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**SUBSTITUTE SENATE BILL 6559**

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**State of Washington**

**62nd Legislature**

**2012 Regular Session**

**By** Senate Energy, Natural Resources & Marine Waters (originally sponsored by Senators Ranker, Hargrove, and Shin)

READ FIRST TIME 02/03/12.

1 AN ACT Relating to modifying the definition of nonpower attributes  
2 in the energy independence act; and amending RCW 19.285.030.

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

4 **Sec. 1.** RCW 19.285.030 and 2009 c 565 s 20 are each amended to  
5 read as follows:

6 The definitions in this section apply throughout this chapter  
7 unless the context clearly requires otherwise.

8 (1) "Attorney general" means the Washington state office of the  
9 attorney general.

10 (2) "Auditor" means: (a) The Washington state auditor's office or  
11 its designee for qualifying utilities under its jurisdiction that are  
12 not investor-owned utilities; or (b) an independent auditor selected by  
13 a qualifying utility that is not under the jurisdiction of the state  
14 auditor and is not an investor-owned utility.

15 (3) "Commission" means the Washington state utilities and  
16 transportation commission.

17 (4) "Conservation" means any reduction in electric power  
18 consumption resulting from increases in the efficiency of energy use,  
19 production, or distribution.

1 (5) "Cost-effective" has the same meaning as defined in RCW  
2 80.52.030.

3 (6) "Council" means the Washington state apprenticeship and  
4 training council within the department of labor and industries.

5 (7) "Customer" means a person or entity that purchases electricity  
6 for ultimate consumption and not for resale.

7 (8) "Department" means the department of commerce or its successor.

8 (9) "Distributed generation" means an eligible renewable resource  
9 where the generation facility or any integrated cluster of such  
10 facilities has a generating capacity of not more than five megawatts.

11 (10) "Eligible renewable resource" means:

12 (a) Electricity from a generation facility powered by a renewable  
13 resource other than freshwater that commences operation after March 31,  
14 1999, where: (i) The facility is located in the Pacific Northwest; or  
15 (ii) the electricity from the facility is delivered into Washington  
16 state on a real-time basis without shaping, storage, or integration  
17 services; or

18 (b) Incremental electricity produced as a result of efficiency  
19 improvements completed after March 31, 1999, to hydroelectric  
20 generation projects owned by a qualifying utility and located in the  
21 Pacific Northwest or to hydroelectric generation in irrigation pipes  
22 and canals located in the Pacific Northwest, where the additional  
23 generation in either case does not result in new water diversions or  
24 impoundments.

25 (11) "Investor-owned utility" has the same meaning as defined in  
26 RCW 19.29A.010.

27 (12) "Load" means the amount of kilowatt-hours of electricity  
28 delivered in the most recently completed year by a qualifying utility  
29 to its Washington retail customers.

30 (13)(a) "Nonpower attributes" means all environmentally related  
31 characteristics, exclusive of energy, capacity reliability, and other  
32 electrical power service attributes, that are associated with the  
33 generation of electricity from a renewable resource, including but not  
34 limited to the facility's fuel type, geographic location, vintage,  
35 qualification as an eligible renewable resource, and avoided emissions  
36 of pollutants to the air, soil, or water, and avoided emissions of  
37 carbon dioxide and other greenhouse gases.

1       (b) "Nonpower attributes" does not include any aspects, claims,  
2 characteristics, and benefits associated with the on-site capture and  
3 destruction of methane or other greenhouse gases at a facility through  
4 a digester system, landfill gas collection system, or other mechanism,  
5 which may be separately marketable as greenhouse gas emission reduction  
6 credits, offsets, or similar tradable commodities. However, these  
7 separate avoided emissions may not result in or otherwise have the  
8 effect of attributing greenhouse gas emissions to the electricity.

9       (14) "Pacific Northwest" has the same meaning as defined for the  
10 Bonneville power administration in section 3 of the Pacific Northwest  
11 electric power planning and conservation act (94 Stat. 2698; 16 U.S.C.  
12 Sec. 839a).

13       (15) "Public facility" has the same meaning as defined in RCW  
14 39.35C.010.

15       (16) "Qualifying utility" means an electric utility, as the term  
16 "electric utility" is defined in RCW 19.29A.010, that serves more than  
17 twenty-five thousand customers in the state of Washington. The number  
18 of customers served may be based on data reported by a utility in form  
19 861, "annual electric utility report," filed with the energy  
20 information administration, United States department of energy.

21       (17) "Renewable energy credit" means a tradable certificate of  
22 proof of at least one megawatt-hour of an eligible renewable resource  
23 where the generation facility is not powered by freshwater, the  
24 certificate includes all of the nonpower attributes associated with  
25 that one megawatt-hour of electricity, and the certificate is verified  
26 by a renewable energy credit tracking system selected by the  
27 department.

28       (18) "Renewable resource" means: (a) Water; (b) wind; (c) solar  
29 energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or  
30 tidal power; (g) gas from sewage treatment facilities; (h) biodiesel  
31 fuel as defined in RCW 82.29A.135 that is not derived from crops raised  
32 on land cleared from old growth or first-growth forests where the  
33 clearing occurred after December 7, 2006; and (i) biomass energy based  
34 on animal waste or solid organic fuels from wood, forest, or field  
35 residues, or dedicated energy crops that do not include (i) wood pieces  
36 that have been treated with chemical preservatives such as creosote,  
37 pentachlorophenol, or copper-chrome-arsenic; (ii) black liquor by-

1 product from paper production; (iii) wood from old growth forests; or  
2 (iv) municipal solid waste.

3 (19) "Rule" means rules adopted by an agency or other entity of  
4 Washington state government to carry out the intent and purposes of  
5 this chapter.

6 (20) "Year" means the twelve-month period commencing January 1st  
7 and ending December 31st.

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