

# SENATE BILL REPORT

## SHB 1236

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As Passed Senate, April 12, 2023

**Title:** An act relating to enhancing access to clean fuel for agencies providing public transportation.

**Brief Description:** Enhancing access to clean fuel for agencies providing public transportation.

**Sponsors:** House Committee on Environment & Energy (originally sponsored by Representatives Hackney, Abbarno, Senn, Reed, Doglio, Ramel and Lekanoff).

**Brief History:** Passed House: 2/16/23, 98-0.

**Committee Activity:** Environment, Energy & Technology: 3/10/23, 3/24/23 [DP].

**Floor Activity:** Passed Senate: 4/12/23, 49-0.

### Brief Summary of Bill

- Authorizes all public transit agencies to produce, distribute, use, or sell green electrolytic hydrogen and renewable hydrogen.

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## SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

**Majority Report:** Do pass.

Signed by Senators Nguyen, Chair; Lovelett, Vice Chair; MacEwen, Ranking Member; Boehnke, Lovick, Short, Trudeau and Wellman.

**Staff:** Angela Kleis (786-7469)

**Background:** Public Transit Agencies. There are several governance structures under which public transportation services are funded and operated, which include public transportation benefit areas (PTBAs), counties that have assumed the transportation functions of a metropolitan municipal corporation, city transportation departments, county transit authorities, regional transit authorities, and transit agencies that establish a high

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capacity transportation corridor area. There are 32 public transit agencies in Washington State. Most public transit agencies are PTBAs.

Utilities and Transportation Commission. The Utilities and Transportation Commission (UTC) is a three-member commission appointed by the Governor and confirmed by the Senate. The UTC regulates the rates, services, facilities, and practices of utilities and transportation services.

Statutory Definitions. Green electrolytic hydrogen means hydrogen produced through electrolysis, and does not include hydrogen manufactured using steam reforming or any other conversion technology that produces hydrogen from a fossil fuel feedstock.

Renewable hydrogen means hydrogen produced using renewable resources both as the source for the hydrogen and the source for the energy input into the production process.

**Summary of Bill:** A public transportation benefit area authority, county that has assumed the transportation functions of a metropolitan municipal corporation, city transportation authority, county public transportation authority, unincorporated transportation benefit area, regional transit authority, or transit agency that establishes a high-capacity transportation corridor area (public transit agencies) may:

- produce, distribute, and use green electrolytic hydrogen and renewable hydrogen for internal operations;
- produce or sell green electrolytic hydrogen and renewable hydrogen at wholesale or to an end-use customer; and
- sell green electrolytic hydrogen or renewable hydrogen at wholesale or to an end-use customer to or through facilities that distribute green electrolytic hydrogen or renewable hydrogen for end use as a transportation fuel.

Public transit agencies are not authorized to sell green electrolytic hydrogen or renewable hydrogen to an end-use customer of a gas company.

For the purposes of selling green electrolytic hydrogen or renewable hydrogen as specified, public transit agencies may own, operate, or own and operate pipelines or dispensing facilities if all facilities are located:

- in the area it is authorized to provide service;
- where it is authorized to provide service and are service connected; or
- in the county in which it is authorized to provide service and such service is connected with one or more private partners.

Exercising this authority does not subject a public transit agency to the jurisdiction of the UTC, except the UTC may administer and enforce state and federal pipeline safety requirements, including applicable fees payable to the UTC.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: Transit agencies of all sizes are anticipating their shift away from diesel buses. Disadvantaged communities are disproportionately impacted by the pollution. This legislation enables transit to utilize an additional option for transitioning to zero emission buses. Battery electric buses pose unique challenges with regards to transit operations, and range is one of those challenges. Increasing the number of battery electric buses would require numerous new on-route chargers, whereas hydrogen fuel cells would require no additional charging stations. Hydrogen fuel cell electric buses extend route capability and provide faster and more flexible fueling.

**Persons Testifying:** PRO: Representative David Hackney, Prime Sponsor; Michael Shaw, Washington State Transit Association; Hanna Jones, Pierce Transit; Michelle Detwiler, Renewable Hydrogen Alliance.

**Persons Signed In To Testify But Not Testifying:** No one.