
SUBSTITUTE HOUSE BILL 1994

State of Washington 61st Legislature 2009 Regular Session

By House Technology, Energy & Communications (originally sponsored by Representatives Finn and Chase)

READ FIRST TIME 02/23/09.

1 AN ACT Relating to informing electric customers of the carbon
2 dioxide emissions associated with their electricity consumption; and
3 amending RCW 19.29A.010 and 19.29A.060.

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

5 **Sec. 1.** RCW 19.29A.010 and 2000 c 213 s 2 are each amended to read
6 as follows:

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

9 (1) "Biomass generation" means electricity derived from burning
10 solid organic fuels from wood, forest, or field residue, or dedicated
11 energy crops that do not include wood pieces that have been treated
12 with chemical preservatives such as creosote, pentachlorophenol, or
13 copper-chroma-arsenic.

14 (2) "Bonneville power administration system mix" means a generation
15 mix sold by the Bonneville power administration that is net of any
16 resource specific sales and that is net of any electricity sold to
17 direct service industrial customers, as defined in section 3(8) of the
18 Pacific Northwest electric power planning and conservation act (16
19 U.S.C. Sec. 839(a)(8)).

1 (3) "Coal generation" means the electricity produced by a
2 generating facility that burns coal as the primary fuel source.

3 (4) "Commission" means the utilities and transportation commission.

4 (5) "Conservation" means an increase in efficiency in the use of
5 energy use that yields a decrease in energy consumption while providing
6 the same or higher levels of service. Conservation includes low-income
7 weatherization programs.

8 (6) "Consumer-owned utility" means a municipal electric utility
9 formed under Title 35 RCW, a public utility district formed under Title
10 54 RCW, an irrigation district formed under chapter 87.03 RCW, a
11 cooperative formed under chapter 23.86 RCW, or a mutual corporation or
12 association formed under chapter 24.06 RCW, that is engaged in the
13 business of distributing electricity to more than one retail electric
14 customer in the state.

15 (7) "Declared resource" means an electricity source specifically
16 identified by a retail supplier to serve retail electric customers. A
17 declared resource includes a stated quantity of electricity tied
18 directly to a specified generation facility or set of facilities either
19 through ownership or contract purchase, or a contractual right to a
20 stated quantity of electricity from a specified generation facility or
21 set of facilities.

22 (8) "Department" means the department of community, trade, and
23 economic development.

24 (9) "Electricity information coordinator" means the organization
25 selected by the department under RCW 19.29A.080 to: (a) Compile
26 generation data in the Northwest power pool by generating project and
27 by resource category; (b) compare the quantity of electricity from
28 declared resources reported by retail suppliers with available
29 generation from such resources; (c) calculate the net system power mix;
30 ~~((and))~~ (d) obtain information that specifies, or is necessary to
31 calculate, the annual carbon dioxide emission intensity for the
32 electricity product sold by the Bonneville power administration, and
33 for all generation in the Pacific Northwest and western
34 interconnection; and (e) coordinate with other comparable organizations
35 in the western interconnection.

36 (10) "Electric meters in service" means those meters that record in
37 at least nine of twelve calendar months in any calendar year not less
38 than two hundred fifty kilowatt hours per month.

1 (11) "Electricity product" means the electrical energy produced by
2 a generating facility or facilities that a retail supplier sells or
3 offers to sell to retail electric customers in the state of Washington,
4 provided that nothing in this title shall be construed to mean that
5 electricity is a good or product for the purposes of Title 62A RCW, or
6 any other purpose. It does not include electrical energy generated on-
7 site at a retail electric customer's premises.

8 (12) "Electric utility" means a consumer-owned or investor-owned
9 utility as defined in this section.

10 (13) "Electricity" means electric energy measured in kilowatt
11 hours, or electric capacity measured in kilowatts, or both.

12 (14) "Fuel mix" means the actual or imputed sources of electricity
13 sold to retail electric customers, expressed in terms of percentage
14 contribution by resource category. The total fuel mix included in each
15 disclosure shall total one hundred percent.

16 (15) "Geothermal generation" means electricity derived from thermal
17 energy naturally produced within the earth.

