
**Technology, Energy & Communications
Committee**

HB 2527

Brief Description: Regarding the energy facility site evaluation council.

Sponsors: Representatives Morris, Chase, Hudgins and Jacks.

Brief Summary of Bill

- Transfers the administrative and staff support for the Energy Facility Site Evaluation Council (EFSEC) from the Department of Commerce to the Utilities and Transportation Commission (UTC).
- Authorizes the EFSEC to provide site certification for any commercially operated nuclear power facility and biofuel refineries capable of processing more than 25,000 barrels per day of biofuel.
- Increases the application deposit amount for energy facility site certification under the EFSEC and expands the EFSEC's activities that may be charged against the application deposit.
- Expands the responsibility of the Counsel for the Environment to represent the interest of the public in all local siting proceedings relating to certain energy facilities.

Hearing Date: 1/18/10

Staff: Scott Richards (786-7156).

Background:

The Energy Facility Site Evaluation Council (EFSEC) provides a "one-stop" siting process for major energy facilities in Washington. The EFSEC coordinates all evaluation and licensing steps for siting certain energy facilities in Washington. The EFSEC specifies the conditions of construction and operation. If approved, a site certification agreement is issued in the place of

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any other individual state or local agency permits. The EFSEC also manages an environmental and safety oversight program of facility and site operations.

EFSEC Members: The EFSEC is comprised of a Chair appointed by the Governor, and representatives from five state agencies. Agencies represented on the EFSEC include: (1) the Department of Commerce; (2) the Department of Ecology; (3) the Department of Fish and Wildlife; (4) the Department of Natural Resources; and (5) the Utilities and Transportation Commission. When an application to site a facility is submitted to the EFSEC, representatives from particular cities, counties, or port districts potentially affected by the project are added to the EFSEC for proceedings related to the project.

Administrative and Staff Support: The administrative and staff support for the EFSEC is provided by the Department of Commerce. The Department of Commerce has supervisory authority over the staff of the EFSEC and employs personnel as are necessary to implement the duties of the EFSEC.

Site Certification Process: The EFSEC certification process provides applicants an opportunity to present their proposals, allows interested parties to express their concerns about the proposed project to the EFSEC, and permits the EFSEC to address issues related to the application.

There are six major steps in the site certification process: (1) application submittal; (2) application review; (3) initial public hearings; (4) environmental impact statement; (5) adjudicative proceedings and permits review; and (6) recommendation to the Governor. Each step has specific requirements the applicant and the Council must follow to ensure a comprehensive and balanced review of the project.

EFSEC Application Fee: A site certification application to EFSEC must be accompanied by a \$45,000 fee that is applied toward the direct costs of processing the application, such as the retention of an independent consultant and a hearing examiner, as well as inspection and compliance costs.

Energy Facilities Subject to EFSEC: The energy facilities subject to review by the EFSEC include:

- thermal electrical generation power plants with electrical generating capacity of 350 megawatts (MW) or more;
- floating thermal power plants of 100 MW or more;
- alternative energy electrical generation facilities of any size for which an applicant chooses to receive certification under the EFSEC;
- crude, refined petroleum or liquid petroleum product pipelines larger than six inches in diameter and greater than 15 miles in length;
- intrastate natural gas, synthetic fuel, gas, or liquefied petroleum gas pipelines larger than 14 inches in diameter and greater than 15 miles in length;
- electrical transmission facilities in a national interest electric transmission corridor;
- electrical transmission facilities over a certain voltage for which an applicant chooses to receive certification under EFSEC;
- new refineries capable of processing more than 25,000 barrels per day of petroleum into refined product;

- any underground natural gas storage reservoir capable of delivering more than 100,000,000 cubic feet per day.

Counsel for the Environment: The EFSEC receives a site application, the Attorney General appoints an assistant attorney general as a Counsel for the Environment to represent the public and its interest in protecting the quality of the environment in proceedings before the EFSEC. Costs incurred by the Counsel for the Environment are charged to the Office of the Attorney General.

Summary of Bill:

Transfer of Administrative and Staff Support: After the administrative and staff support for the Council is transferred from the Department of Commerce to the Utilities and Transportation Commission (UTC). The UTC has supervisory authority over the staff of the EFSEC and must employ personnel to implement the duties of the EFSEC.

Expansion of Facility Site Certification Authority: The EFSEC is authorized to review and provide site certification for: (1) any commercially operated nuclear power facility; and (2) biofuel refineries capable of processing more than 25,000 barrels per day of biofuel into refined products.

EFSEC Application Costs: The \$45,000 application deposit for EFSEC siting certification is increased to \$50,000. All expenses that may arise directly or indirectly from processing the application may be charged against the deposit.

Costs that may be charged against the deposit include, but are not limited to, independent consultants costs, council members' wages, employee benefits, costs of a hearing examiner, costs of a court reporter, staff salaries, wages and employee benefits, goods and services, travel expenses, and miscellaneous direct and indirect expenses as arise directly or indirectly from processing an application.

Counsel for the Environment: The Attorney General is directed to appoint a Counsel for the Environment in all local siting proceedings for the following facilities: (1) an energy facility with a generating capacity of 10 MWs or more, or (2) an electric transmission facility greater than 115 kilovolts that is not otherwise under EFSEC jurisdiction. The siting applicant must pay for the reasonable costs of the Counsel for the Environment in all EFSEC and local siting proceedings.

In all siting proceedings where the Counsel for the Environment must participate, the following factors may be considered when determining the public interest: aesthetics, cultural resources, lighting, fish and wildlife protection, setback distances, maximum noise levels, telecommunications interference, decommissioning, and site restoration.

Appropriation: None.

Fiscal Note: Not requested.

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