
SUBSTITUTE HOUSE BILL 1924

State of Washington

68th Legislature

2024 Regular Session

By House Environment & Energy (originally sponsored by Representatives Shavers, Ryu, Barnard, Stearns, and Wylie)

READ FIRST TIME 01/19/24.

1 AN ACT Relating to promoting the integration of fusion technology
2 within state clean energy policies; amending RCW 43.394.020 and
3 43.157.010; and adding a new section to chapter 43.21F RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.21F
6 RCW to read as follows:

7 (1) In addition to the principles guiding the development and
8 implementation of the state energy strategy described in RCW
9 43.21F.088, the state must ensure that the pursuit of cleaner energy
10 sources actively includes and supports innovative, emerging, and
11 promising clean energy technologies, such as fusion energy.

12 (2) For the purposes of this section, "fusion energy" means
13 energy production derived directly or indirectly from the merger of
14 atomic nuclei.

15 (3) The legislature finds that fusion energy is a rapidly
16 advancing clean energy technology and that Washington is poised to
17 become a world leader in fusion energy development.

18 **Sec. 2.** RCW 43.394.020 and 2023 c 230 s 102 are each amended to
19 read as follows:

1 (1) The responsibilities of the coordinating council include, but
2 are not limited to:

3 (a) Identifying actions to improve siting and permitting of clean
4 energy projects as defined in RCW 43.158.010, including through
5 review of the recommendations of the department of ecology and
6 department of commerce's 2022 *Low Carbon Energy Facility Siting*
7 *Improvement Report*, creating implementation plans and timelines, and
8 making recommendations for needed funding or policy changes;

9 (b) Tracking federal government efforts to improve clean energy
10 project siting and permitting, including potential federal funding
11 sources, and identifying state agency actions to improve coordination
12 across state, local, and federal processes or to pursue supportive
13 funding;

14 (c) Conducting outreach to parties with interests in clean energy
15 siting and permitting for ongoing input on how to improve state
16 agency processes and actions;

17 (d) Establishing work groups as needed to focus on specific
18 energy types such as solar, wind, battery storage, or emerging
19 technologies, or specific geographies for clean energy project
20 siting;

21 (e) The creation of advisory committees deemed necessary to
22 inform the development of items identified in (a) through (d) of this
23 subsection;

24 (f) Supporting the governor's office of Indian affairs in
25 creating and updating annually, or when requested by a federally
26 recognized Indian tribe, a list of contacts at federally recognized
27 Indian tribes, applicable tribal laws on consultation from federally
28 recognized Indian tribes, and tribal preferences regarding outreach
29 about clean energy project siting and permitting, such as outreach by
30 developers directly, by state government in the government-to-
31 government relationship, or both;

32 (g) Supporting the department of archaeology and historic
33 preservation, the governor's office of Indian affairs, the department
34 of commerce, and the energy facility site evaluation council in
35 developing and providing to clean energy project developers a
36 training on consultation and engagement processes for federally
37 recognized Indian tribes. The governor's office of Indian affairs
38 must collaborate with federally recognized Indian tribes in the
39 development of the training;

1 (h) Supporting the department of archaeology and historic
2 preservation in updating the statewide predictive archaeological
3 model to provide clean energy project developers information about
4 where archaeological resources are likely to be found and the
5 potential need for archaeological investigations; and

6 (i) Supporting and promptly providing information to the
7 department of ecology in support of the nonproject reviews required
8 under RCW 43.21C.538.

9 (2) The coordinating council shall provide an annual report
10 beginning October 1, 2024, to the governor and the appropriate
11 committees of the legislature summarizing: Progress on efficient,
12 effective, and responsible siting and permitting of clean energy
13 projects; areas of additional work, including where clean energy
14 project siting and permitting outcomes are not broadly recognized as
15 efficient, effective, or responsible; resource needs; recommendations
16 for future nonproject environmental impact statements for categories
17 of clean energy projects, which must include a recommendation of
18 whether and when fusion energy, as defined in section 1 of this act,
19 could be expected to be an appropriate category on which to carry out
20 a nonproject environmental impact statement; and any needed policy
21 changes to help achieve the deployment of clean energy necessary to
22 meet the state's statutory greenhouse gas emissions limits, chapter
23 70A.45 RCW, and the clean energy transformation act requirements,
24 chapter 19.405 RCW, and to support achieving the state energy
25 strategy adopted by the department of commerce.

26 (3) The coordinating council shall:

27 (a) Advise the department of commerce in:

28 (i) Contracting with an external, independent third party to:

29 (A) Carry out an evaluation of state agency siting and permitting
30 processes for clean energy projects and related federal and state
31 regulatory requirements, including the energy facility site
32 evaluation council permitting process authorized in chapter 80.50
33 RCW;

34 (B) Identify successful models used in other states for the
35 siting and permitting of projects similar to clean energy projects,
36 including local and state government programs to prepare build ready
37 clean energy sites; and

38 (C) Develop recommendations for improving these processes,
39 including potential policy changes and funding, with the goal of more
40 efficient, effective siting of clean energy projects; and

1 (ii) Reporting on the evaluation and recommendations in (a)(i) of
2 this subsection to the governor and the legislature by July 1, 2024;

3 (b) Pursue development of a consolidated clean energy application
4 similar to the joint aquatic resources permit application for, at a
5 minimum, state permits needed for clean energy projects. The
6 department of ecology shall lead this effort and engage with federal
7 agencies and local governments to explore inclusion of federal and
8 local permit applications as part of the consolidated application.
9 The department may design a single consolidated application for
10 multiple clean energy project types, may design separate applications
11 for individual clean energy technologies, or may design an
12 application for related resources. The department of ecology shall
13 provide an update on its development of consolidated permit
14 applications for clean energy projects to the governor and
15 legislature by December 31, 2024. The consolidated permit application
16 process must be available, but not required, for clean energy
17 projects;

