3SHB 1091 - H AMD **155**
By Representative Chapman

ADOPTED 02/27/2021

On page 2, line 15, after "(3)" insert "The legislature finds that the clean fuel standard created in this chapter will create jobs in Washington state in the production and distribution of sustainable fuels like biofuels from agricultural feedstocks and forest residuals, hydrogen produced from renewable feedstocks, and more. In order to maximize the benefits of this policy to Washington workers while also protecting the environment for current and future generations, it is necessary to uphold and improve upon the state's siting policies. By identifying priority areas of the state for development and by developing methods to further avoid, minimize, and mitigate environmental impacts consistent with statute, rules, and guidance, Washington can protect its environment, contribute to the global fight against climate change, and support broadly shared prosperity.

(4)"

On page 5, beginning on line 17, strike all of subsection (5)

On page 31, after line 7, insert the following:

"NEW SECTION. **Sec. 24.** A new section is added to chapter 28B.30 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, Washington State University's energy program must initiate a least conflict priority clean energy project siting program in coordination with the energy facility site evaluation council, the department of ecology, the department of commerce, the department of fish and wildlife, local governments, clean energy stakeholders, conservation stakeholders, and Indian tribes. This program must engage all relevant agencies, stakeholders, and Indian tribes to identify priority areas in Washington state with the least amount of potential environmental impact and other conflict over competing land uses in the siting of major clean energy projects with the potential to produce significant volumes of transportation fuel

with a low carbon intensity, or that support the production of such transportation fuel. Washington State University's energy program may identify different priority areas for different types of industrial or manufacturing clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity in sectors including, but not limited to, biofuels, agricultural and forest biomass, hydrogen produced via electrolysis of water, and renewable natural gas.

(2) A project proposed in an area designated under subsection (1) of this section does not receive a guarantee or assurance of being permitted and is subject to review consistent with chapter 43.21C RCW and applicable environmental permit processes. Project proponents are not limited to proposing projects in identified least conflict zones.

(3) The identification of priority areas completed in subsection (1) of this section must be updated at least once every six years.

NEW SECTION. **Sec. 25.** A new section is added to chapter 43.21A RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the department, in consultation with the department of commerce, must periodically convene stakeholders, including all of those identified in section 24 of this act, Indian tribes, and the member agencies of the energy facility site evaluation council to identify and discuss avoidance, minimization, and mitigation of significant likely environmental impacts of clean energy projects specified in section 24 of this act. The environmental impacts identified and discussed must include, but are not limited to, air quality impacts, impacts to land and aquatic habitats, and wildlife impacts that may result from clean energy projects. The department must periodically provide a report to the appropriate committees of the house of representatives and the senate identifying mitigation resources, funding needs, and potential policies and programs to modify permitting and environmental review necessary for construction of clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity, or that support the production of such transportation fuel, in Washington state."

Renumber the remaining sections consecutively, correct any internal references accordingly, and correct the title.

EFFECT: (1) Eliminates the directive to the Department of Ecology to improve and expedite State Environmental Policy Act (SEPA) reviews and permit applications for projects that would produce or support the production of low carbon transportation fuels.

(2) Requires the Washington State University (WSU) Energy program, in coordination with specified state agencies, to initiate a program to identify least conflict priority sites for clean energy projects with the potential to produce significant volumes of low carbon transportation fuel.

(3) Provides that SEPA and environmental permit processes apply to project proposals in areas identified through the WSU energy program site identification process.

(4) Requires the WSU energy program to update its identification of priority areas every six years.

(5) Requires the Department of Ecology to periodically convene stakeholders, specified agencies, and Indian tribes to identify and discuss mitigation of significant likely environmental impacts associated with clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity, or that support the production of such transportation fuel, in Washington state.

(6) Requires the Department of Ecology to provide a periodic report to the Legislature on mitigation resources, funding needs, and potential policies and programs to modify permitting and environmental review associated with clean energy projects that produce transportation fuel.

(7) Adds language to the intent section.

--- END ---