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**SUBSTITUTE HOUSE BILL 2994**

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**State of Washington**

**60th Legislature**

**2008 Regular Session**

**By** House Technology, Energy & Communications (originally sponsored by Representatives Takko, Crouse, Hasegawa, VanDeWege, Roberts, Hankins, and Haler)

READ FIRST TIME 02/05/08.

1       AN ACT Relating to promoting renewable energy in Washington; and  
2 adding a new chapter to Title 80 RCW.

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

4       NEW SECTION. **Sec. 1.** The legislature finds and declares that the  
5 potential for meeting future energy needs and promoting energy  
6 independence in the state and the Pacific Northwest region through the  
7 generation of electricity from renewable energy facilities may not be  
8 realized without incentives to consumer-owned utilities.  
9 Not-for-profit entities, including consumer-owned utilities, are not  
10 eligible for federal tax credits available to for-profit owners of  
11 renewable energy projects. Although the federal government offers  
12 incentives to certain not-for-profit entities under the federal  
13 renewable energy production incentive program there are insufficient  
14 funds to fully realize the potential benefit of this incentive for  
15 public power systems and other not-for-profit utilities. Given the  
16 emphasis and recognized need for renewable energy resources under  
17 chapter 1, Laws of 2007 and other state laws, the legislature therefore  
18 finds and declares that incentives by state government to promote the  
19 use of renewable resources would be of great benefit to the citizens of

1 this state by encouraging a reliable and diverse supply of energy based  
2 upon renewable energy resources, by providing economic benefits for  
3 Washington citizens by creating high-quality jobs, and by positioning  
4 Washington state as a national leader in renewable energy technologies.

5 NEW SECTION. **Sec. 2.** The definition in this section applies  
6 throughout this chapter unless the context clearly requires otherwise.  
7 "Qualified renewable energy facility" means a qualified renewable  
8 energy facility that is eligible for the renewable energy production  
9 incentive under 42 U.S.C. Sec. 13317 as of August 8, 2005.

10 NEW SECTION. **Sec. 3.** Subject to the availability of amounts  
11 appropriated for this specific purpose, the state shall make payments  
12 to the owner of any qualified renewable energy facility as provided  
13 under section 4 of this act. The state shall make payments to the  
14 owner of a qualified renewable energy facility only for the duration  
15 that the facility is eligible to receive federal renewable energy  
16 production incentive payments as provided under 42 U.S.C. Sec. 13317 as  
17 of August 8, 2005. If a facility is currently in operation as of the  
18 effective date of this section, the state shall make payments to the  
19 owner of a qualified renewable energy facility for the remaining time  
20 the facility is eligible to receive federal renewable energy production  
21 incentive payments as provided under 42 U.S.C. Sec. 13317 as of August  
22 8, 2005.

23 NEW SECTION. **Sec. 4.** Payments made by the state under this  
24 chapter to the owner of any qualified renewable energy facility must be  
25 based on the number of kilowatt hours of electricity generated by the  
26 facility during the payment period referred to under section 3 of this  
27 act. For any facility, the amount of such a payment is one and one-  
28 half cents per kilowatt hour adjusted for inflation as provided under  
29 42 U.S.C. Sec. 13317 as of August 8, 2005, reduced by the amount  
30 received from the federal government under 42 U.S.C. Sec. 13317 for the  
31 same time period.

32 NEW SECTION. **Sec. 5.** If any provision of this act or its  
33 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other  
2 persons or circumstances is not affected.

3 NEW SECTION. **Sec. 6.** This act may be known and cited as the  
4 renewable energy incentive act.

5 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act constitute  
6 a new chapter in Title 80 RCW.

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