SENATE BILL REPORT
SB 6192

As Reported By Senate Committee On:
Water, Energy & Environment, January 17, 2006

Title: An act relating to assessing the viability of a solar electric generating facility.

Brief Description: Requiring a feasibility study of the viability of a solar electric generating facility.

Sponsors: Senators Poulsen, Fraser, Rasmussen, and Rockefeller.

Brief History:
Committee Activity: Water, Energy & Environment: 1/11/06, 1/17/06 [DPS].

SENATE COMMITTEE ON WATER, ENERGY & ENVIRONMENT

Majority Report: That Substitute Senate Bill No. 6192 be substituted therefor, and the substitute bill do pass.

Signed by Senators Poulsen, Chair; Rockefeller, Vice Chair; Morton, Ranking Minority Member; Delvin, Fraser, Honeyford, Mulliken, Pridemore and Regala.

Staff: Richard Rodger (786-7461)

Background: The Northwest Solar Center is a project of Washington State University's energy extension service. The center's members include northwestern utilities, non-profits, and local governments. The center is funded through grants that are matched with contributions by its participating members.

The center's mission is: to encourage market transformation of solar technologies; to support the integration of distributed renewable energy systems with efficiency and conservation technologies; to provide public education and training; to support community level deployment of job creating renewables; to conduct evaluations and seek the improvement of renewable technologies; and to encourage the accelerated installation of solar electricity throughout the Pacific Northwest.

Summary of Substitute Bill: The Northwest Solar Center must conduct a feasibility assessment of building a large-scale, public-demonstration, solar electric generating facility. The assessment will include the facility's economic viability, costs, and benefits to Washington State, including job creation and environmental impacts, and its impact on the region's energy system.

In making the assessment, the center must include the following assumptions about the facility: (a) It will have a minimum capacity in the range of three hundred megawatts; (b) it will be constructed through a design-build contract that requires the recipient to locate a solar thin film manufacturing facility in Washington State; (c) it will be developed by a public joint operating agency; (d) it will be sited in a county with an existing large solar electric

generating facility; (e) it will provide maximum production and deliver the power during irrigation and air-conditioning peaks; (f) the construction of it will drive the market and result in significant cost reductions; (g) the state will offer incentives to reduce the costs of bonding the project, such as state loan guarantees; and (h) it will be expected to recover the cost of investment over the life of the project.

The center must work with a team of representatives from state and federal agencies, the solar industry, and other interested stakeholders. The assessment must be completed by December 15, 2006.

Substitute Bill Compared to Original Bill: It clarifies assumption of where the project could be sited. The Washington Rural Electric Cooperative Association is added to the list of entities to be consulted in conducting the assessment. The appropriation is removed and replaced with a null and void clause.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Testimony For: The National Renewable Energy Lab's Solar Thin Film Program supports the state's efforts to undertake the feasibility. They believe it carries the potential for economic growth, environmental improvements, and energy diversification. This project would drive the solar thin film market and make the energy produced competitive with the local peak power rates. Washington has been a leader in the solar industry and the state should seek to retain and improve upon that competitive edge. Eastern Washington gets the same amount of solar radiation as Florida and the Gulf Coast of Texas. Germany is now the leader in production of solar energy. The leading solar city in Germany gets less solar radiation than the City of Forks.

The team of representatives who will be consulted during the assessment should include the Washington Rural Electric Cooperative Association. Will there be enough time to complete the assessment by the end of the year?

Testimony Against: None.

Who Testified: PRO: Mike Nelson, Washington State University, Energy Program; Kent Lopez, Washington Rural Electric Cooperative Association; Alan Trunkey, citizen.