SENATE BILL 5043

State of Washington 68th Legislature 2023 Regular Session

By Senators Short, Holy, Torres, and L. Wilson

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- AN ACT Relating to recognizing that power plants that comply with the state greenhouse gas emissions performance standard are consistent with Washington's long-term policy for electricity; amending RCW 19.405.050; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 NEW SECTION. Sec. 1. The legislature finds that Washington has 7 set climate and energy goals that the state seeks to attain, 8 including policies for the generation of electricity supplied to Washington customers. However, Washington's long-term policy for 9 10 electricity discourages some sources of electric generation, even if 11 sources comply with the state greenhouse gas emissions 12 performance standard for power plants. Therefore, the legislature 13 finds that Washington should modify its long-term policy for 14 electricity by recognizing that a broader variety of electric generation sources should be available to help the state meet its 15 16 goals. To accomplish this, the legislature intends to establish that 17 power plants that comply with the state's greenhouse gas emissions 18 performance standard must be recognized as sources of electric generation that are consistent with the emissions reduction policy 19 20 the state intends to achieve by 2045.

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Sec. 2. RCW 19.405.050 and 2019 c 288 s 5 are each amended to read as follows:

- (1) It is the policy of the state that nonemitting electric generation and electricity from renewable resources supply ((one hundred)) 100 percent of all sales of electricity to Washington retail electric customers by January 1, 2045. By January 1, 2045, and each year thereafter, each electric utility must demonstrate its compliance with this standard using a combination of nonemitting electric generation and electricity from renewable resources.
- (2) Notwithstanding subsection (1) of this section, supplying electricity from a power plant that complies with the greenhouse gas emissions performance standard established under RCW 80.80.040 or 80.80.050 is not a violation of the policy enunciated in subsection (1) of this section.
- (3) Each electric utility must incorporate subsection (1) of this section into all relevant planning and resource acquisition practices including, but not limited to: Resource planning under chapter 19.280 RCW; the construction or acquisition of property, including electric generating facilities; and the provision of electricity service to retail electric customers.
- $((\frac{(3)}{(3)}))$ (4) In planning to meet projected demand consistent with the requirements of subsection $((\frac{(2)}{(2)}))$ (3) of this section and RCW 19.285.040, if applicable, an electric utility must pursue all costeffective, reliable, and feasible conservation and efficiency resources, and demand response. In making new investments, an electric utility must, to the maximum extent feasible:
- 27 (a) Achieve targets at the lowest reasonable cost, considering 28 risk;
 - (b) Consider acquisition of existing renewable resources; and
 - (c) In the acquisition of new resources constructed after May 7, 2019, rely on renewable resources and energy storage, insofar as doing so is consistent with (a) of this subsection.
 - ((4)) (5) The commission, department, energy facility site evaluation council, department of ecology, and all other state agencies must incorporate this section into all relevant planning and utilize all programs authorized by statute to achieve subsection (1) of this section.
- $((\frac{(5)}{(5)}))$ $\underline{(6)}$ (a) Hydroelectric generation used by an electric utility to satisfy the requirements of this section may not include new diversions, new impoundments, new bypass reaches, or expansion of

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existing reservoirs constructed after May 7, 2019, unless the diversions, bypass reaches, or reservoir expansions are necessary for the operation of a pumped storage facility that: (i) Does not conflict with existing state or federal fish recovery plans; and (ii) complies with all local, state, and federal laws and regulations.

- (b) Nothing in (a) of this subsection precludes an electric utility that owns and operates hydroelectric generating facilities, or the owner of a hydroelectric generating facility whose energy output is marketed by the Bonneville power administration, from making efficiency or other improvements to its hydroelectric generating facilities existing as of May 7, 2019, or from installing hydroelectric generation in pipes, culverts, irrigation canals, and other man-made waterways as long as those changes do not create conflicts with existing state or federal fish recovery plans and comply with all local, state, and federal laws and regulations.
- ((+6+)) (7) Nothing in this section prohibits an electric utility from purchasing or exchanging power from the Bonneville power administration.
- $((\frac{(7)}{(7)}))$ <u>(8)</u> Affected market customers must comply with the obligations of this section.
 - exclusively from carbon-free resources and eligible renewable resources, as defined in RCW 19.285.030 as of January 1, 2019, pursuant to a special contract with an investor-owned utility approved, prior to May 7, 2019, by order of the commission is subject to the requirements of such an order and not to the standards established in this section. For the purposes of interpreting such a special contract, chapter 19.285 RCW, as in effect on January 1, 2019, is not, either directly or indirectly, amended or supplemented.

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