
HOUSE BILL 1847

State of Washington

69th Legislature

2025 Regular Session

By Representatives Doglio, Reed, Parshley, and Ramel

Read first time 02/05/25. Referred to Committee on Environment & Energy.

1 AN ACT Relating to prioritizing the development of distributed
2 alternative energy resources in targeted circumstances; amending RCW
3 43.21C.530, 19.405.060, 19.405.090, 19.280.030, 84.34.020, 84.34.070,
4 36.70A.177, and 36.70A.060; adding new sections to chapter 43.21F
5 RCW; adding a new section to chapter 43.30 RCW; adding a new section
6 to chapter 47.01 RCW; adding a new section to chapter 79A.05 RCW;
7 adding a new section to chapter 77.04 RCW; adding a new section to
8 chapter 43.19 RCW; adding a new section to chapter 72.09 RCW; adding
9 a new section to chapter 43.20A RCW; adding a new section to chapter
10 43.216 RCW; adding a new section to chapter 43.330 RCW; adding a new
11 section to chapter 36.34 RCW; adding a new section to chapter 35.21
12 RCW; adding a new section to chapter 35A.21 RCW; adding a new section
13 to chapter 53.08 RCW; adding a new section to chapter 82.29A RCW; and
14 creating a new section.

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

16 NEW SECTION. **Sec. 1.** (1) The legislature finds that, as
17 Washington works towards meeting its goals under the clean energy
18 transformation act, we see many larger-scale renewable energy
19 projects proposed. These projects can come with significant
20 challenges. This act aims to incentivize the development of renewable
21 energy on lands and structures that have minimal disruption to

1 natural habitats, communities, cultural resources, and agriculture.
2 This could include small-scale wind energy developments, solar energy
3 developments on landfills, structures, and other developed lands, and
4 the placement of solar panels on agricultural lands that ensure the
5 continued viability of agriculture alongside energy production.

6 (2) Washington state can lead by example, showing commitment to
7 our own clean energy goals by identifying state lands and buildings
8 appropriate for clean energy projects, ensuring that state resources
9 are leveraged to meet our broader goals. Utilities can integrate
10 lower conflict clean energy development into their clean energy
11 targets. Incentivizing distributed energy can help us protect our
12 rich agricultural lands and meet our clean energy goals.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.21F
14 RCW to read as follows:

15 (1) The following categories of clean energy facilities and
16 nonproject activities that reduce environmental impacts are
17 determined to constitute distributed energy priorities:

18 (a) Solar energy generation and accompanying energy storage and
19 electricity transmission and distribution, including vehicle charging
20 equipment, when such facilities are located:

21 (i) Within the easement, right-of-way, or existing footprint of
22 electrical transmission facilities;

23 (ii) Within the easement, right-of-way, or existing footprint of
24 a state highway or city or county road;

25 (iii) On structures over or enclosing irrigation canals, drainage
26 ditches, and irrigation, agricultural, livestock supply, stormwater,
27 or wastewater reservoirs or similar impoundments of state waters that
28 do not host salmon or steelhead trout runs;

29 (iv) On elevated structures over parking lots;

30 (v) On lands within an airport or restricted from other
31 developments by airport operations;

32 (vi) On closed or capped portions of landfills;

33 (vii) On reclaimed or former surface mine lands or contaminated
34 sites that have been remediated under chapter 70A.305 RCW or the
35 federal comprehensive environmental response, compensation, and
36 liability act (42 U.S.C. Sec. 9601 et seq.) in a manner that includes
37 an asphalt or soil cap;

38 (viii) As an agrivoltaic facility; and

39 (ix) On existing structures;

1 (b) Wind energy generation that is not a utility-scale wind
2 energy facility as defined in RCW 70A.550.010, and accompanying
3 energy storage and transmission and distribution equipment, including
4 vehicle charging equipment;

5 (c) Energy storage, when such facilities are located:

6 (i) Within the easement, right-of-way, or existing footprint of
7 electrical transmission facilities;

8 (ii) Within the easement, right-of-way, or existing footprint of
9 a state highway or city or county road;

10 (iii) On lands within an airport or restricted from other
11 developments by airport operations;

12 (iv) On closed or capped portions of landfills;

13 (v) On reclaimed or former surface mine lands;

14 (vi) On contaminated sites that have been remediated under
15 chapter 70A.305 RCW or the federal comprehensive environmental
16 response, compensation, and liability act (42 U.S.C. Sec. 9601 et
17 seq.) in a manner that includes an asphalt or soil cap; and

18 (vii) On or in existing structures;

19 (d) Programs that reduce electric demand, manage the level or
20 timing of electricity consumption, or provide electricity storage,
21 renewable or nonemitting electric energy, capacity, or ancillary
22 services to an electric utility and that are located on the
23 distribution system, any subsystem of the distribution system, or
24 behind the customer meter, including conservation and energy
25 efficiency; and

26 (e) Programs that reduce energy demand, manage the level or
27 timing of energy consumption, or provide thermal energy storage.

28 (2) (a) The department must review and, when appropriate,
29 periodically recommend to the legislature additional types of
30 distributed energy priorities for inclusion on the list under
31 subsection (1) of this section.

32 (b) The identification of distributed energy priorities in
33 subsection (1) of this section applies to the maximum extent
34 practical under state and federal law, but does not include any
35 development sites or activities prohibited under other state or
36 federal laws.

37 (3) (a) For purposes of this section, "agrivoltaic facility" means
38 a solar energy generation facility designed to be operated coincident
39 with continued productive agricultural use of the land or the
40 provision of ecological value, including habitat, or both.

1 (b) An agrivoltaic facility must not permanently or significantly
2 degrade the agricultural or ecological productivity of the land after
3 the cessation of the operation of the facility or involve the sale of
4 a water right associated with the land.

5 (c) An agrivoltaics facility must not cause the temporary or
6 permanent conversion of land from agricultural uses.

7 (d) An agrivoltaic facility must be designed to continue to
8 produce marketable and measurable agricultural products or ecosystem
9 services under a business plan that considers soils, infrastructure,
10 support services, water access, succession, and market access of any
11 agricultural products to be produced at the facility.

12 (e) For agrivoltaic facilities featuring continued agricultural
13 production, solar panel arrays must be designed and installed in a
14 manner that supports the continuation of a viable farm operation for
15 the life of the array, and must consider, as appropriate, the
16 availability of light, water infrastructure for crops or animals, and
17 panel height and spacing relative to farm machinery needs.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.21F
19 RCW to read as follows:

20 The department must assist in identifying, coordinating, and
21 implementing opportunities for state government, in its role as a
22 regulator, energy consumer, or possessor of property and assets
23 capable of being used for alternative energy resource production, to
24 facilitate the development of alternative energy resources, as
25 defined in RCW 80.50.020, including facilitating distributed energy
26 priorities identified in section 2 of this act.

27 **Sec. 4.** RCW 43.21C.530 and 2023 c 230 s 301 are each amended to
28 read as follows:

29 (1) The definitions in this subsection apply throughout this
30 section unless the context clearly requires otherwise.

31 (a) "Alternative energy resource" has the same meaning as defined
32 in RCW 80.50.020.

33 (b) "Alternative jet fuel" has the same meaning as defined in RCW
34 43.158.010.

35 (c) "Associated facilities" has the same meaning as defined in
36 RCW 43.158.010.

37 (d) "Clean energy product manufacturing facility" has the same
38 meaning as defined in RCW 43.158.010.

1 (e) "Clean energy project" has the same meaning as defined in RCW
2 43.158.010.

3 (f) "Closely related proposals" means proposals that:
4 (i) Cannot or will not proceed unless the other proposals, or
5 parts of proposals, are implemented simultaneously with them; or
6 (ii) Are interdependent parts of a larger proposal and depend on
7 the larger proposal as their justification or for their
8 implementation.

9 (g) "Green electrolytic hydrogen" has the same meaning as defined
10 in RCW 80.50.020.

11 (h) "Green hydrogen carrier" has the same meaning as defined in
12 RCW 80.50.020.

13 (i) "Renewable hydrogen" has the same meaning as defined in RCW
14 80.50.020.

15 (j) "Renewable natural gas" has the same meaning as defined in
16 RCW 80.50.020.

17 (k) "Renewable resource" has the same meaning as defined in RCW
18 80.50.020.

19 (l) "Storage facility" has the same meaning as defined in RCW
20 80.50.020.

21 (2)(a) After the submission of an environmental checklist and
22 prior to issuing a threshold determination that a clean energy
23 project proposal is likely to cause a probable significant adverse
24 environmental impact consistent with RCW 43.21C.033, the lead agency
25 must notify the project applicant and explain in writing the basis
26 for its anticipated determination of significance. Prior to issuing
27 the threshold determination of significance, the lead agency must
28 give the project applicant the option of withdrawing and revising its
29 application and the associated environmental checklist. The lead
30 agency shall make its threshold determination based upon the changed
31 or clarified application and associated environmental checklist. The
32 responsible official has no more than 30 days from the date of the
33 resubmission of a clarified or changed application to make a
34 threshold determination, unless the applicant makes material changes
35 that substantially modify the impact of the proposal, in which case
36 the responsible official must treat the resubmitted clarified or
37 changed application as new, and is subject to the timelines
38 established in RCW 43.21C.033.

1 (b) The notification required under (a) of this subsection is not
2 an official determination by the lead agency and is not subject to
3 appeal under this chapter.

4 (c) Nothing in this subsection amends the requirements of RCW
5 43.21C.033 as they apply to proposals that are not for clean energy
6 projects and nothing in this subsection precludes the lead agency
7 from allowing an applicant for a proposal that is not a clean energy
8 project to follow application processes similar to or the same as the
9 application processes identified in this subsection.

10 (3) (a) When an environmental impact statement is required, a lead
11 agency shall prepare a final environmental impact statement for clean
12 energy projects within 24 months of a threshold determination of a
13 probable significant, adverse environmental impact.