18 (c) Explore development of a consolidated permit for clean energy
19 projects. The department of ecology shall lead this effort and, in
20 consultation with federally recognized Indian tribes, explore options
21 including a clean energy project permit that consolidates department
22 of ecology permits only, or that consolidates permits from multiple
23 state and local agencies. The permit structure must identify criteria
24 or conditions that must be met for projects to use the consolidated
25 permit. The department of ecology may analyze criteria or conditions
26 as part of a nonproject review under chapter 43.21C RCW. The
27 department of ecology shall update the legislature on its evaluation
28 of consolidated permit options and make recommendations by October 1,
29 2024;

30 (d) Determine priorities for categories of clean energy projects
31 to be the focus of new nonproject environmental impact statements
32 under chapter 43.21C RCW for the legislature to fund subsequent to
33 the nonproject environmental impact statements specified in RCW
34 43.21C.535; and

35 (e) Consider and provide recommendations to the legislature on
36 additional benefits that could be provided to projects designated as
37 clean energy projects of statewide significance under RCW 43.158.030.

38 **Sec. 3.** RCW 43.157.010 and 2020 c 46 s 2 are each amended to
39 read as follows:

1 The definitions in this section apply throughout this chapter and
2 RCW 28A.525.166, 43.21A.350, and 90.58.100, unless the context
3 requires otherwise:

4 (1) "Applicant" means a person applying to the department for
5 designation of a development project as a project of statewide
6 significance.

7 (2) "Aviation biofuels production facility" means a facility
8 primarily for the processing of nonfossil biogenic feedstocks to
9 produce aviation fuels that meet the fuel quality technical standards
10 of the American society for testing materials for aviation fuels and
11 coproducts.

12 (3) "Department" means the department of commerce.

13 (4) "Manufacturing" shall have the meaning assigned it in RCW
14 82.62.010.

15 (5) (a) "Project of statewide significance" means:

16 (i) A border crossing project that involves both private and
17 public investments carried out in conjunction with adjacent states or
18 provinces;

19 (ii) A development project that will provide a net environmental
20 benefit;

21 (iii) A development project in furtherance of the
22 commercialization of innovations;

23 (iv) A private industrial development with private capital
24 investment in manufacturing or research and development;

25 (v) An aviation biofuels production facility;

26 (vi) A pumped storage project using water rights approved by the
27 legislature for that purpose; ((~~or~~))

28 (vii) A facility manufacturing or assembling component parts for
29 fusion energy facilities; or

30 (viii) A project designated by the legislature and codified under
31 this chapter.

32 (b) To qualify for designation under RCW 43.157.030 as a project
33 of statewide significance:

34 (i) The project must be completed after January 1, 2009;

35 (ii) The applicant must submit an application to the department
36 for designation as a project of statewide significance to the
37 department of commerce; and

38 (iii) Except for an aviation biofuels production facility, the
39 project must have:

1 (A) In counties with a population less than or equal to (~~twenty~~
2 ~~thousand~~) 20,000, a capital investment of (~~five million dollars~~)
3 \$5,000,000;

4 (B) In counties with a population greater than (~~twenty~~
5 ~~thousand~~) 20,000 but no more than (~~fifty thousand~~) 50,000, a
6 capital investment of (~~ten million dollars~~) \$10,000,000;

7 (C) In counties with a population greater than (~~fifty thousand~~)
8 50,000 but no more than (~~one hundred thousand~~) 100,000, a capital
9 investment of (~~fifteen million dollars~~) \$15,000,000;

10 (D) In counties with a population greater than (~~one hundred~~
11 ~~thousand~~) 100,000 but no more than (~~two hundred thousand~~) 200,000,
12 a capital investment of (~~twenty million dollars~~) \$20,000,000;

13 (E) In counties with a population greater than (~~two hundred~~
14 ~~thousand~~) 200,000 but no more than (~~four hundred thousand~~)
15 400,000, a capital investment of (~~thirty million dollars~~)
16 \$30,000,000;

17 (F) In counties with a population greater than (~~four hundred~~
18 ~~thousand~~) 400,000 but no more than (~~one million~~) 1,000,000, a
19 capital investment of (~~forty million dollars~~) \$40,000,000;

20 (G) In counties with a population greater than (~~one million~~)
21 1,000,000, a capital investment of (~~fifty million dollars~~)
22 \$50,000,000;

23 (H) In rural counties as defined by RCW 82.14.370, projected
24 full-time employment positions after completion of construction of
25 (~~fifty~~) 50 or greater;

26 (I) In counties other than rural counties as defined by RCW
27 82.14.370, projected full-time employment positions after completion
28 of construction of (~~one hundred~~) 100 or greater; or

29 (J) Been qualified by the director of the department as a project
30 of statewide significance either because:

31 (I) The economic circumstances of the county merit the additional
32 assistance such designation will bring;

33 (II) The impact on a region due to the size and complexity of the
34 project merits such designation;

35 (III) The project resulted from or is in furtherance of
36 innovation activities at a public research institution in the state
37 or is in or resulted from innovation activities within an innovation
38 partnership zone; or

39 (IV) The project will provide a net environmental benefit as
40 evidenced by plans for design and construction under green building

1 standards or for the creation of renewable energy technology or
2 components or under other environmental criteria established by the
3 director in consultation with the director of the department of
4 ecology.

5 A project may be qualified under this subsection (5)(b)(iii)(J)
6 only after consultation on the availability of staff resources of the
7 office of regulatory assistance.

8 (6) "Research and development" shall have the meaning assigned it
9 in RCW 82.62.010.

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