18 (16) "Governing body" means the council of a city or town, the
19 commissioners of an irrigation district, municipal electric utility, or
20 public utility district, or the board of directors of an electric
21 cooperative or mutual association that has the authority to set and
22 approve rates.

23 (17) "High efficiency cogeneration" means electricity produced by
24 equipment, such as heat or steam used for industrial, commercial,
25 heating, or cooling purposes, that meets the federal energy regulatory
26 commission standards for qualifying facilities under the public utility
27 regulatory policies act of 1978.

28 (18) "Hydroelectric generation" means a power source created when
29 water flows from a higher elevation to a lower elevation and the flow
30 is converted to electricity in one or more generators at a single
31 facility.

32 (19) "Investor-owned utility" means a company owned by investors
33 that meets the definition of RCW 80.04.010 and is engaged in
34 distributing electricity to more than one retail electric customer in
35 the state.

36 (20) "Landfill gas generation" means electricity produced by a
37 generating facility that uses waste gases produced by the decomposition
38 of organic materials in landfills.

1 (21) "Natural gas generation" means electricity produced by a
2 generating facility that burns natural gas as the primary fuel source.

3 (22) "Northwest power pool" means the generating resources included
4 in the United States portion of the Northwest power pool area as
5 defined by the western systems coordinating council.

6 (23) "Net system power mix" means the fuel mix in the Northwest
7 power pool, net of: (a) Any declared resources in the Northwest power
8 pool identified by in-state retail suppliers or out-of-state entities
9 that offer electricity for sale to retail electric customers; (b) any
10 electricity sold by the Bonneville power administration to direct
11 service industrial customers; and (c) any resource specific sales made
12 by the Bonneville power administration.

13 (24) "Oil generation" means electricity produced by a generating
14 facility that burns oil as the primary fuel source.

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

19 (26) "Proprietary customer information" means: (a) Information
20 that relates to the source and amount of electricity used by a retail
21 electric customer, a retail electric customer's payment history, and
22 household data that is made available by the customer solely by virtue
23 of the utility-customer relationship; and (b) information contained in
24 a retail electric customer's bill.

25 ((+26)) (27) "Renewable resources" means electricity generation
26 facilities fueled by: (a) Water; (b) wind; (c) solar energy; (d)
27 geothermal energy; (e) landfill gas; or (f) biomass energy based on
28 solid organic fuels from wood, forest, or field residues, or dedicated
29 energy crops that do not include wood pieces that have been treated
30 with chemical preservatives such as creosote, pentachlorophenol, or
31 copper-chrome-arsenic.

32 ((+27)) (28) "Resale" means the purchase and subsequent sale of
33 electricity for profit, but does not include the purchase and the
34 subsequent sale of electricity at the same rate at which the
35 electricity was purchased.

36 ((+28)) (29) "Retail electric customer" means a person or entity
37 that purchases electricity for ultimate consumption and not for resale.

1 (~~(+29+)~~) (30) "Retail supplier" means an electric utility that
2 offers an electricity product for sale to retail electric customers in
3 the state.

4 (~~(+30+)~~) (31) "Small utility" means any consumer-owned utility with
5 twenty-five thousand or fewer electric meters in service, or that has
6 an average of seven or fewer customers per mile of distribution line.

7 (~~(+31+)~~) (32) "Solar generation" means electricity derived from
8 radiation from the sun that is directly or indirectly converted to
9 electrical energy.

10 (~~(+32+)~~) (33) "State" means the state of Washington.

11 (~~(+33+)~~) (34) "Waste incineration generation" means electricity
12 derived from burning solid or liquid wastes from businesses,
13 households, municipalities, or waste treatment operations.

14 (~~(+34+)~~) (35) "Wind generation" means electricity created by
15 movement of air that is converted to electrical energy.

16 **Sec. 2.** RCW 19.29A.060 and 2000 c 213 s 4 are each amended to read
17 as follows:

18 (1) Each retail supplier shall disclose the fuel mix of each
19 electricity product it offers to retail electric customers as follows:

20 (a) For an electricity product comprised entirely of declared
21 resources, a retail supplier shall disclose the fuel mix for the
22 electricity product based on the quantity of electric generation from
23 those declared resources for the previous calendar year and any
24 adjustment, if taken, available under subsection (6) of this section.

