SENATE BILL REPORT

SB 5938

As Reported By Senate Committee On: Energy, Telecommunications & Utilities, February 28, 1995

Title: An act relating to clarification of physical conditions for determining the output of major energy projects.

Brief Description: Clarifying physical conditions for determining the output of major energy projects.

Sponsors: Senators Bauer, Hochstatter, Palmer and Snyder.

Brief History:

Committee Activity: Energy, Telecommunications & Utilities: 2/27/95; 2/28/95 [DP].

SENATE COMMITTEE ON ENERGY, TELECOMMUNICATIONS & UTILITIES

Majority Report: Do pass.

Signed by Senators Sutherland, Chair; Loveland, Vice Chair; Finkbeiner, Hochstatter and Owen.

Staff: Phil Moeller (786-7445)

Background: The Energy Facility Site Evaluation Council (EFSEC) is an agency that provides "one-stop" permitting for major energy projects and facilities. For electricity production, the threshold for projects is a generating capacity of 250 megawatts. If a project has this capacity or more, it must be permitted through EFSEC; if it has a smaller capacity, it is permitted through an appropriate local government and potentially state and federal agencies as well.

Initiative 394 was passed by state voters in 1981. It requires many consumer-owned electric utilities, including public utility districts and cities, to obtain voter approval before bonds can be sold to finance a major electricity-producing project capable of generating more than 250 megawatts.

Concern has been raised that the statutes defining these 250 megawatt thresholds need clarification, especially in relation to projects that slightly exceed 250 megawatts under certain operating conditions.

Summary of Bill: The definition that determines whether an energy project is considered by the Energy Facility Site Evaluation Council is clarified by stating the 250 megawatt generating threshold for electricity production is measured using maximum continuous electric generating capacity, less minimum auxiliary load, at average ambient temperature and pressure.

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The same clarification is made to the definition of a major public energy project subject to voter approval for financing under Initiative 394.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This will help clarify existing law and provide more certainty to project developers and regulators.

Testimony Against: None.

Testified: PRO: Jason Zeller, Energy Facility Site Evaluation Council; Jim Boldt, Jim Sanders, Clark PUD; Ron Newbry, Pacificorp.