14 (b) A lead agency may work with clean energy project applicants
15 to set or extend a time limit longer than 24 months under (a) of this
16 subsection, provided the:

17 (i) Applicant agrees to a longer time limit; and

18 (ii) Responsible official for the lead agency maintains an
19 updated schedule available for public review.

20 (c) For all clean energy projects that require the preparation of
21 an environmental impact statement, the lead agency shall work
22 collaboratively with applicants and all agencies that will have
23 actions requiring review under this chapter to develop a schedule
24 that shall:

25 (i) Include a list of, and roles and responsibilities for, all
26 entities that have actions requiring review under this chapter for
27 the project;

28 (ii) Include a comprehensive schedule of dates by which review
29 under this chapter will be completed, all actions requiring review
30 under this chapter will be taken, and the public will have an
31 opportunity to participate;

32 (iii) Be completed within 60 days of issuance of a determination
33 of significance;

34 (iv) Be updated as needed, but no later than 30 days of missing a
35 date on the schedule; and

36 (v) Be available for public review on the state environmental
37 policy act register.

38 (d) A lead agency may fulfill its responsibilities under this
39 subsection with a coordinated project plan prepared pursuant to 42

1 U.S.C. Sec. 4370m-2(c)(1) if it includes all dates identified under
2 (c)(ii) of this subsection.

3 (e) A failure to comply with the requirements in this subsection
4 is not subject to appeal and does not provide a basis for the
5 invalidation of the review by an agency under this chapter. Nothing
6 in this subsection creates any civil liability for an agency or
7 creates a new cause of action against an agency.

8 (f) For clean energy projects, the provisions of this subsection
9 are in addition to the requirements of RCW 43.21C.0311.

10 (4) This subsection provides clarifications on the content of
11 review under this chapter specific to clean energy projects.

12 (a) In defining the proposal that is the subject of review under
13 this chapter, a lead agency may not combine the evaluation of a clean
14 energy project proposal with other proposals unless the:

15 (i) Proposals are closely related; or

16 (ii) Applicant agrees to combining the proposals' evaluation.

17 (b) An agency with authority to impose mitigation under RCW
18 43.21C.060 may require mitigation measures for clean energy projects
19 only to address the environmental impacts that are attributable to
20 and caused by a proposal.

21 (5)(a)(i) The department of ecology must evaluate, in light of
22 the goals of chapters 70A.45 and 19.405 RCW, the appropriateness of
23 tools available under this chapter to expedite the processes required
24 by this chapter, for alternative energy resource, energy storage, and
25 electricity transmission and distribution actions that are unlikely
26 to result in significant adverse environmental impacts. For each
27 specific category of such projects, the department of ecology may, as
28 appropriate:

29 (A) Categorically exempt from compliance with this chapter
30 certain projects. The department may limit the availability of a
31 categorical exemption under this subsection to development actions
32 that do not exceed certain size thresholds or that are carried out in
33 specified circumstances or locations; or

34 (B) Identify circumstances where it is appropriate to identify
35 standardized mitigation, which may include best management practices,
36 for potential adverse environmental impacts. When implemented, the
37 standardized mitigation developed under this subsection must be
38 considered in a threshold determination under this chapter.

1 (ii) The categorical exemption or standardized mitigation
2 available under this subsection must, at minimum, be available, under
3 specified circumstances, to proposed actions related to the:

4 (A) Categories of projects identified as distributed energy
5 priorities under section 2 of this act other than projects on
6 elevated structures over irrigation canals, drainage ditches, and
7 reservoirs or similar impoundments of state waters; and

8 (B) Construction of structures with a footprint of less than
9 1,000 square feet that support solar energy generation panels or
10 other equipment, if the construction of such structures is not
11 undertaken wholly or partly on lands covered by water.

12 (b) In adopting rules under this subsection, the department must:

13 (i) Consider the nonproject environmental impact statements
14 prepared pursuant to RCW 43.21C.405 and 43.21C.535;

15 (ii) Consider applicable rules, guidance, and environmental best
16 management practices adopted by federal agencies, and the scope and
17 applicability of any similar exemptions under federal statute and
18 rules to environmental review requirements under the national
19 environmental policy act, 42 U.S.C. Sec. 4321 et seq.; and

20 (iii) Request and consider input from agencies, federally
21 recognized Indian tribes, stakeholders, local governments, and the
22 public in a manner that satisfies the obligations of chapters 34.05
23 and 70A.02 RCW, including to assist in the identification of the
24 suitable scope, size thresholds, circumstances, best management
25 practices, and mitigation measures.

26 (c) In recognition of the state's regulatory requirements, which
27 include 2030 and 2045 compliance deadlines for clean energy under
28 chapter 19.405 RCW, and the urgency of the need to facilitate energy
29 infrastructure developments, the department must aspire to finalize
30 the adoption of rules under this subsection by January 1, 2028, so as
31 to enable the application of the categorical exemptions and
32 standardized mitigation under this subsection as quickly as possible.

33 NEW SECTION. Sec. 5. A new section is added to chapter 43.21F
34 RCW to read as follows:

35 (1)(a) By December 1, 2026, each of the following state agencies,
36 in consultation with the department, must identify real property
37 assets, such as rooftops, parking structures, and adjoining lands,
38 within its management purview that are most suitable for alternative
39 energy resource, energy storage, or electricity transmission and

1 distribution, including electric vehicle charging equipment and
2 development:

- 3 (i) The department of transportation;
- 4 (ii) The department of natural resources;
- 5 (iii) The department of enterprise services;
- 6 (iv) The department of fish and wildlife;
- 7 (v) The state parks and recreation commission;
- 8 (vi) The department of corrections;
- 9 (vii) The department of social and health services;
- 10 (viii) The department of children, youth, and families; and
- 11 (ix) Institutions of higher education, as defined in RCW
12 28B.10.016.

13 (b) In identifying lands under (a) of this subsection, each
14 agency:

15 (i) Must consult with the department, the department of ecology,
16 and the electric utilities that provide service in the geographic
17 areas of assets under state agency consideration;

18 (ii) Must take into consideration potential environmental
19 impacts, social conflicts associated with such developments, the
20 potential economic value of the alternative energy resource, energy
21 storage, or transmission development, and the likely costs of such
22 development;

23 (iii) Must prioritize the identification of real property assets
24 that are suitable for distributed energy priorities identified in
25 section 2 of this act; and

26 (iv) May rely on and update, as appropriate, any previous
27 assessments of assets under the agency's purview for purposes of
28 fulfilling the obligations of this section.

29 (2)(a) By December 1, 2026, the department, in consultation with
30 the state agencies identified in subsection (1) of this section, must
31 submit a report to appropriate committees of the legislature and the
32 interagency clean energy siting coordinating council identifying the
33 lands specified in subsection (1) of this section.

34 (b) By December 1, 2028, relying upon the reports of each state
35 agency under subsection (1) of this section, the department must
36 publish targets for each state agency to make available real property
37 assets in support of the achievement of the limits and targets
38 specified in chapters 70A.45, 19.405, and 70A.65 RCW and that are
39 reasonably achievable by each agency by the conclusion of calendar
40 year 2035. The targets established under this section must include

1 separate agencywide targets for each state agency named in subsection
2 (1) of this section for each of the following: (i) Electricity
3 production capacity of distributed energy priorities identified in
4 section 2(1) (a) and (b) of this act; (ii) energy storage capacity;
5 and (iii) electricity transmission and distribution capacity.

6 (c) Each state agency identified in subsection (1) of this
7 section must, to the extent authorized by state law, proactively make
8 real property assets available for development through leases,
9 agreements, or other mechanisms, or directly carry out development,
10 of distributed energy priorities identified in section 2(1) (a) and
11 (b) of this act, energy storage, and electricity transmission and
12 distribution facilities, to enable the achievement of the targets
13 established in (b) of this subsection.

14 (3) For purposes of this section, "alternative energy resource"
15 has the same meaning as in RCW 80.50.020.

16 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.30
17 RCW to read as follows:

18 In support of the limits of chapter 70A.45 RCW and the clean
19 power imperatives under chapter 19.405 RCW, it is the duty of the
20 department, in a manner that does not conflict with the other powers,
21 duties, and functions assigned to the department by law, to
22 facilitate the development of real property assets, such as rooftops,
23 parking structures, and adjoining lands, within its purview that are
24 suitable for distributed energy priorities identified in section 2 of
25 this act, energy storage, and electricity transmission and
26 distribution.

27 NEW SECTION. **Sec. 7.** A new section is added to chapter 47.01
28 RCW to read as follows:

29 In support of the limits of chapter 70A.45 RCW and the clean
30 power imperatives under chapter 19.405 RCW, it is the duty of the
31 department, in a manner that does not conflict with the other powers,
32 duties, and functions assigned to the department by law, to
33 facilitate the development of real property assets, such as rooftops,
34 parking structures, and adjoining lands, within its purview that are
35 suitable for distributed energy priorities identified in section 2 of
36 this act, energy storage, and electricity transmission and
37 distribution.

1 NEW SECTION. **Sec. 8.** A new section is added to chapter 79A.05
2 RCW to read as follows:

3 In support of the limits of chapter 70A.45 RCW and the clean
4 power imperatives under chapter 19.405 RCW, it is the duty of the
5 commission, in a manner that does not conflict with the other powers,
6 duties, and functions assigned to the commission by law, to
7 facilitate the development of real property assets, such as rooftops,
8 parking structures, and adjoining lands, within its purview that are
9 suitable for distributed energy priorities identified in section 2 of
10 this act, energy storage, and electricity transmission and
11 distribution.

12 NEW SECTION. **Sec. 9.** A new section is added to chapter 77.04
13 RCW to read as follows:

14 In support of the limits of chapter 70A.45 RCW and the clean
15 power imperatives under chapter 19.405 RCW, it is the duty of the
16 department, in a manner that does not conflict with the other powers,
17 duties, and functions assigned to the department by law, to
18 facilitate the development of real property assets, such as rooftops,
19 parking structures, and adjoining lands, within its purview that are
20 suitable for distributed energy priorities identified in section 2 of
21 this act, energy storage, and electricity transmission and
22 distribution.