25 (b) For an electricity product comprised of no declared resources,
26 a retail supplier shall report the fuel mix for the electricity product
27 as the fuel mix of net system power for the previous calendar year, as
28 determined by the electricity information coordinator under RCW
29 19.29A.080.

30 (c) For an electricity product comprised of a combination of
31 declared resources and the net system power, a retail supplier shall
32 disclose the fuel mix for the electricity product as a weighted average
33 of the megawatt-hours from declared resources and the megawatt-hours
34 from the net system power mix for the previous calendar year according
35 to the proportion of declared resources and net system power contained
36 in the electricity product.

1 (2) The disclosures required by this section shall identify the
2 percentage of the total electricity product sold by a retail supplier
3 during the previous calendar year from each of the following
4 categories:

5 (a) Coal generation;

6 (b) Hydroelectric generation;

7 (c) Natural gas generation;

8 (d) Nuclear generation; and

9 (e) Other generation, except that when a component of the other
10 generation category meets or exceeds two percent of the total
11 electricity product sold by a retail supplier during the previous
12 calendar year, the retail supplier shall identify the component or
13 components and display the fuel mix percentages for these component
14 sources, which may include, but are not limited to: (i) Biomass
15 generation; (ii) geothermal generation; (iii) landfill gas generation;
16 (iv) oil generation; (v) solar generation; (vi) waste incineration; or
17 (vii) wind generation. A retail supplier may voluntarily identify any
18 component or components within the other generation category that
19 comprises two percent or less of annual sales.

20 (3) Retail suppliers may separately report a subcategory of natural
21 gas generation to identify high efficiency cogeneration.

22 (4) Except as provided in subsection (3) of this section, a retail
23 supplier cannot include in the disclosure label any environmental
24 quality or environmental impact qualifier related to any of the
25 generation categories disclosed.

26 (5) For the portion of an electricity product purchased from the
27 Bonneville power administration, retail suppliers may disclose the
28 Bonneville power administration system mix.

29 (6) A retail supplier may adjust its reported fuel mix for known
30 changes in its declared resources for the current year based on any
31 changes in its sources of electricity supply from either generation or
32 contracts. If a retail supplier changes its fuel mix during a calendar
33 year, it shall report those changes to the electricity information
34 coordinator.

35 (7) Disclosure of the fuel mix information required in this section
36 shall be made in the following uniform format: A tabular format with
37 two columns, where the first column shall alphabetically list each
38 category and the second column shall display the corresponding

1 percentage of the total that each category represents. The percentage
2 shall be reported as a numeric value rounded to the nearest one
3 percent. The percentages listed for the categories identified must sum
4 to one hundred percent with the table displaying such a total.

5 (8) In addition to and along with the fuel mix disclosure required
6 under subsection (1) of this section, each retail supplier shall
7 disclose the annual carbon dioxide emission intensity of its total
8 electricity supply and, for the purposes of comparison, the carbon
9 dioxide emission intensity for all electric generation in the Pacific
10 Northwest and in the western electricity interconnection, as
11 geographically represented by the jurisdiction of the western
12 electricity coordinating council or its successor. Carbon dioxide
13 emission intensity must be calculated for the previous calendar year by
14 dividing the pounds of carbon dioxide emitted from direct fossil-fueled
15 combustion by the total megawatt-hours of electricity produced. Retail
16 suppliers shall calculate their carbon dioxide emission intensity for
17 all electricity generation they own, if any, that is used to serve
18 retail electric customers in the state. Retail suppliers that serve
19 their entire retail load with an electricity product purchased from the
20 Bonneville power administration shall disclose an annual carbon dioxide
21 emission intensity that is based on the annual carbon dioxide emission
22 intensity for that electricity product. If a retail supplier owns
23 electricity generation and purchases an electricity product from the
24 Bonneville power administration to serve its retail load in the state,
25 it shall disclose an annual carbon dioxide emission intensity that
26 appropriately weighs the proportion of their total electricity supply
27 from those sources.

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