

SENATE BILL REPORT

SB 5505

As of February 9, 2009

Title: An act relating to renewable energy.

Brief Description: Providing a consistent definition for renewable or alternative energy resources.

Sponsors: Senators Hatfield, Holmquist, Sheldon, Delvin, Schoesler, Parlette, Hobbs, Murray, Hewitt, Honeyford and Shin.

Brief History:

Committee Activity: Environment, Water & Energy: 2/04/09.

SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

Staff: William Bridges (786-7416)

Background: Fuel Mix Disclosure Program. Since 2001 most electric utilities in the state have been required to disclose the fuel mix they use to generate the electricity they sell. Under this program, electricity generated by "water" is classified as a "renewable resource."

"Renewable resources" means electricity generation facilities fueled by: (a) water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; or (f) biomass energy based on solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

Voluntary Green-Power Program. Since 2002 most electric utilities in the state have been required to offer their customers a voluntary choice to purchase electricity generated from alternative energy resources. "Qualified hydropower" is an alternative energy resource under the program.

For the purposes of this section, "qualified hydropower" means the energy produced either: (a) as a result of modernizations or upgrades made after June 1, 1998, to hydropower facilities operating on May 8, 2001, that have been demonstrated to reduce the mortality of anadromous fish; or (b) by run of the river or run of the canal hydropower facilities that are not responsible for obstructing the passage of anadromous fish.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Utility Resource Planning. Since 2008 most electric utilities in the state have been required to develop resource plans describing the mix of generating resources and conservation and efficiency resources that will meet their current and projected needs. Under this program, electricity generated by "water" is classified as a "renewable resource."

"Renewable resources" means electricity generation facilities fueled by: (a) water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) biomass energy utilizing animal waste, solid organic fuels from wood, forest, or field residues or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (g) byproducts of pulping or wood manufacturing processes, including but not limited to bark, wood chips, sawdust, and lignin in spent pulping liquors; (h) ocean thermal, wave, or tidal power; or (i) gas from sewage treatment facilities.

Energy Independence Act (Initiative 937). Approved by voters in 2006, the Energy Independence Act, also known as Initiative 937, requires electric utilities with 25,000 or more customers to meet targets for energy conservation and for using eligible renewable resources. While the Initiative includes "water" as a "renewable resource," it limits the use of hydroelectric power as an "eligible renewable resource" for purposes of satisfying the renewable energy mandate.

"Eligible renewable resource" means: (a) electricity from a generation facility powered by a renewable resource other than fresh water that commences operation after March 31, 1999, where: (i) the facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington State on a real-time basis without shaping, storage, or integration services; or (b) incremental electricity produced as a result of efficiency improvements completed after March 31, 1999, to hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest or to hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest, where the additional generation in either case does not result in new water diversions or impoundments.

Summary of Bill: The definition of "renewable resources" used for utility resource planning, which classifies all electricity generated by water as "renewable," replaces renewable energy definitions in the following: the Fuel Mix Disclosure Program, the Voluntary Green-Power Program, and Initiative 937.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Hydropower is a renewable resource, CO2-free source of energy that should be recognized in any renewable portfolio standard.

Persons Testifying: PRO: Vicki Austin, Washington PUD Association; Kent Lopez, Washington Rural Electric Cooperatives; Andrew Munro, Grant PUD; Collins Sprague, Avista; Tracy Yount, Chelan PUD.