23 NEW SECTION. **Sec. 10.** A new section is added to chapter 43.19
24 RCW to read as follows:

25 In support of the limits of chapter 70A.45 RCW and the clean
26 power imperatives under chapter 19.405 RCW, it is the duty of the
27 department, in a manner that does not conflict with the other powers,
28 duties, and functions assigned to the department by law, to
29 facilitate the development of real property assets, such as rooftops,
30 parking structures, and adjoining lands, within its purview that are
31 suitable for distributed energy priorities identified in section 2 of
32 this act, energy storage, and electricity transmission and
33 distribution.

34 NEW SECTION. **Sec. 11.** A new section is added to chapter 72.09
35 RCW to read as follows:

36 In support of the limits of chapter 70A.45 RCW and the clean
37 power imperatives under chapter 19.405 RCW, it is the duty of the

1 department, in a manner that does not conflict with the other powers,
2 duties, and functions assigned to the department by law, to
3 facilitate the development of real property assets, such as rooftops,
4 parking structures, and adjoining lands, within its purview that are
5 suitable for distributed energy priorities identified in section 2 of
6 this act, energy storage, and electricity transmission and
7 distribution.

8 NEW SECTION. **Sec. 12.** A new section is added to chapter 43.20A
9 RCW to read as follows:

10 In support of the limits of chapter 70A.45 RCW and the clean
11 power imperatives under chapter 19.405 RCW, it is the duty of the
12 department, in a manner that does not conflict with the other powers,
13 duties, and functions assigned to the department by law, to
14 facilitate the development of real property assets, such as rooftops,
15 parking structures, and adjoining lands, within its purview that are
16 suitable for distributed energy priorities identified in section 2 of
17 this act, energy storage, and electricity transmission and
18 distribution.

19 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.216
20 RCW to read as follows:

21 In support of the limits of chapter 70A.45 RCW and the clean
22 power imperatives under chapter 19.405 RCW, it is the duty of the
23 department, in a manner that does not conflict with the other powers,
24 duties, and functions assigned to the department by law, to
25 facilitate the development of real property assets, such as rooftops,
26 parking structures, and adjoining lands, within its purview that are
27 suitable for distributed energy priorities identified in section 2 of
28 this act, energy storage, and electricity transmission and
29 distribution.

30 NEW SECTION. **Sec. 14.** A new section is added to chapter 43.330
31 RCW to read as follows:

32 Subject to appropriation, the department must administer a
33 matching grant program to support the activities of nonprofit
34 organizations that provide wastewater utility services and counties,
35 cities, port districts, and other municipal corporations in
36 identifying and developing or making available for development real
37 property assets, such as rooftops, parking structures, and adjoining

1 lands, within the purview of those jurisdictions as market
2 participants that are potentially suitable for distributed energy
3 priorities identified in section 2 of this act, energy storage, and
4 electricity transmission and distribution. The department must, upon
5 request, provide technical assistance in support of the activities of
6 counties, cities, port districts, and other municipal corporations in
7 identifying and developing or making available for development real
8 property assets within its ownership that are potentially suitable
9 for alternative energy resource development.

10 NEW SECTION. **Sec. 15.** A new section is added to chapter 36.34
11 RCW to read as follows:

12 Each county is encouraged to identify and develop or make
13 available for development real property assets, such as rooftops,
14 parking structures, and adjoining lands, within its purview as a
15 market participant that are potentially suitable for distributed
16 energy priorities identified in section 2 of this act, energy storage
17 development, and electrical transmission and distribution.

18 NEW SECTION. **Sec. 16.** A new section is added to chapter 35.21
19 RCW to read as follows:

20 Each city is encouraged to identify and develop or make available
21 for development real property assets, such as rooftops, parking
22 structures, and adjoining lands, within its purview as a market
23 participant that are potentially suitable for distributed energy
24 priorities identified in section 2 of this act, energy storage
25 development, and electrical transmission and distribution.

26 NEW SECTION. **Sec. 17.** A new section is added to chapter 35A.21
27 RCW to read as follows:

28 Each city is encouraged to identify and develop or make available
29 for development real property assets, such as rooftops, parking
30 structures, and adjoining lands, within its purview as a market
31 participant that are potentially suitable for distributed energy
32 resources identified in section 2 of this act, energy storage
33 development, and electrical transmission and distribution.

34 NEW SECTION. **Sec. 18.** A new section is added to chapter 53.08
35 RCW to read as follows:

1 Each port district is encouraged to identify and develop or make
2 available for development real property assets, such as rooftops,
3 parking structures, and adjoining lands, that are potentially
4 suitable for distributed energy priorities identified in section 2 of
5 this act, energy storage development, and electrical transmission and
6 distribution.

7 **Sec. 19.** RCW 19.405.060 and 2024 c 351 s 14 are each amended to
8 read as follows:

9 (1)(a) By January 1, 2022, and every four years thereafter, each
10 investor-owned utility must develop and submit to the commission:

11 (i) A four-year clean energy implementation plan for the
12 standards established under RCW 19.405.040(1) and 19.405.050(1) that
13 proposes specific targets for energy efficiency, demand response,
14 ~~((and))~~ renewable energy, distributed energy priorities identified in
15 section 2 of this act, and community solar projects as defined in RCW
16 80.28.370; and

17 (ii) Proposed interim targets for meeting the standard under RCW
18 19.405.040(1) during the years prior to 2030 and between 2030 and
19 2045.

20 (b) An investor-owned utility's clean energy implementation plan
21 must:

22 (i) Be informed by the investor-owned utility's clean energy
23 action plan developed under RCW 19.280.030;

24 (ii) Be consistent with subsections (3) and (7) of this section;
25 and

26 (iii) Identify specific actions to be taken by the investor-owned
27 utility over the next four years, consistent with the utility's long-
28 range integrated resource plan and resource adequacy requirements,
29 that demonstrate progress toward meeting the standards under RCW
30 19.405.040(1) and 19.405.050(1) and the interim targets proposed
31 under (a)(i) of this subsection. The specific actions identified must
32 be informed by the investor-owned utility's historic performance
33 under median water conditions and resource capability and by the
34 investor-owned utility's participation in centralized markets. In
35 identifying specific actions in its clean energy implementation plan,
36 the investor-owned utility may also take into consideration any
37 significant and unplanned loss or addition of load it experiences.

38 (c) The commission, after a hearing, must by order approve,
39 reject, or approve with conditions an investor-owned utility's clean

1 energy implementation plan and interim targets. The commission may,
2 in its order, recommend or require more stringent targets than those
3 proposed by the investor-owned utility. The commission may
4 periodically adjust or expedite timelines if it can be demonstrated
5 that the targets or timelines can be achieved in a manner consistent
6 with the following:

7 (i) Maintaining and protecting the safety, reliable operation,
8 and balancing of the electric system;

9 (ii) Planning to meet the standards at the lowest reasonable
10 cost, considering risk;

11 (iii) Ensuring that all customers are benefiting from the
12 transition to clean energy: Through the equitable distribution of
13 energy and nonenergy benefits and the reduction of burdens to
14 vulnerable populations and highly impacted communities; long-term and
15 short-term public health and environmental benefits and reduction of
16 costs and risks; and energy security and resiliency; and

17 (iv) Ensuring that no customer or class of customers is
18 unreasonably harmed by any resulting increases in the cost of
19 utility-supplied electricity as may be necessary to comply with the
20 standards.

21 (2) (a) By January 1, 2022, and every four years thereafter, each
22 consumer-owned utility must develop and submit to the department a
23 four-year clean energy implementation plan for the standards
24 established under RCW 19.405.040(1) and 19.405.050(1) that:

25 (i) Proposes interim targets for meeting the standard under RCW
26 19.405.040(1) during the years prior to 2030 and between 2030 and
27 2045, as well as specific targets for energy efficiency, demand
28 response, ~~((and))~~ renewable energy, and any combination of
29 distributed energy priorities identified in section 2 of this act and
30 community solar projects as defined in RCW 80.28.370;

31 (ii) Is informed by the consumer-owned utility's clean energy
32 action plan developed under RCW 19.280.030(1) or other ten-year plan
33 developed under RCW 19.280.030(5);

34 (iii) Is consistent with subsections (4) and (7) of this section;
35 and

36 (iv) Identifies specific actions to be taken by the consumer-
37 owned utility over the next four years, consistent with the utility's
38 long-range resource plan and resource adequacy requirements, that
39 demonstrate progress towards meeting the standards under RCW
40 19.405.040(1) and 19.405.050(1) and the interim targets proposed

1 under (a) (i) of this subsection. The specific actions identified must
2 be informed by the consumer-owned utility's historic performance
3 under median water conditions and resource capability and by the
4 consumer-owned utility's participation in centralized markets. In
5 identifying specific actions in its clean energy implementation plan,
6 the consumer-owned utility may also take into consideration any
7 significant and unplanned loss or addition of load it experiences.

8 (b) The governing body of the consumer-owned utility must, after
9 a public meeting, adopt the consumer-owned utility's clean energy
10 implementation plan. The clean energy implementation plan must be
11 submitted to the department and made available to the public. The
12 governing body may adopt more stringent targets than those proposed
13 by the consumer-owned utility and periodically adjust or expedite
14 timelines if it can be demonstrated that such targets or timelines
15 can be achieved in a manner consistent with the following:

16 (i) Maintaining and protecting the safety, reliable operation,
17 and balancing of the electric system;

18 (ii) Planning to meet the standards at the lowest reasonable
19 cost, considering risk;

20 (iii) Ensuring that all customers are benefiting from the
21 transition to clean energy: Through the equitable distribution of
22 energy and nonenergy benefits and reduction of burdens to vulnerable
23 populations and highly impacted communities; long-term and short-term
24 public health and environmental benefits and reduction of costs and
25 risks; and energy security and resiliency; and

26 (iv) Ensuring that no customer or class of customers is
27 unreasonably harmed by any resulting increases in the cost of
28 utility-supplied electricity as may be necessary to comply with the
29 standards.

