## <u>SSB 5921</u> - H AMD **710**By Representative McCoy

## ADOPTED AS AMENDED 04/16/2009

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. The legislature finds that Washington is recognized as a leader in sustainability and climate change and has the foundation to become a leader in the clean energy technologies, products, and services that will be required throughout the world to provide reliable and reduced-emission energy. However, to become a leader, Washington will need policies and strategies to develop new clean energy technologies, attract federal and private investments, attract and grow clean energy companies, and create green jobs.

The legislature further finds that positioning Washington to be competitive for federal and private sector clean energy investments will require collaboration between Washington's state agencies, clean energy technology companies, research institutions, national laboratory, and workforce development system to identify our strengths and develop the requisite policies and strategies.

It is the intent of the legislature to create a clean energy leadership initiative that will set the path to leverage Washington's energy infrastructure and make Washington a hub for clean energy technology and a leader in the creation of green jobs and the development, deployment, and export of clean energy technologies and services.

NEW SECTION. Sec. 2. (1) The office of the governor, in collaboration with a statewide, public-private alliance, shall convene a clean energy leadership council to prepare a strategy for growing the clean energy technology sector in Washington state. The clean energy leadership council shall be supported by public and private resources including, to the extent available, the resources of the energy policy division of the department of community, trade, and economic

development and Washington State University's energy program. The governor, in consultation with the public-private alliance, shall appoint and convene the council by July 31, 2009.

- (2) The clean energy leadership council must develop strategies and recommendations for growing Washington's clean energy sector. The clean energy leadership council must consist of the following clean energy leaders:
- (a) Up to ten representatives of companies in the clean energy sector;
- (b) Representatives of two organizations providing support to clean energy companies; and
  - (c) One representative from each of the following: A public university; the Pacific Northwest national laboratory; a venture capital firm making investments in clean energy companies; and a professional services firm serving clean energy technology.
- (3) The clean energy leadership council must also include the following members:
  - (a) Four members of the legislature, with one member from each caucus of the house of representatives appointed by the speaker of the house of representatives and one member from each caucus of the senate appointed by the president of the senate;
  - (b) The director of the department of community, trade, and economic development or its successor agency;
  - (c) The governor's designee for energy and climate change initiatives within state government; and
    - (d) One representative from the economic development commission.
  - (4) The clean energy leadership council must be cochaired by: (a) A representative of the clean energy sector, selected by the members of the clean energy leadership council; and (b) the director of the department of community, trade, and economic development or its successor agency.
  - (5) The clean energy leadership council must designate one of its members as its representative on the evergreen jobs leadership team to ensure that the efforts of the clean energy leadership council align with the work of the evergreen jobs leadership team in coordinating the state's effort to lead in the green economy.
- 37 (6) The clean energy leadership council may appoint such advisory 38 groups as it deems necessary to carry out its work.

(7) The clean energy leadership council shall:

- (a) Conduct a strategic analysis to identify the clean energy industry segments where Washington can either provide national leadership or become one of the top ten states in that segment. The council shall contract with national experts with detailed knowledge of energy markets and other states' operations to conduct the strategic analysis. The strategic analysis must:
- (i) Identify where Washington has a competitive advantage or emerging strength in research, development, or deployment of clean energy solutions;
- (ii) Evaluate Washington's competitiveness in its business environment, including regulatory requirements, as it relates to supporting clean energy projects and companies, compared to other states and regions; and
- (iii) Evaluate Washington's ability to provide national leadership in reducing carbon emissions, developing and deploying utility-scale clean energy applications, and creating exportable products and applications;
  - (b) Develop a set of strategic recommendations, including implementation steps and responsible parties for carrying them out. The strategic recommendations must provide direction for positioning each clean energy segment identified to provide national leadership and must include a delineation of clear, specific outcomes for each segment to achieve. The strategic recommendations must include recommendations on:
  - (i) Consistent policy frameworks that provide stability to encourage investment through a combination of incentives, regulation, taxation, and use of government purchasing power to build viable markets;
- 30 (ii) The steps necessary for increasing Washington's ability to 31 obtain available competitive federal funds;
- (iii) The development of public-private partnerships that can help each sector grow, including partnerships to facilitate development and deployment of new technologies at scale;
  - (iv) Necessary investments in universities;
  - (v) Management, entrepreneurial, and emerging business needs;
- (vi) Joint use facilities, demonstration facilities, and signature
  research centers that are needed for leadership;

