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SENATE BILL 5237

State of Washington 60th Legislature 2007 Regular Session

By Senators Poulsen, Honeyford, Kohl-Welles and Keiser

Read first time 01/15/2007. Referred to Committee on Water, Energy & Telecommunications.

AN ACT Relating to the purchase of carbon credits from entities that remove methane from the environment; adding a new section to chapter 43.19 RCW; and creating a new section.

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

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18 19 NEW SECTION. Sec. 1. The legislature finds that methane (CH_4) is a potent greenhouse gas that is twenty times more effective than carbon dioxide in trapping heat in the atmosphere. Reducing methane emissions, therefore, is an effective means to reduce climate warming. The legislature also finds that about sixty percent of global methane emissions are human-influenced sources, such as dairy farms. While the legislature cannot control all sources of human-influenced methane, it can encourage the use of innovative mechanisms to control methane from dairy farms located in the state.

The legislature declares that the state should be authorized to purchase carbon credits from dairy farmers in the state as an incentive for them to pursue appropriate measures to control dairy nutrients and their concomitant methane emissions from the environment. By offering this financial incentive, the state may enable dairy farmers to finance the development of anaerobic digesters and to produce electricity at a

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- 1 price that may meet the avoided cost of local utilities, thus
- 2 benefiting dairy operations, the environment, and the need for cost-
- 3 effective electricity.

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- 4 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.19 RCW 5 to read as follows:
 - (1) Subject to availability of amounts appropriated for this specific purpose, the department of general administration shall purchase at a negotiated price available carbon credits from a person, firm, or corporation that removes methane from the environment by the generation of electricity from biogas in facilities that begin commercial operation after the effective date of this section.
 - (2) The department shall retire and not resell the credits.
 - (3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
 - (a) "Biogas" means the gas primarily composed of methane that is produced in the state from the anaerobic decomposition of organic matter derived from dairy cows in the state.
 - (b) "Carbon credit" means a credit for the verified reduction in the carbon dioxide equivalent of methane, and that is registered with a state, national, or international trading authority or exchange selected by the department of community, trade, and economic development or the Washington climate and rural energy development center.
- 24 (c) "Carbon dioxide equivalent" has the same meaning as in RCW 25 80.70.010.

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