30 (3) (a) An investor-owned utility must be considered to be in
31 compliance with the standards under RCW 19.405.040(1) and
32 19.405.050(1) if, over the four-year compliance period, the average
33 annual incremental cost of meeting the standards or the interim
34 targets established under subsection (1) of this section equals a two
35 percent increase of the investor-owned utility's weather-adjusted
36 sales revenue to customers for electric operations above the previous
37 year, as reported by the investor-owned utility in its most recent
38 commission basis report. All costs included in the determination of
39 cost impact must be directly attributable to actions necessary to
40 comply with the requirements of RCW 19.405.040 and 19.405.050.

1 (b) If an investor-owned utility relies on (a) of this subsection
2 as a basis for compliance with the standard under RCW 19.405.040(1),
3 then it must demonstrate that it has maximized investments in
4 renewable resources and nonemitting electric generation prior to
5 using alternative compliance options allowed under RCW
6 19.405.040(1)(b).

7 (4)(a) A consumer-owned utility must be considered to be in
8 compliance with the standards under RCW 19.405.040(1) and
9 19.405.050(1) if, over the four-year compliance period, the average
10 annual incremental cost of meeting the standards or the interim
11 targets established under subsection (2) of this section meets or
12 exceeds a two percent increase of the consumer-owned utility's retail
13 revenue requirement above the previous year. All costs included in
14 the determination of cost impact must be directly attributable to
15 actions necessary to comply with the requirements of RCW 19.405.040
16 and 19.405.050.

17 (b) If a consumer-owned utility relies on (a) of this subsection
18 as a basis for compliance with the standard under RCW 19.405.040(1),
19 and it has not met eighty percent of its annual retail electric load
20 using electricity from renewable resources and nonemitting electric
21 generation, then it must demonstrate that it has maximized
22 investments in renewable resources and nonemitting electric
23 generation prior to using alternative compliance options allowed
24 under RCW 19.405.040(1)(b).

25 (5) The commission, for investor-owned utilities, and the
26 department, for consumer-owned utilities, must adopt rules
27 establishing the methodology for calculating the incremental cost of
28 compliance under this section, as compared to the cost of an
29 alternative lowest reasonable cost portfolio of investments that are
30 reasonably available.

31 (6) The commission may require a large combination utility as
32 defined in RCW 80.86.010 to incorporate the requirements of this
33 section into an integrated system plan established under RCW
34 80.86.020.

35 (7) Each investor-owned utility with more than 25,000 customers
36 and each consumer-owned utility with more than 25,000 customers must
37 establish annual targets for the retail sale of electricity from
38 sources and demand programs identified in subsection (8) of this
39 section that initiate operations after August 1, 2025.

1 (a) In establishing targets under this subsection, the utility
2 must identify annual targets that are a percentage of its clean
3 energy targets set under subsection (1) or (2) of this section to be
4 met through sources and demand programs identified in subsection (8)
5 of this section that are located in Washington.

6 (b) At a minimum, each utility subject to the requirements of
7 this subsection must establish a target under this subsection of at
8 least 10 percent of its clean energy target under subsection (1) or
9 (2) of this section for the retail sale of electricity from sources
10 and demand programs identified in subsection (8) of this section that
11 initiate operations after August 1, 2025, by the end of the utility's
12 second four-year clean energy implementation plan under this section.

13 (c) To the extent practicable, in meeting the requirements of
14 this subsection, each utility subject to the requirements of this
15 subsection must prioritize projects and activities that reduce the
16 energy burden for low-income customers and highly impacted
17 communities.

18 (8) The targets in subsection (7) of this section may be met
19 through the use of electricity from the following demand programs and
20 sources, or the acquisition of equivalent renewable energy credits
21 associated with electricity generated from the following sources,
22 located in Washington:

23 (a) Distributed energy priorities identified in section 2 of this
24 act; or

25 (b) Community solar projects as defined in RCW 80.28.370.

26 (9) Each utility required to establish targets under subsection
27 (7) of this section must achieve those targets.

28 **Sec. 20.** RCW 19.405.090 and 2021 c 65 s 20 are each amended to
29 read as follows:

30 (1)(a) An electric utility or an affected market customer that
31 fails to meet the standards established under RCW 19.405.030(1)
32 ~~((and)),~~ 19.405.040(1), and 19.405.060(7) must pay an administrative
33 penalty to the state of Washington in the amount of one hundred
34 dollars, times the following multipliers, for each megawatt-hour of
35 electric generation used to meet load that is not electricity from a
36 renewable resource ~~((or)),~~ nonemitting electric generation, or source
37 specified in RCW 19.405.060(8):

38 (i) 1.5 for coal-fired resources;

39 (ii) 0.84 for gas-fired peaking power plants; ~~((and))~~

1 (iii) 0.60 for gas-fired combined-cycle power plants; and
2 (iv) 0.60 for electricity used to meet a target under RCW
3 19.405.060(7) that does not come from a source specified in RCW
4 19.405.060(8).

5 (b) Beginning in 2027, this penalty must be adjusted on a
6 biennial basis according to the rate of change of the inflation
7 indicator, gross domestic product implicit price deflator, as
8 published by the bureau of economic analysis of the United States
9 department of commerce or its successor. Beginning in 2040, the
10 commission may by rule increase this penalty for investor-owned
11 utilities if the commission determines that doing so will accelerate
12 utilities' compliance with the standards established under this
13 chapter and that doing so is in the public interest.

14 (2) Consistent with the requirements of RCW 19.405.040(1)(b), a
15 utility may opt to make a payment in the amount of the administrative
16 penalty as an alternative compliance payment, without incurring a
17 penalty for noncompliance.

18 (3)(a) Upon its own motion or at the request of an investor-owned
19 utility, and after a hearing, the commission may issue an order
20 relieving the utility of its administrative penalty obligation under
21 subsection (1) of this section if it finds that:

22 (i) After taking all reasonable measures, the investor-owned
23 utility's compliance with this chapter is likely to result in
24 conflicts with or compromises to its obligation to comply with the
25 mandatory and enforceable reliability standards of the North American
26 electric reliability corporation, violate prudent utility practice
27 for assuring resource adequacy, or compromise the power quality or
28 integrity of its system; or

29 (ii) The investor-owned utility is unable to comply with the
30 standards established in RCW 19.405.030(1) or 19.405.040(1) due to
31 reasons beyond the reasonable control of the investor-owned utility,
32 as set forth in subsection (6) of this section.

33 (b) If the commission issues an order pursuant to (a) of this
34 subsection that relieves an investor-owned utility of its
35 administrative penalty obligation under subsection (1) of this
36 section, the commission may issue an order:

37 (i) Temporarily exempting the investor-owned utility from the
38 requirements of RCW 19.405.040(1) for an amount of time sufficient to
39 allow the investor-owned utility to achieve full compliance with the
40 standard;

1 (ii) Directing the investor-owned utility to file a progress
2 report to the commission on achieving full compliance with the
3 standard within six months after issuing the order, or within an
4 amount of time determined to be reasonable by the commission; and

5 (iii) Directing the investor-owned utility to take specific
6 actions to achieve full compliance with the requirements of this
7 chapter.

8 (c) An investor-owned utility may request an extension of a
9 temporary exemption granted under this section. An investor-owned
10 utility that requests an extension must request an update to the
11 order issued by the commission under (b) of this subsection.

12 (4) Subsection (3) of this section does not permanently relieve
13 an investor-owned utility of its obligation to comply with the
14 requirements of this chapter.

15 (5)(a) The governing body of a consumer-owned utility may
16 authorize a temporary exemption from the standard established under
17 RCW 19.405.040(1), for an amount of time sufficient to allow the
18 consumer-owned utility to achieve full compliance with the standard,
19 if the governing body finds that:

20 (i) The consumer-owned utility's compliance with the standard is
21 likely to: Result in conflicts with or compromises to its obligation
22 to comply with the mandatory and enforceable reliability standards of
23 the North American electric reliability corporation; violate prudent
24 utility practice for assuring resource adequacy; or compromise the
25 power quality or integrity of its system; or

26 (ii) The consumer-owned utility is unable to comply with the
27 standard due to reasons beyond the reasonable control of the utility,
28 as set forth in subsection (6) of this section; and

29 (iii) The consumer-owned utility has provided to the department a
30 plan demonstrating how it plans to achieve full compliance with the
31 standard, consistent with the findings of the report submitted to the
32 legislature under RCW 19.405.080.

33 (b) Upon request by the governing body of a consumer-owned
34 utility, a consumer-owned utility must be relieved of its
35 administrative penalty obligation under subsection (1) of this
36 section if the auditor issues a finding that:

37 (i) The governing body of the consumer-owned utility has properly
38 issued a temporary exemption under (a) of this subsection for a
39 period of time not to exceed six months; and

1 (ii) The governing body of the consumer-owned utility has
2 submitted to the department a plan to take specific actions to
3 achieve full compliance with the standard, consistent with the
4 findings of the report submitted to the legislature under RCW
5 19.405.080.

6 (c) Upon issuance of a finding by the auditor, the consumer-owned
7 utility must submit a progress report to the department on achieving
8 full compliance with the standard within the term authorized in the
9 temporary exemption.

10 (d) A consumer-owned utility may request an extension of a
11 temporary exemption granted under this subsection, subject to the
12 same requirements as provided in (a) through (c) of this subsection.

13 (e) The attorney general may bring a civil action in the name of
14 the state for any appropriate civil remedy including, but not limited
15 to, injunctive relief, penalties, costs, and attorneys' fees, to
16 enforce compliance with this chapter:

17 (i) Upon the failure of the governing body of a consumer-owned
18 utility to comply with the conditions of a temporary exemption found
19 by the auditor to be properly adopted or extended; or

20 (ii) Upon failure of the governing body of a consumer-owned
21 utility to comply with a finding by the auditor that a temporary
22 exemption is not properly granted.