1 (vii) Market access requirements;

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- (viii) Infrastructure needs; and
- 3 (ix) Capital and financing requirements;
  - (c) Recommend an institutional mechanism to foster effective implementation of its recommendations, including organizational structure, staffing, and funding;
  - (d) Review investments made by the energy policy division of the department of community, trade, and economic development, Washington State University's energy program, utilities, and other entities to identify ways to leverage, increase the effectiveness of, or redirect those funds to increase the state's competitiveness in clean energy technology; and
- 13 (e) Make recommendations on potential clean energy programs and 14 projects for possible federal funding through the state energy program, 15 consistent with federal requirements and guidelines.
- 16 (8)(a) By December 1, 2009, the clean energy leadership council 17 shall submit an interim clean energy strategy and initial 18 recommendations to the governor and appropriate committees of the 19 legislature.
- 20 (b) By December 1, 2010, the clean energy leadership council shall complete and submit its final clean energy strategy and recommendations to the governor and appropriate committees of the legislature.
- NEW SECTION. Sec. 3. (1) The energy policy division of the department of community, trade, and economic development, or its successor agency, must consider the clean energy leadership strategy developed under section 2 of this act when preparing its application for federal state energy program funding and determining the type and number of clean energy projects to fund.
- (2) The energy policy division of the department of community, trade, and economic development, or its successor agency, must consult the clean energy leadership council prior to awarding federal energy stimulus funding for clean energy projects.
- NEW SECTION. Sec. 4. (1) The governor shall designate an existing full-time equivalent position within state government as the single point of accountability for all energy and climate change initiatives

- within state agencies. All agencies, councils, or work groups with energy or climate change initiatives must coordinate with the person in this designated position.
  - (2) The person designated by the governor under subsection (1) of this section shall chair the evergreen jobs leadership team established in section 3, chapter . . . (Engrossed Second Substitute House Bill No. 2227), Laws of 2009.
- 8 <u>NEW SECTION.</u> **Sec. 5.** This act expires December 31, 2011.
- 9 <u>NEW SECTION.</u> **Sec. 6.** This act is necessary for the immediate 10 preservation of the public peace, health, or safety, or support of the 11 state government and its existing public institutions, and takes effect 12 immediately."
- 13 Correct the title.

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<u>EFFECT:</u> Clarifies that the governor and a statewide public-private alliance will appoint and convene a clean energy leadership council to prepare a strategy for growing the clean energy technology sector in Washington.

Requires the clean energy leadership council to submit an interim clean energy strategy and initial recommendations to the governor and legislature by 12/1/2009.

Requires the clean energy leadership council to submit the final clean energy strategy and recommendations to the governor and legislature by 12/1/2010.

Requires the department of community, trade, and economic development to consider the clean energy leadership strategy when preparing its application for federal state energy program funding and determining the type and number of projects to fund.

Requires the department of community, trade, and economic development to consult the clean energy leadership council prior to awarding federal energy stimulus funding for clean energy projects.

Requires the governor to designate an existing full-time equivalent position within state government as the single point of accountability for all energy and climate change initiatives within state agencies. State agencies, councils, or work groups must coordinate with this person.

Adds legislators as members of the clean energy leadership council. Specifies that the governor's designee for energy and climate initiatives within state government will chair the evergreen jobs leadership team established in E2SHB 2227. Specifies that the clean energy leadership council will designate one of its members as its

representative on the evergreen jobs leadership team to ensure that the efforts of the clean energy leadership council align with the work of the evergreen jobs leadership team.

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