute separate electricity products unless electricity sources are different.

Commerce must determine the sources of electricity, expressed in terms of percentage contribution by resource category, for each retail supplier based on the information provided in the supplier's reports. Each retail supplier's fuel mix percentages must reflect, to the extent possible, the declared resources reported by that retail supplier.

Greenhouse Gas Content Calculation.

Under the CETA, each utility must provide its greenhouse gas content calculation to Commerce, for consumer-owned utilities, and to the Washington Utilities and Transportation Commission (UTC), for investor-owned utilities. The Department of Ecology (Ecology) must calculate the amount of greenhouse gas that each utility's generating plants emit, expressed in carbon dioxide equivalent, based on the fuel sources that the utility reports. For unspecified electricity, which is an electricity source whose fuel source is unknown or separated from the energy delivered to retail electric customers, the Ecology must use the emissions rate that it has adopted. This emissions rate must be

consistent with the rate established for markets in the Western Interconnection, the electric power transmission grid that connects all the electric utilities in the western United States and Canadian provinces of British Columbia and Alberta. If Ecology has not adopted an emissions rate for unspecified electricity, it must calculate the rate at 0.437 metric tons of carbon dioxide per megawatt-hour of electricity.

The greenhouse gas content calculation for the Bonneville Power Administration may exclude purchases of electric generation that are not associated with load in the state.

Each consumer-owned utility must report its greenhouse gas content calculation to Commerce. Each investor-owned utility must report its calculation to Commerce and the UTC.

Summary of Bill:

An electric utility is not required to calculate or report greenhouse gas content under the Clean Energy Transformation Act greenhouse gas content calculation requirement, which is repealed.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill would remove a duplicative reporting requirement. The Climate Commitment Act introduced more rigorous greenhouse gas reporting requirements in 2021 than those under the Clean Energy Transformation Act introduced in 2019. The Department of Ecology no longer needs the old reporting requirements.

(Opposed) None.

Persons Testifying: Representative Stephanie Barnard, prime sponsor; and Glenn Blackmon, Department of Commerce.

Persons Signed In To Testify But Not Testifying: None.