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HOUSE BILL 1607

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State of Washington

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2015 Regular Session

By Representatives Griffey, MacEwen, Taylor, Haler, Stokesbary, Dent, Wilson, Scott, Muri, and Condotta

Read first time 01/23/15. Referred to Committee on Technology & Economic Development.

1 AN ACT Relating to recognizing hydroelectricity as an eligible  
2 renewable resource in the energy independence act; and amending RCW  
3 19.285.020 and 19.285.030.

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

5 **Sec. 1.** RCW 19.285.020 and 2007 c 1 s 2 are each amended to read  
6 as follows:

7 Increasing energy conservation and the use of appropriately sited  
8 renewable energy facilities (~~((builds on the strong foundation of low-~~  
9 ~~cost renewable hydroelectric generation in Washington state and))~~)  
10 will promote energy independence in the state and the Pacific  
11 Northwest region. Making the most of our plentiful local resources  
12 will stabilize electricity prices for Washington residents, provide  
13 economic benefits for Washington counties and farmers, create high-  
14 quality jobs in Washington, provide opportunities for training  
15 apprentice workers in the renewable energy field, protect clean air  
16 and water, and position Washington state as a national leader in  
17 clean energy technologies.

18 **Sec. 2.** RCW 19.285.030 and 2014 c 45 s 1 are each amended to  
19 read as follows:

1 The definitions in this section apply throughout this chapter  
2 unless the context clearly requires otherwise.

3 (1) "Attorney general" means the Washington state office of the  
4 attorney general.

5 (2) "Auditor" means: (a) The Washington state auditor's office or  
6 its designee for qualifying utilities under its jurisdiction that are  
7 not investor-owned utilities; or (b) an independent auditor selected  
8 by a qualifying utility that is not under the jurisdiction of the  
9 state auditor and is not an investor-owned utility.

10 (3)(a) "Biomass energy" includes: (i) Organic by-products of  
11 pulping and the wood manufacturing process; (ii) animal manure; (iii)  
12 solid organic fuels from wood; (iv) forest or field residues; (v)  
13 untreated wooden demolition or construction debris; (vi) food waste  
14 and food processing residuals; (vii) liquors derived from algae;  
15 (viii) dedicated energy crops; and (ix) yard waste.

16 (b) "Biomass energy" does not include: (i) Wood pieces that have  
17 been treated with chemical preservatives such as creosote,  
18 pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old  
19 growth forests; or (iii) municipal solid waste.

20 (4) "Coal transition power" has the same meaning as defined in  
21 RCW 80.80.010.

22 (5) "Commission" means the Washington state utilities and  
23 transportation commission.

24 (6) "Conservation" means any reduction in electric power  
25 consumption resulting from increases in the efficiency of energy use,  
26 production, or distribution.

27 (7) "Cost-effective" has the same meaning as defined in RCW  
28 80.52.030.

29 (8) "Council" means the Washington state apprenticeship and  
30 training council within the department of labor and industries.

31 (9) "Customer" means a person or entity that purchases  
32 electricity for ultimate consumption and not for resale.

33 (10) "Department" means the department of commerce or its  
34 successor.

35 (11) "Distributed generation" means an eligible renewable  
36 resource where the generation facility or any integrated cluster of  
37 such facilities has a generating capacity of not more than five  
38 megawatts.

39 (12) "Eligible renewable resource" means:

1 (a) Electricity from a generation facility powered by a renewable  
2 resource (~~(other than freshwater)~~) that commences operation after  
3 March 31, 1999, where: (i) The facility is located in the Pacific  
4 Northwest; or (ii) the electricity from the facility is delivered  
5 into Washington state on a real-time basis without shaping, storage,  
6 or integration services;

7 ~~(b) ((Incremental electricity produced as a result of efficiency~~  
8 ~~improvements completed after March 31, 1999, to hydroelectric~~  
9 ~~generation projects owned by a qualifying utility and located in the~~  
10 ~~Pacific Northwest where the additional generation does not result in~~  
11 ~~new water diversions or impoundments;))~~ Electricity from a generation  
12 facility powered by water that commenced operation before March 31,  
13 1999, where the facility is located in the Pacific Northwest;