23 (f) This subsection does not permanently relieve a consumer-owned
24 utility of its obligation to comply with the requirements of this
25 chapter.

26 (6) To the extent an event or circumstance cannot be reasonably
27 foreseen and ameliorated, such events or circumstances beyond the
28 reasonable control of an electric utility may include but are not
29 limited to:

30 (a) Weather-related damage;

31 (b) Natural disasters;

32 (c) Mechanical or resource failure;

33 (d) Failure of a third party to meet contractual obligations to
34 the electric utility;

35 (e) Actions of governmental authorities that adversely affect the
36 generation, transmission, or distribution of nonemitting electric
37 generation or renewable resources owned or under contract to an
38 electric utility, including condemnation actions by municipal
39 electric utilities, public utility districts, or irrigation districts

1 that adversely affect an investor-owned utility's ability to meet the
2 standard established in RCW 19.405.030(1) and 19.405.040(1);

3 (f) Inability to acquire sufficient transmission to transmit
4 electricity from nonemitting electric generation or renewable
5 resources to load; and

6 (g) Substantial limitations, restrictions, or prohibitions on
7 nonemitting electric generation or renewable resources.

8 (7) An electric utility must notify its retail electric customers
9 in published form within three months of paying the administrative
10 penalty established under subsection (1) of this section. An electric
11 utility is not required to notify its retail electric customers when
12 making a payment in the amount of the administrative penalty as an
13 alternative compliance payment consistent with the requirements of
14 RCW 19.405.040(1)(b).

15 (8) Moneys collected under this section must be deposited into
16 the low-income weatherization and structural rehabilitation
17 assistance account created in RCW 70A.35.030.

18 (9) For an investor-owned utility, the commission must determine
19 compliance with the requirements of this chapter.

20 (10) For consumer-owned utilities, the auditor is responsible for
21 auditing compliance with this chapter and rules adopted under this
22 chapter that apply to those utilities and the attorney general is
23 responsible for enforcing that compliance.

24 (11) If the report submitted under RCW 19.405.080 demonstrates
25 adverse system reliability impacts from the implementation of RCW
26 19.405.040 and 19.405.050, the governor, consistent with the
27 emergency powers under RCW 43.21G.040, may suspend or delay
28 implementation of this chapter, or exempt an electric utility from
29 paying the administrative penalty under this section, until system
30 reliability impacts can be addressed. Adverse system reliability
31 impacts may include, but are not limited to, the inability of
32 electric utilities or transmission operators to meet reliability
33 standards mandated by federal or state law and required by prudent
34 utility practices.

35 (12) Notwithstanding RCW 54.16.020, the fair market value
36 compensation for an asset that is condemned by a municipal electric
37 utility, public utility district, or irrigation district and that is
38 either demonstrated in an electric utility's clean energy action plan
39 or clean energy implementation plan to be used or acquired after May
40 7, 2019, to meet the requirements of RCW 19.405.040 and 19.405.050,

1 or an asset that generates electricity from renewable resources or
2 nonemitting electric generation, must include but not be limited to a
3 replacement value approach. Additionally, the electric utility may
4 seek, and the court may award, damages attributable to the severance,
5 separation, replacement, or relocation of utility assets. The trier
6 of fact may also consider other damages, as well as offsetting
7 benefits, that it finds just and equitable.

8 (13) An entity that establishes or extends service to the
9 premises of a customer who is being served by an electric utility or
10 was served by an electric utility prior to May 7, 2019, must serve
11 those premises in a manner that complies with the requirements of
12 (~~chapter 288, Laws of 2019~~) this chapter and with chapter 19.285
13 RCW, if applicable. An electric utility or other entity that fails to
14 comply with the requirements of this subsection must pay the
15 administrative penalty under subsection (1) of this section for each
16 megawatt-hour of electric generation used to serve load that does not
17 meet the terms of this subsection.

18 **Sec. 21.** RCW 19.280.030 and 2024 c 351 s 9 are each amended to
19 read as follows:

20 Each electric utility must develop a plan consistent with this
21 section.

22 (1) Utilities with more than 25,000 customers that are not full
23 requirements customers must develop or update an integrated resource
24 plan by September 1, 2008. At a minimum, progress reports reflecting
25 changing conditions and the progress of the integrated resource plan
26 must be produced every two years thereafter. An updated integrated
27 resource plan must be developed at least every four years subsequent
28 to the 2008 integrated resource plan. The integrated resource plan,
29 at a minimum, must include:

30 (a) A range of forecasts, for at least the next 10 years or
31 longer, of projected customer demand which takes into account
32 econometric data and customer usage;

33 (b) An assessment of commercially available conservation and
34 efficiency resources, as informed, as applicable, by the assessment
35 for conservation potential under RCW 19.285.040 for the planning
36 horizon consistent with (a) of this subsection. Such assessment may
37 include, as appropriate, opportunities for development of combined
38 heat and power as an energy and capacity resource, demand response
39 and load management programs, and currently employed and new policies

1 and programs needed to obtain the conservation and efficiency
2 resources;

3 (c) An assessment of commercially available, utility scale
4 renewable and nonrenewable generating technologies including a
5 comparison of the benefits and risks of purchasing power or building
6 new resources;

7 (d) A comparative evaluation of renewable and nonrenewable
8 generating resources, including transmission and distribution
9 delivery costs, and conservation and efficiency resources using
10 "lowest reasonable cost" as a criterion;

11 (e) An assessment of methods, commercially available
12 technologies, or facilities for integrating renewable resources,
13 including but not limited to battery storage and pumped storage, and
14 addressing overgeneration events, if applicable to the utility's
15 resource portfolio;

16 (f) An assessment and 20-year forecast of the availability of and
17 requirements for regional generation and transmission capacity to
18 provide and deliver electricity to the utility's customers and to
19 meet the requirements of chapter ((~~288, Laws of 2019~~)) 19.405 RCW and
20 the state's greenhouse gas emissions reduction limits in RCW
21 70A.45.020. The transmission assessment must identify the utility's
22 expected needs to acquire new long-term firm rights, develop new, or
23 expand or upgrade existing, bulk transmission facilities consistent
24 with the requirements of this section and reliability standards;

25 (i) If an electric utility operates transmission assets rated at
26 115,000 volts or greater, the transmission assessment must take into
27 account opportunities to make more effective use of existing
28 transmission capacity through improved transmission system operating
29 practices, energy efficiency, demand response, grid modernization,
30 nonwires solutions, and other programs if applicable;

31 (ii) An electric utility that relies entirely or primarily on a
32 contract for transmission service to provide necessary transmission
33 services may comply with the transmission requirements of this
34 subsection by requesting that the counterparty to the transmission
35 service contract include the provisions of ((~~chapter 288, Laws of~~
36 ~~2019 and chapter~~)) chapters 19.405 and 70A.45 RCW as public policy
37 mandates in the transmission service provider's process for assessing
38 transmission need, and planning and acquiring necessary transmission
39 capacity;

1 (iii) An electric utility may comply with the requirements of
2 this subsection (1)(f) by relying on and incorporating the results of
3 a separate transmission assessment process, conducted individually or
4 jointly with other utilities and transmission system users, if that
5 assessment process meets the requirements of this subsection;

6 (g) A determination of resource adequacy metrics for the resource
7 plan consistent with the forecasts;

8 (h) A forecast of distributed energy resources that may be
9 installed by the utility's customers and an assessment of their
10 effect on the utility's load and operations;

11 (i) An identification of an appropriate resource adequacy
12 requirement and measurement metric consistent with prudent utility
13 practice in implementing RCW 19.405.030 through 19.405.050;

14 (j) The integration of the demand forecasts, resource
15 evaluations, and resource adequacy requirement into a long-range
16 assessment describing the mix of supply side generating resources and
17 conservation and efficiency resources that will meet current and
18 projected needs, including mitigating overgeneration events and
19 implementing RCW 19.405.030 through 19.405.050 and 19.405.060(7), at
20 the lowest reasonable cost and risk to the utility and its customers,
21 while maintaining and protecting the safety, reliable operation, and
22 balancing of its electric system;

23 (k) An assessment, informed by the cumulative impact analysis
24 conducted under RCW 19.405.140, of: Energy and nonenergy benefits and
25 the avoidance and reductions of burdens to vulnerable populations and
26 highly impacted communities; long-term and short-term public health
27 and environmental benefits, costs, and risks; and energy security and
28 risk;

29 (l) A 10-year clean energy action plan for implementing RCW
30 19.405.030 through 19.405.050 and 19.405.060(7) at the lowest
31 reasonable cost, and at an acceptable resource adequacy standard,
32 that identifies the specific actions to be taken by the utility
33 consistent with the long-range integrated resource plan; and

34 (m) An analysis of how the plan accounts for:

35 (i) Modeled load forecast scenarios that consider the anticipated
36 levels of zero emissions vehicle use in a utility's service area,
37 including anticipated levels of zero emissions vehicle use in the
38 utility's service area provided in RCW 47.01.520, if feasible;

39 (ii) Analysis, research, findings, recommendations, actions, and
40 any other relevant information found in the electrification of

1 transportation plans submitted under RCW 35.92.450, 54.16.430, and
2 80.28.365; and

3 (iii) Assumed use case forecasts and the associated energy
4 impacts. Electric utilities may, but are not required to, use the
5 forecasts generated by the mapping and forecasting tool created in
6 RCW 47.01.520. This subsection (1)(m)(iii) applies only to plans due
7 to be filed after September 1, 2023.

