
**Technology, Energy & Communications
Committee**

HB 2432

Brief Description: Recognizing hydroelectric generation as a renewable energy resource.

Sponsors: Representatives Haler, Herrera, Armstrong, Crouse, Klippert, Angel, Taylor, Johnson, Ericksen, Hope, Alexander, Schmick, McCune, Short, Kristiansen, Ericks, Kirby, Warnick and Kretz.

Brief Summary of Bill

- Allows electricity from hydroelectric generation facilities that commenced operation before March 31, 1999 to qualify as an eligible renewable resources under the Energy Independence Act (Initiative 937).

Hearing Date: 1/28/10

Staff: Scott Richards (786-7156).

Background:

The Energy Independence Act.

In 2006 the voters approved the Energy Independence Act (Initiative 937). Initiative 937 requires certain electric utilities with 25,000 or more customers to meet targets for the use of renewable energy resources and energy conservation.

Renewable Resources Targets.

Each qualifying utility must use eligible renewable resources, acquire equivalent renewable energy credits, or a combination of both, to meet the following annual targets:

- at least 3 percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;

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- at least 9 percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and
- at least 15 percent of its load by January 1, 2020, and each year thereafter.

Eligibility of Renewable Resources.

Determining whether a resource is eligible as a renewable resource under Initiative 937 is a two step process: (1) a resource must meet the definition of renewable resource; and (2) a renewable resources must meet the definition of eligible renewable resource.

Under Initiative 937, renewable resource is defined to mean: (1) water; (2) wind; (3) solar energy; (4) geothermal energy; (5) landfill gas; (6) wave, ocean, or tidal power; (7) gas from sewage treatment facilities; (8) biodiesel fuel that meets statutory motor fuel quality standards and is not derived from crops raised on land cleared from old growth or first-growth forests where the clearing occurred after December 7, 2006; and (9) certain biomass energy.

For renewable resources to be considered an eligible renewable resource, the electricity produced from an eligible renewable resource must be generated in a facility that started operating after March 31, 1999. The facility must either be located in the Pacific Northwest or the electricity from the facility must be delivered into the state on a real-time basis.

Incremental electricity produced from efficiency improvements at hydropower facilities owned by qualifying utilities is also an eligible renewable resource, if the improvements were completed after March 31, 1999 and the improvements do not result in new water diversions or impoundments.

Summary of Bill:

Eligible Renewable Resources.

Electricity from an existing generation facility power by a fresh water renewable resource that commenced operation before March 31, 1999 is considered an eligible renewable resources under Initiative 937.

Legislative Findings.

The Legislature finds that Washington is a leader in promoting the development of renewable energy resources and new technology that improves the health of our environment. Washington already has an abundance of renewable energy including low-cost renewable hydroelectric generation. Recognizing this energy generation source as renewable will stabilize energy prices for Washington residents and protect clean air and water.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.