14 (c) Hydroelectric generation from a project completed after March  
15 31, 1999, where the generation facility is located in irrigation  
16 pipes, irrigation canals, water pipes whose primary purpose is for  
17 conveyance of water for municipal use, and wastewater pipes located  
18 in Washington where the generation does not result in new water  
19 diversions or impoundments;

20 (d) Qualified biomass energy; or

21 (e) For a qualifying utility that serves customers in other  
22 states, electricity from a generation facility powered by a renewable  
23 resource other than freshwater that commences operation after March  
24 31, 1999, where: (i) The facility is located within a state in which  
25 the qualifying utility serves retail electrical customers; and (ii)  
26 the qualifying utility owns the facility in whole or in part or has a  
27 long-term contract with the facility of at least twelve months or  
28 more.

29 (13) "Investor-owned utility" has the same meaning as defined in  
30 RCW 19.29A.010.

31 (14) "Load" means the amount of kilowatt-hours of electricity  
32 delivered in the most recently completed year by a qualifying utility  
33 to its Washington retail customers.

34 (15)(a) "Nonpower attributes" means all environmentally related  
35 characteristics, exclusive of energy, capacity reliability, and other  
36 electrical power service attributes, that are associated with the  
37 generation of electricity from a renewable resource, including but  
38 not limited to the facility's fuel type, geographic location,  
39 vintage, qualification as an eligible renewable resource, and avoided

1 emissions of pollutants to the air, soil, or water, and avoided  
2 emissions of carbon dioxide and other greenhouse gases.

3 (b) "Nonpower attributes" does not include any aspects, claims,  
4 characteristics, and benefits associated with the on-site capture and  
5 destruction of methane or other greenhouse gases at a facility  
6 through a digester system, landfill gas collection system, or other  
7 mechanism, which may be separately marketable as greenhouse gas  
8 emission reduction credits, offsets, or similar tradable commodities.  
9 However, these separate avoided emissions may not result in or  
10 otherwise have the effect of attributing greenhouse gas emissions to  
11 the electricity.

12 (16) "Pacific Northwest" has the same meaning as defined for the  
13 Bonneville power administration in section 3 of the Pacific Northwest  
14 electric power planning and conservation act (94 Stat. 2698; 16  
15 U.S.C. Sec. 839a).

16 (17) "Public facility" has the same meaning as defined in RCW  
17 39.35C.010.

18 (18) "Qualified biomass energy" means electricity produced from a  
19 biomass energy facility that: (a) Commenced operation before March  
20 31, 1999; (b) contributes to the qualifying utility's load; and (c)  
21 is owned either by: (i) A qualifying utility; or (ii) an industrial  
22 facility that is directly interconnected with electricity facilities  
23 that are owned by a qualifying utility and capable of carrying  
24 electricity at transmission voltage.

25 (19) "Qualifying utility" means an electric utility, as the term  
26 "electric utility" is defined in RCW 19.29A.010, that serves more  
27 than twenty-five thousand customers in the state of Washington. The  
28 number of customers served may be based on data reported by a utility  
29 in form 861, "annual electric utility report," filed with the energy  
30 information administration, United States department of energy.

31 (20) "Renewable energy credit" means a tradable certificate of  
32 proof of at least one megawatt-hour of an eligible renewable resource  
33 (~~(where the generation facility is not powered by freshwater)~~). The  
34 certificate includes all of the nonpower attributes associated with  
35 that one megawatt-hour of electricity, and the certificate is  
36 verified by a renewable energy credit tracking system selected by the  
37 department.

38 (21) "Renewable resource" means: (a) Water; (b) wind; (c) solar  
39 energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or  
40 tidal power; (g) gas from sewage treatment facilities; (h) biodiesel

1 fuel as defined in RCW 82.29A.135 that is not derived from crops  
2 raised on land cleared from old growth or first-growth forests where  
3 the clearing occurred after December 7, 2006; or (i) biomass energy.

4 (22) "Rule" means rules adopted by an agency or other entity of  
5 Washington state government to carry out the intent and purposes of  
6 this chapter.

7 (23) "Year" means the twelve-month period commencing January 1st  
8 and ending December 31st.

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