8 (2) The clean energy action plan must:

9 (a) Identify and be informed by the utility's 10-year cost-
10 effective conservation potential assessment as determined under RCW
11 19.285.040, if applicable;

12 (b) Establish a resource adequacy requirement;

13 (c) Identify the potential cost-effective demand response and
14 load management programs that may be acquired;

15 (d) Identify renewable resources, nonemitting electric
16 generation, and distributed energy resources that may be acquired and
17 evaluate how each identified resource may be expected to contribute
18 to meeting the utility's resource adequacy requirement;

19 (e) Identify any need to develop new, or expand or upgrade
20 existing, bulk transmission and distribution facilities and document
21 existing and planned efforts by the utility to make more effective
22 use of existing transmission capacity and secure additional
23 transmission capacity consistent with the requirements of subsection
24 (1)(f) of this section; and

25 (f) Identify the nature and possible extent to which the utility
26 may need to rely on alternative compliance options under RCW
27 19.405.040(1)(b), if appropriate.

28 (3)(a) An electric or large combination utility shall consider
29 the social cost of greenhouse gas emissions, as determined by the
30 commission for investor-owned utilities pursuant to RCW 80.28.405 and
31 the department for consumer-owned utilities, when developing
32 integrated resource plans and clean energy action plans. An electric
33 utility must incorporate the social cost of greenhouse gas emissions
34 as a cost adder when:

35 (i) Evaluating and selecting conservation policies, programs, and
36 targets;

37 (ii) Developing integrated resource plans and clean energy action
38 plans; and

39 (iii) Evaluating and selecting intermediate term and long-term
40 resource options.

1 (b) For the purposes of this subsection (3): (i) Gas consisting
2 largely of methane and other hydrocarbons derived from the
3 decomposition of organic material in landfills, wastewater treatment
4 facilities, and anaerobic digesters must be considered a nonemitting
5 resource; and (ii) qualified biomass energy must be considered a
6 nonemitting resource.

7 (4) To facilitate broad, equitable, and efficient implementation
8 of chapter (~~(288, Laws of 2019)~~) 19.405 RCW, a consumer-owned energy
9 utility may enter into an agreement with a joint operating agency
10 organized under chapter 43.52 RCW or other nonprofit organization to
11 develop and implement a joint clean energy action plan in
12 collaboration with other utilities.

13 (5) All other utilities may elect to develop a full integrated
14 resource plan as set forth in subsection (1) of this section or, at a
15 minimum, shall develop a resource plan that:

16 (a) Estimates loads for the next five and 10 years;

17 (b) Enumerates the resources that will be maintained and/or
18 acquired to serve those loads;

19 (c) Explains why the resources in (b) of this subsection were
20 chosen and, if the resources chosen are not: (i) Renewable resources;
21 (ii) methods, commercially available technologies, or facilities for
22 integrating renewable resources, including addressing any
23 overgeneration event; or (iii) conservation and efficiency resources,
24 why such a decision was made;

25 (d) By December 31, 2020, and in every resource plan thereafter,
26 identifies how the utility plans over a 10-year period to implement
27 RCW 19.405.040 (~~and~~), 19.405.050, and 19.405.060(7); and

28 (e) Accounts for:

29 (i) Modeled load forecast scenarios that consider the anticipated
30 levels of zero emissions vehicle use in a utility's service area,
31 including anticipated levels of zero emissions vehicle use in the
32 utility's service area provided in RCW 47.01.520, if feasible;

33 (ii) Analysis, research, findings, recommendations, actions, and
34 any other relevant information found in the electrification of
35 transportation plans submitted under RCW 35.92.450, 54.16.430, and
36 80.28.365; and

37 (iii) Assumed use case forecasts and the associated energy
38 impacts. Electric utilities may, but are not required to, use the
39 forecasts generated by the mapping and forecasting tool created in

1 RCW 47.01.520. This subsection (5)(e)(iii) applies only to plans due
2 to be filed after September 1, 2023.

3 (6) Assessments for demand-side resources included in an
4 integrated resource plan may include combined heat and power systems
5 as one of the measures in a conservation supply curve. The value of
6 recoverable waste heat resulting from combined heat and power must be
7 reflected in analyses of cost-effectiveness under this subsection.

8 (7) An electric utility that is required to develop a resource
9 plan under this section must complete its initial plan by September
10 1, 2008.

11 (8) Plans developed under this section must be updated on a
12 regular basis, on intervals approved by the commission or the
13 department, or at a minimum on intervals of two years.

14 (9)(a) Plans shall not be a basis to bring legal action against
15 electric utilities. However, nothing in this subsection (9)(a) may be
16 construed as limiting the commission or any party from bringing any
17 action pursuant to Title 80 RCW, this chapter, or chapter 19.405 RCW
18 against any large combination utility related to an integrated system
19 plan submitted pursuant to RCW 80.86.020.

20 (b) The commission may approve, reject, or approve with
21 conditions, any integrated system plans submitted by a large
22 combination utility as defined in RCW 80.86.010.

23 (10)(a) To maximize transparency, the commission, for investor-
24 owned utilities, or the governing body, for consumer-owned utilities,
25 may require an electric utility to make the utility's data input
26 files available in a native format. Each electric utility shall
27 publish its final plan either as part of an annual report or as a
28 separate document available to the public. The report may be in an
29 electronic form.

30 (b) Nothing in this subsection limits the protection of records
31 containing commercial information under RCW 80.04.095.

32 (11) The commission may require a large combination utility as
33 defined in RCW 80.86.010 to incorporate the requirements of this
34 section into an integrated system plan established under RCW
35 80.86.020.

36 NEW SECTION. **Sec. 22.** A new section is added to chapter 82.29A
37 RCW to read as follows:

38 All leasehold interests in publicly owned, or specified privately
39 owned, real or personal property, are exempt from tax under this

1 chapter, for the duration of the lease, for the portion of the
2 property used for the placement of distributed energy priorities
3 identified in section 2 of this act or energy storage, and the
4 distributed energy priority or energy storage lease was entered into
5 after the effective date of this section.

6 **Sec. 23.** RCW 84.34.020 and 2014 c 125 s 2 are each amended to
7 read as follows:

8 The definitions in this section apply throughout this chapter
9 unless the context clearly requires otherwise.

10 (1) (a) "Open space land" means ~~((a) any)~~: (i) Any land area so
11 designated by an official comprehensive land use plan adopted by any
12 city or county and zoned accordingly~~((r))~~; or ~~((b))~~ (ii) any land
13 area, the preservation of which in its present use would ~~((i))~~ (A)
14 conserve and enhance natural or scenic resources, or ~~((ii))~~ (B)
15 protect streams or water supply, or ~~((iii))~~ (C) promote
16 conservation of soils, wetlands, beaches or tidal marshes, or
17 ~~((iv))~~ (D) enhance the value to the public of abutting or
18 neighboring parks, forests, wildlife preserves, nature reservations
19 or sanctuaries or other open space, or ~~((v))~~ (E) enhance recreation
20 opportunities, or ~~((vi))~~ (F) preserve historic sites, or ~~((vii))~~
21 (G) preserve visual quality along highway, road, and street corridors
22 or scenic vistas, or ~~((viii))~~ (H) retain in its natural state
23 tracts of land not less than one acre situated in an urban area and
24 open to public use on such conditions as may be reasonably required
25 by the legislative body granting the open space classification~~((r))~~; or
26 ~~((e))~~ (iii) any land meeting the definition of farm and
27 agricultural conservation land under subsection (8) of this section.
28 As a condition of granting open space classification, the legislative
29 body may not require public access on land classified under
30 ~~((b) (iii))~~ (a) (ii) (C) of this subsection for the purpose of
31 promoting conservation of wetlands.

32 (b) "Open space land" includes land on which an agrivoltaic
33 facility is located.

34 (2) "Farm and agricultural land" means:

35 (a) Any parcel of land that is ~~((twenty))~~ 20 or more acres or
36 multiple parcels of land that are contiguous and total ~~((twenty))~~ 20
37 or more acres:

38 (i) Devoted primarily to the production of livestock or
39 agricultural commodities for commercial purposes;

1 (ii) Enrolled in the federal conservation reserve program or its
2 successor administered by the United States department of
3 agriculture; or

4 (iii) Other similar commercial activities as may be established
5 by rule;

6 (b) (i) Any parcel of land that is five acres or more but less
7 than (~~twenty~~) 20 acres devoted primarily to agricultural uses,
8 which has produced a gross income from agricultural uses equivalent
9 to, as of January 1, 1993:

10 (A) (~~One hundred dollars~~) \$100 or more per acre per year for
11 three of the five calendar years preceding the date of application
12 for classification under this chapter for all parcels of land that
13 are classified under this subsection or all parcels of land for which
14 an application for classification under this subsection is made with
15 the granting authority prior to January 1, 1993; and

16 (B) On or after January 1, 1993, (~~two hundred dollars~~) \$200 or
17 more per acre per year for three of the five calendar years preceding
18 the date of application for classification under this chapter;

19 (ii) For the purposes of (b) (i) of this subsection, "gross income
20 from agricultural uses" includes, but is not limited to, the
21 wholesale value of agricultural products donated to nonprofit food
22 banks or feeding programs;

23 (c) Any parcel of land of less than five acres devoted primarily
24 to agricultural uses which has produced a gross income as of January
25 1, 1993, of:

26 (i) (~~One thousand dollars~~) \$1,000 or more per year for three of
27 the five calendar years preceding the date of application for
28 classification under this chapter for all parcels of land that are
29 classified under this subsection or all parcels of land for which an
30 application for classification under this subsection is made with the
31 granting authority prior to January 1, 1993; and

32 (ii) On or after January 1, 1993, (~~fifteen hundred dollars~~)
33 \$1,500 or more per year for three of the five calendar years
34 preceding the date of application for classification under this
35 chapter. Parcels of land described in (b) (i) (A) and (c) (i) of this
36 subsection will, upon any transfer of the property excluding a
37 transfer to a surviving spouse or surviving state registered domestic
38 partner, be subject to the limits of (b) (i) (B) and (c) (ii) of this
39 subsection;

