

SENATE BILL REPORT

SHB 1924

As Reported by Senate Committee On:
Environment, Energy & Technology, February 20, 2024

Title: An act relating to promoting the integration of fusion technology within state clean energy policies.

Brief Description: Promoting the integration of fusion technology within state clean energy policies.

Sponsors: House Committee on Environment & Energy (originally sponsored by Representatives Shavers, Ryu, Barnard, Stearns and Wylie).

Brief History: Passed House: 2/6/24, 95-2.

Committee Activity: Environment, Energy & Technology: 2/14/24, 2/20/24 [DPA].

Brief Summary of Amended Bill

- Requires the state energy strategy concerning the pursuit of cleaner energy sources to include and support fusion energy technologies.
- Requires the energy facility site evaluation council and the department of health to establish a work group to report on the new and existing permitting, siting, licensing, and registration pathways for producing fusion energy.
- Establishes that "facilities that produce electricity with fusion energy" are projects eligible to apply for designation as a clean energy project of statewide significance.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Majority Report: Do pass as amended.

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

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.

Staff: Adam Brunmeier (786-7357)

Background: Washington State Energy Strategy. The state energy strategy is a comprehensive energy planning process that is designed to help the state meet its energy needs and plan future developments. The Department of Commerce is tasked with responsibilities of promoting and implementing the state energy strategy.

The development and implementation of the state energy strategy is guided by a set of nine principles. These principles include language encouraging the development and maintenance of clean energy and support for clean energy technology.

Clean Energy Projects of Statewide Significance. The Department of Commerce may designate certain clean energy projects as Clean Energy Projects of Statewide Significance to expedite the permitting and environmental review process. Project proponents must submit applications containing details of the project in order to be considered. The determination is reached based on certain enumerated criteria and application processes designed by the department of commerce.

Summary of Amended Bill: The State Energy Strategy. A new section is added to the chapter concerning the state energy office and state energy strategy. In addition to the principles guiding the development of the state energy strategy, the state must ensure that the pursuit of cleaner energy sources actively includes and supports innovative, emerging, and promising clean energy technologies, such as fusion energy.

Fusion energy is defined to mean: energy from the merger of atomic nuclei.

Fusion Energy Project Report. The energy facility site evaluation council (EFSEC) and the department of health are directed to establish a fusion energy work group of state agencies including, but not limited to:

- the Department of Commerce;
- the Department of Ecology;
- the Office of the Governor;
- and the Military Department.

The work group will evaluate new and existing permitting, siting, licensing, and registration pathways for producing fusion energy.

The work group shall provide an initial report to the governor and the legislature by December 1, 2024.

Clean Energy Projects of Statewide Significance. Facilities that produce electricity with fusion energy are to be included in the eligible projects for designation as clean energy projects of statewide significance.

EFFECT OF ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE AMENDMENT(S):

- Removes language requiring the interagency clean energy siting coordinating council to deliver recommendations on whether and when fusion energy could be an appropriate category for nonproject EIS.
- Removes language adding facilities manufacturing or assembling component parts for fusion energy facilities to the list of projects eligible for designation as projects of statewide significance.
- Requires the energy facility site evaluation council and the Department of Health to establish a work group to report on the new and existing permitting, siting, licensing, and registration pathways for producing fusion energy.
- Establishes that "facilities that produce electricity with fusion energy" are projects eligible to apply for designation as a clean energy project of statewide significance.

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 on Substitute House Bill: *The committee recommended a different version of the bill than what was heard.* PRO: Fusion technology is the future and we are close to achieving success in development and implementation. Fusion technology promises a reliable supply of clean energy with minimal emissions and this bill will help the state of Washington become a leader in fusion. Fusion energy may offer greater energy capacity and a smaller footprint than alternatives like wind and solar, making it more viable for supplying energy to urban communities. The statewide significance designation in the bill will help fusion energy companies in Washington lead the industry and the world in fusion technology. Washington is poised to lay the foundation for fusion technology and the existing workforce is well-positioned to drive innovation and development. State support for fusion technology can bring economic development and new jobs to Washington State.

Persons Testifying: PRO: Representative Clyde Shavers, Prime Sponsor; Ryan Umstatt, Zap Energy, Inc.; Hawkins DeFrance, Avalanche Energy Designs, Inc.; Sachin Desai, Helion Energy; Chris Ajemian, Kyoto Fusioneering America.

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