## CERTIFICATION OF ENROLLMENT

## ENGROSSED SUBSTITUTE SENATE BILL 6248

64th Legislature 2016 Regular Session

Passed by the Senate February 17, 2016 Yeas 42 Nays 7

President of the Senate

Passed by the House March 4, 2016 Yeas 92 Nays 5

## CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6248** as passed by Senate and the House of Representatives on the dates hereon set forth.

Secretary

Speaker of the House of Representatives Approved

FILED

Secretary of State State of Washington

Governor of the State of Washington

## ENGROSSED SUBSTITUTE SENATE BILL 6248

Passed Legislature - 2016 Regular Session

State of Washington 64th Legislature 2016 Regular Session

**By** Senate Energy, Environment & Telecommunications (originally sponsored by Senators Ericksen and Ranker)

READ FIRST TIME 02/05/16.

1 AN ACT Relating to a pathway for a transition of eligible coal 2 units; and adding a new chapter to Title 80 RCW.

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

4 <u>NEW SECTION.</u> Sec. 1. The definitions in this section apply 5 throughout this chapter unless the context clearly requires 6 otherwise.

7 (1) "Eligible coal plant" means a coal-fired electric generation 8 facility that: (a) Had two or fewer generating units as of January 1, 9 1980, and four generating units as of January 1, 2016; (b) is owned 10 by more than one electrical company as of January 1, 2016; and (c) 11 provides, as a portion of the load served by the coal-fired electric 12 generation facility, electricity paid for in rates by customers in 13 the state of Washington.

14 (2) "Eligible coal unit" means any generating unit of an eligible15 coal plant.

16 <u>NEW SECTION.</u> Sec. 2. (1) The commission may, after conducting 17 an adjudicative proceeding under chapters 34.05 and 80.04 RCW, 18 authorize an electrical company to place amounts from one or more 19 regulatory liabilities into a retirement account established pursuant 20 to RCW 80.04.350 to cover decommissioning and remediation costs of eligible coal units that commenced commercial operations before
 January 1, 1980.

(2) Regulatory liabilities placed in a retirement account 3 pursuant to subsection (1) of this section must: (a) Not be used for 4 any purpose other than the funding and recovery of prudently incurred 5 6 decommissioning and remediation costs for such eligible coal units; (b) except as provided in RCW 80.04.350, not be reduced, altered, 7 impaired, or limited from the date of commission approval of the 8 inclusion of the regulatory liabilities in the retirement account 9 until all prudently incurred decommissioning and remediation costs 10 11 for such coal units are recovered or paid in full; and (c) provide 12 that any remaining funds in the retirement account, after recovery by the electrical company of all prudently incurred decommissioning and 13 remediation costs for such eligible coal units, be returned to 14 15 customers.

NEW SECTION. Sec. 3. (1) If an electrical company proposes a closure date or retires from service an eligible coal unit that commenced commercial operations before January 1, 1980, prior to December 31, 2022, then the commission may not authorize the electrical company to use regulatory liabilities placed in a retirement account for decommissioning and remediation costs pursuant to section 2 of this act.

(2) Subsection (1) of this section does not apply if an
electrical company demonstrates to the commission that a decision to
retire from service an eligible coal unit that commenced commercial
operations before January 1, 1980, prior to December 31, 2022:

(a) Is prudent as determined by evidence showing the continued operation of an eligible coal unit is economically or technologically unfeasible or requires a capital investment that is outside the scope of a prudent improvement or investment or the eligible coal unit has reached the end of its useful life; or

32 (b) Does not meet the standard in (a) of this subsection but is 33 attributable to the actions of a co-owner or operator of the eligible 34 coal unit over whom the electrical company does not exercise control.

35 <u>NEW SECTION.</u> Sec. 4. Sections 1 through 3 of this act 36 constitute a new chapter in Title 80 RCW.

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