1 (d) Any parcel of land that is five acres or more but less than
2 (~~twenty~~) 20 acres devoted primarily to agricultural uses, which
3 meet one of the following criteria:

4 (i) Has produced a gross income from agricultural uses equivalent
5 to two hundred dollars or more per acre per year for three of the
6 five calendar years preceding the date of application for
7 classification under this chapter;

8 (ii) Has standing crops with an expectation of harvest within
9 seven years, except as provided in (d)(iii) of this subsection, and a
10 demonstrable investment in the production of those crops equivalent
11 to one hundred dollars or more per acre in the current or previous
12 calendar year. For the purposes of this subsection (2)(d)(ii),
13 "standing crop" means Christmas trees, vineyards, fruit trees, or
14 other perennial crops that: (A) Are planted using agricultural
15 methods normally used in the commercial production of that particular
16 crop; and (B) typically do not produce harvestable quantities in the
17 initial years after planting; or

18 (iii) Has a standing crop of short rotation hardwoods with an
19 expectation of harvest within (~~fifteen~~) 15 years and a demonstrable
20 investment in the production of those crops equivalent to (~~one~~
21 ~~hundred dollars~~) \$100 or more per acre in the current or previous
22 calendar year;

23 (e) Any lands including incidental uses as are compatible with
24 agricultural purposes, including wetlands preservation, provided such
25 incidental use does not exceed (~~twenty~~) 20 percent of the
26 classified land and the land on which appurtenances necessary to the
27 production, preparation, or sale of the agricultural products exist
28 in conjunction with the lands producing such products. Agricultural
29 lands also include any parcel of land of one to five acres, which is
30 not contiguous, but which otherwise constitutes an integral part of
31 farming operations being conducted on land qualifying under this
32 section as "farm and agricultural lands";

33 (f) The land on which housing for employees and the principal
34 place of residence of the farm operator or owner of land classified
35 pursuant to (a) of this subsection is sited if: The housing or
36 residence is on or contiguous to the classified parcel; and the use
37 of the housing or the residence is integral to the use of the
38 classified land for agricultural purposes;

39 (g) Any land that is used primarily for equestrian related
40 activities for which a charge is made, including, but not limited to,

1 stabling, training, riding, clinics, schooling, shows, or grazing for
2 feed and that otherwise meet the requirements of (a), (b), or (c) of
3 this subsection; (~~or~~)

4 (h) Any land primarily used for commercial horticultural
5 purposes, including growing seedlings, trees, shrubs, vines, fruits,
6 vegetables, flowers, herbs, and other plants in containers, whether
7 under a structure or not, subject to the following:

8 (i) The land is not primarily used for the storage, care, or
9 selling of plants purchased from other growers for retail sale;

10 (ii) If the land is less than five acres and used primarily to
11 grow plants in containers, such land does not qualify as "farm and
12 agricultural land" if more than (~~twenty-five~~) 25 percent of the
13 land used primarily to grow plants in containers is open to the
14 general public for on-site retail sales;

15 (iii) If more than (~~twenty~~) 20 percent of the land used for
16 growing plants in containers qualifying under this subsection (2)(h)
17 is covered by pavement, none of the paved area is eligible for
18 classification as "farm and agricultural land" under this subsection
19 (2)(h). The eligibility limitations described in this subsection
20 (2)(h)(iii) do not affect the land's eligibility to qualify under (e)
21 of this subsection; and

22 (iv) If the land classified under this subsection (2)(h), in
23 addition to any contiguous land classified under this subsection, is
24 less than (~~twenty~~) 20 acres, it must meet the applicable income or
25 investment requirements in (b), (c), or (d) of this subsection; or

26 (i) Lands identified in (a) through (h) of this subsection on
27 which an agrivoltaic facility is located.

28 (3) "Timberland" means any parcel of land that is five or more
29 acres or multiple parcels of land that are contiguous and total five
30 or more acres which is or are devoted primarily to the growth and
31 harvest of timber for commercial purposes. Timberland means the land
32 only and does not include a residential homesite. The term includes
33 land used for incidental uses that are compatible with the growing
34 and harvesting of timber but no more than (~~ten~~) 10 percent of the
35 land may be used for such incidental uses. It also includes the land
36 on which appurtenances necessary for the production, preparation, or
37 sale of the timber products exist in conjunction with land producing
38 these products.

39 (4) "Current" or "currently" means as of the date on which
40 property is to be listed and valued by the assessor.

1 (5) "Owner" means the party or parties having the fee interest in
2 land, except that where land is subject to real estate contract
3 "owner" means the contract vendee.

4 (6) (a) "Contiguous" means land adjoining and touching other
5 property held by the same ownership. Land divided by a public road,
6 but otherwise an integral part of a farming operation, is considered
7 contiguous.

8 (b) For purposes of this subsection (6):

9 (i) "Same ownership" means owned by the same person or persons,
10 except that parcels owned by different persons are deemed held by the
11 same ownership if the parcels are:

12 (A) Managed as part of a single operation; and

13 (B) Owned by:

14 (I) Members of the same family;

15 (II) Legal entities that are wholly owned by members of the same
16 family; or

17 (III) An individual who owns at least one of the parcels and a
18 legal entity or entities that own the other parcel or parcels if the
19 entity or entities are wholly owned by that individual, members of
20 his or her family, or that individual and members of his or her
21 family.

22 (ii) "Family" includes only:

23 (A) An individual and his or her spouse or domestic partner,
24 child, stepchild, adopted child, grandchild, parent, stepparent,
25 grandparent, cousin, or sibling;

26 (B) The spouse or domestic partner of an individual's child,
27 stepchild, adopted child, grandchild, parent, stepparent,
28 grandparent, cousin, or sibling;

29 (C) A child, stepchild, adopted child, grandchild, parent,
30 stepparent, grandparent, cousin, or sibling of the individual's
31 spouse or the individual's domestic partner; and

32 (D) The spouse or domestic partner of any individual described in
33 (b) (ii) (C) of this subsection (6).

34 (7) "Granting authority" means the appropriate agency or official
35 who acts on an application for classification of land pursuant to
36 this chapter.

37 (8) "Farm and agricultural conservation land" means either:

38 (a) Land that was previously classified under subsection (2) of
39 this section, that no longer meets the criteria of subsection (2) of

1 this section, and that is reclassified under subsection (1) of this
2 section; or

3 (b) Land that is traditional farmland that is not classified
4 under chapter 84.33 or 84.34 RCW, that has not been irrevocably
5 devoted to a use inconsistent with agricultural uses, and that has a
6 high potential for returning to commercial agriculture.

7 (9) "Agrivoltaic facility" has the same meaning as described in
8 section 2 of this act.

9 **Sec. 24.** RCW 84.34.070 and 2017 c 251 s 1 are each amended to
10 read as follows:

11 (1)(a) When land has once been classified under this chapter, it
12 must remain under such classification and must not be applied to
13 other use except as provided by subsection (2) of this section for at
14 least ten years from the date of classification. It must continue
15 under such classification until and unless withdrawn from
16 classification after notice of request for withdrawal is made by the
17 owner. After the initial (~~ten~~) 10-year classification period has
18 elapsed, notice of request for withdrawal of all or a portion of the
19 land may be given by the owner to the assessor or assessors of the
20 county or counties in which the land is situated. If a portion of a
21 parcel is removed from classification, the remaining portion must
22 meet the same requirements as did the entire parcel when the land was
23 originally granted classification under this chapter unless the
24 remaining parcel has different income criteria. Within seven days the
25 assessor must transmit one copy of the notice to the legislative body
26 that originally approved the application. The assessor or assessors,
27 as the case may be, must withdraw the land from the classification
28 and the land is subject to the additional tax and applicable interest
29 due under RCW 84.34.108. Agreement to tax according to use is not
30 considered to be a contract and can be abrogated at any time by the
31 legislature in which event no additional tax or penalty may be
32 imposed.

33 (b) If the assessor gives written notice of removal as provided
34 in RCW 84.34.108(1)(d)(i) of all or a portion of land classified
35 under this chapter before the owner gives a notice of request for
36 withdrawal in (a) of this subsection, the provisions of RCW 84.34.108
37 apply.

1 (2) (a) The following reclassifications are not considered
2 withdrawals or removals and are not subject to additional tax under
3 RCW 84.34.108:

4 (i) Reclassification between lands under RCW 84.34.020 (2) and
5 (3);

6 (ii) Reclassification of land classified under RCW 84.34.020 (2)
7 or (3) or designated under chapter 84.33 RCW to open space land under
8 RCW 84.34.020(1);

9 (iii) Reclassification of land classified under RCW 84.34.020 (2)
10 or (3) to forestland designated under chapter 84.33 RCW; and

11 (iv) Reclassification of land classified as open space land under
12 RCW 84.34.020(1) ~~((e))~~ (a)(iii) and reclassified to farm and
13 agricultural land under RCW 84.34.020(2) if the land had been
14 previously classified as farm and agricultural land under RCW
15 84.34.020(2).

16 (b) Designation as forestland under RCW 84.33.130(1) as a result
17 of a merger adopted under RCW 84.34.400 is not considered a
18 withdrawal or removal and is not subject to additional tax under RCW
19 84.34.108.

20 (3) Applications for reclassification are subject to applicable
21 provisions of RCW 84.34.037, 84.34.035, 84.34.041, and chapter 84.33
22 RCW.

23 (4) The income criteria for land classified under RCW
24 84.34.020(2) (b) and (c) may be deferred for land being reclassified
25 from land classified under RCW 84.34.020 (1) ~~((e))~~ (a)(iii) or (3),
26 or chapter 84.33 RCW into RCW 84.34.020(2) (b) or (c) for a period of
27 up to five years from the date of reclassification.

28 (5) The addition of an agrivoltaic facility does not constitute a
29 reclassification for purposes of this chapter and is not considered a
30 withdrawal or removal subject to additional tax under RCW 84.34.108.

