

1257-S

Sponsor(s): House Committee on Finance (originally sponsored by Representatives DeBolt, Alexander, Pennington, Sheldon, Kessler, Poulsen, McMorris, Mielke, Van Luven, Grant, Crouse, Mastin, Doumit and Hatfield)

Brief Title: Providing tax exemptions and credits for coal-fired thermal electric generating facilities placed in operation before July 1, 1975.

**HB 1257-S - DIGEST**

(DIGEST AS ENACTED)

Declares an intent of the legislature to assist thermal electric generating facilities placed in operation after December 31, 1969, and before July 1, 1975, to update their air pollution control equipment and abate pollution by extending certain tax exemptions and credits so that such plants may continue to play a long-term vital economic role in the communities where they are located.

Declares that if production of electricity at a thermal electric generating facility for any calendar year after 2002 and before 2023 falls below a twenty percent annual capacity factor for the generating facility, all or a portion of the tax previously exempted under this section in respect to construction or installation of air pollution control facilities at the generating facility shall be due as designated in the table provided in the act.

Provides that a thermal electric generating facility may not claim any credits under this act until the department of ecology certifies that the thermal electric generating facility emitted no more than ten thousand tons of sulfur dioxide during the previous calendar year.

Declares that credits cannot be claimed under this act against taxes due in a calendar year if the thermal electric generating facility received a notice of violation for excessive sulfur dioxide emissions from a regional air pollution control authority or the department of ecology during the previous calendar year.

Declares that credits cannot be claimed under this act against taxes due in a calendar year if less than seventy percent of the coal consumed at the thermal electric generating facility during the previous calendar year was produced by a mine located in the same county as the facility or in a county contiguous to that county.

Creates the sulfur dioxide abatement account.

Creates the displaced workers account.

Provides that if a utility claims a sales or use tax exemption on the pollution control equipment for an electrical generation facility and abandons the generating facility before the pollution control equipment is fully depreciated, any tariff filing for a rate increase to recover abandonment costs for the pollution control equipment shall be considered unjust and unreasonable for the purposes of this act.