31 **Sec. 25.** RCW 36.70A.177 and 2006 c 147 s 1 are each amended to
32 read as follows:

33 (1) A county or a city may use a variety of innovative zoning
34 techniques in areas designated as agricultural lands of long-term
35 commercial significance under RCW 36.70A.170. The innovative zoning
36 techniques should be designed to conserve agricultural lands and
37 encourage the agricultural economy. Except as provided in subsection
38 (3) of this section, a county or city should encourage

1 nonagricultural uses to be limited to lands with poor soils or
2 otherwise not suitable for agricultural purposes.

3 (2) Innovative zoning techniques a county or city may consider
4 include, but are not limited to:

5 (a) Agricultural zoning, which limits the density of development
6 and restricts or prohibits nonfarm uses of agricultural land and may
7 allow accessory uses, including nonagricultural accessory uses and
8 activities, that support, promote, or sustain agricultural operations
9 and production, as provided in subsection (3) of this section;

10 (b) Cluster zoning, which allows new development on one portion
11 of the land, leaving the remainder in agricultural or open space
12 uses;

13 (c) Large lot zoning, which establishes as a minimum lot size the
14 amount of land necessary to achieve a successful farming practice;

15 (d) Quarter/quarter zoning, which permits one residential
16 dwelling on a one-acre minimum lot for each one-sixteenth of a
17 section of land; and

18 (e) Sliding scale zoning, which allows the number of lots for
19 single-family residential purposes with a minimum lot size of one
20 acre to increase inversely as the size of the total acreage
21 increases.

22 (3) Accessory uses allowed under subsection (2)(a) of this
23 section shall comply with the following:

24 (a) Accessory uses shall be located, designed, and operated so as
25 to not interfere with, and to support the continuation of, the
26 overall agricultural use of the property and neighboring properties,
27 and shall comply with the requirements of this chapter;

28 (b) Accessory uses may include:

29 (i) Agricultural accessory uses and activities, including but not
30 limited to the storage, distribution, and marketing of regional
31 agricultural products from one or more producers, agriculturally
32 related experiences, or the production, marketing, and distribution
33 of value-added agricultural products, including support services that
34 facilitate these activities; (~~and~~)

35 (ii) Nonagricultural accessory uses and activities as long as
36 they are consistent with the size, scale, and intensity of the
37 existing agricultural use of the property and the existing buildings
38 on the site. Nonagricultural accessory uses and activities, including
39 new buildings, parking, or supportive uses, shall not be located
40 outside the general area already developed for buildings and

1 residential uses and shall not otherwise convert more than one acre
2 of agricultural land to nonagricultural uses; and

3 (iii) Agrivoltaic facilities, as described in section 2 of this
4 act, and other developments that place solar panels in agricultural
5 lands of long-term commercial significance under RCW 36.70A.170 in a
6 manner that does not meet the description of agrivoltaic facilities
7 in section 2 of this act, but that meets the standards established
8 under (b) (i) or (ii) of this subsection; and

9 (c) (~~Counties~~) Except for agrivoltaic facilities, counties and
10 cities have the authority to limit or exclude accessory uses
11 otherwise authorized in this subsection (3) in areas designated as
12 agricultural lands of long-term commercial significance.

13 (4) This section shall not be interpreted to limit agricultural
14 production on designated agricultural lands.

15 **Sec. 26.** RCW 36.70A.060 and 2023 c 225 s 2 are each amended to
16 read as follows:

17 (1)(a) Each county that is required or chooses to plan under RCW
18 36.70A.040, and each city within such county, shall adopt development
19 regulations on or before September 1, 1991, to assure the
20 conservation of agricultural, forest, and mineral resource lands
21 designated under RCW 36.70A.170. Regulations adopted under this
22 subsection may not prohibit uses legally existing on any parcel prior
23 to their adoption and shall remain in effect until the county or city
24 adopts development regulations pursuant to RCW 36.70A.040. Such
25 regulations shall assure that the use of lands adjacent to
26 agricultural, forest, or mineral resource lands shall not interfere
27 with the continued use, in the accustomed manner and in accordance
28 with best management practices, of these designated lands for the
29 production of food, agricultural products, or timber, or for the
30 extraction of minerals. As of the effective date of this section,
31 agrivoltaic facilities, as described in section 2 of this act, are
32 determined not to interfere with the continued use, in the accustomed
33 manner and in accordance with best management practices, of
34 designated agricultural resources lands for the production of food
35 and agricultural products, and county regulations adopted under this
36 section must be revised to be consistent with this determination. Any
37 county located to the west of the crest of the Cascade mountains that
38 has both a population of at least four hundred thousand and a border
39 that touches another state, and any city in such county, may adopt

1 development regulations to assure that agriculture, forest, and
2 mineral resource lands adjacent to short line railroads may be
3 developed for freight rail dependent uses.

4 (b) Counties and cities shall require that all plats, short
5 plats, development permits, and building permits issued for
6 development activities on, or within five hundred feet of, lands
7 designated as agricultural lands, forestlands, or mineral resource
8 lands, contain a notice that the subject property is within or near
9 designated agricultural lands, forestlands, or mineral resource lands
10 on which a variety of commercial activities may occur that are not
11 compatible with residential development for certain periods of
12 limited duration. The notice for mineral resource lands shall also
13 inform that an application might be made for mining-related
14 activities, including mining, extraction, washing, crushing,
15 stockpiling, blasting, transporting, and recycling of minerals.

16 (c) Each county that adopts a resolution of partial planning
17 under RCW 36.70A.040(2)(b), and each city within such county, shall
18 adopt development regulations within one year after the adoption of
19 the resolution of partial planning to assure the conservation of
20 agricultural, forest, and mineral resource lands designated under RCW
21 36.70A.170. Regulations adopted under this subsection (1)(c) must
22 comply with the requirements governing regulations adopted under (a)
23 of this subsection.

24 (d)(i) A county that adopts a resolution of partial planning
25 under RCW 36.70A.040(2)(b) and that is not in compliance with the
26 planning requirements of this section, RCW 36.70A.040(4),
27 36.70A.070(5), 36.70A.170, and 36.70A.172 at the time the resolution
28 is adopted must, by January 30, 2017, apply for a determination of
29 compliance from the department finding that the county's development
30 regulations, including development regulations adopted to protect
31 critical areas, and comprehensive plans are in compliance with the
32 requirements of this section, RCW 36.70A.040(4), 36.70A.070(5),
33 36.70A.170, and 36.70A.172. The department must approve or deny the
34 application for a determination of compliance within one hundred
35 twenty days of its receipt or by June 30, 2017, whichever date is
36 earlier.

37 (ii) If the department denies an application under (d)(i) of this
38 subsection, the county and each city within is obligated to comply
39 with all requirements of this chapter and the resolution for partial
40 planning adopted under RCW 36.70A.040(2)(b) is no longer in effect.

1 (iii) A petition for review of a determination of compliance
2 under (d)(i) of this subsection may only be appealed to the growth
3 management hearings board within 60 days of the issuance of the
4 decision by the department.

5 (iv) In the event of a filing of a petition in accordance with
6 (d)(iii) of this subsection, the county and the department must
7 equally share the costs incurred by the department for defending an
8 approval of determination of compliance that is before the growth
9 management hearings board.

10 (v) The department may implement this subsection (1)(d) by
11 adopting rules related to determinations of compliance. The rules may
12 address, but are not limited to: The requirements for applications
13 for a determination of compliance; charging of costs under (d)(iv) of
14 this subsection; procedures for processing applications; criteria for
15 the evaluation of applications; issuance and notice of department
16 decisions; and applicable timelines.

17 (e) Any county that borders both the Cascade mountains and
18 another country and has a population of less than fifty thousand
19 people, and any city in such county, may adopt development
20 regulations to assure that agriculture, forest, and mineral resource
21 lands adjacent to short line railroads may be developed for freight
22 rail dependent uses.

23 (2) Each county and city shall adopt development regulations that
24 protect critical areas that are required to be designated under RCW
25 36.70A.170. For counties and cities that are required or choose to
26 plan under RCW 36.70A.040, such development regulations shall be
27 adopted on or before September 1, 1991. For the remainder of the
28 counties and cities, such development regulations shall be adopted on
29 or before March 1, 1992.

30 (3) Such counties and cities shall review these designations and
31 development regulations when adopting their comprehensive plans under
32 RCW 36.70A.040 and implementing development regulations under RCW
33 36.70A.120 and may alter such designations and development
34 regulations to ensure consistency.

35 (4)(a) A city with a population fewer than 25,000 may adopt the
36 county's critical areas regulations by reference to satisfy the
37 requirements under this section to designate and protect critical
38 areas; provided, that the county's critical areas regulations are not
39 subject to any outstanding administrative or judicial appeals at the

1 time of the city's adoption. Nothing in this subsection prohibits a
2 city from adopting its own critical areas regulations.

3 (b) The city legislative action adopting the county regulations
4 by reference must incorporate future amendments to the critical areas
5 policies and development regulations of the county.

6 (c) A city that adopts the county's critical areas regulations by
7 reference is not required to take legislative action to review and
8 update development regulations protecting critical areas under RCW
9 36.70A.130.

10 (d) If grant funding is available for a local jurisdiction's
11 periodic comprehensive planning updates as required in RCW
12 36.70A.070, and a city has adopted by reference the county's critical
13 areas regulations as allowed in (a) through (c) of this subsection,
14 the county in which the city is located shall be entitled to the
15 portion of the city's grant funding that would otherwise have been
16 utilized for updating the city's critical areas regulations. The
17 department is authorized to determine what portion of the available
18 grant funding the city would have received for the critical areas
19 regulations update the county is entitled to receive.

20 (5) Forestland and agricultural land located within urban growth
21 areas shall not be designated by a county or city as forestland or
22 agricultural land of long-term commercial significance under RCW
23 36.70A.170 unless the city or county has enacted a program
24 authorizing transfer or purchase of development rights.

25 NEW SECTION. **Sec. 27.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

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