S-5595.1

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**SENATE BILL 6578**

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**State of Washington 66th Legislature 2020 Regular Session**

**By** Senators Honeyford, Van De Wege, King, and Takko

AN ACT Relating to designating pumped storage projects located in a county bordering the Columbia river utilizing statutorily authorized water rights to be projects of statewide significance; amending RCW 43.157.010; and creating a new section.

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

NEW SECTION. **Sec.**  (1) The legislature finds that Washington is a national leader in the transition to one hundred percent clean electricity, resulting in substantial reductions in the emissions of greenhouse gases. In 2012, the legislature authorized certain water rights to be used to enable a pumped storage project, codified as RCW 54.16.410. As more variable renewable energy facilities come online to facilitate the transition to our clean energy future, additional renewable energy storage facilities may be used in place of greenhouse gas emitting generation to integrate variable renewable energy. Expediting beneficial use of those authorized water rights for a pumped storage project will enable investment of more than one billion dollars in, and provide economic development to, a rural county, and facilitate construction and operation of additional renewable energy throughout the state and the west.

(2) The legislature further finds that certain studies indicate a resource adequacy shortfall on the region's electric grid by 2025 and it is in the interest of the state to expedite pump storage projects that will address this shortfall.

**Sec.**  RCW 43.157.010 and 2017 c 288 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter and RCW 28A.525.166, 43.21A.350, and 90.58.100, unless the context requires otherwise:

(1) "Applicant" means a person applying to the department for designation of a development project as a project of statewide significance.

(2) "Aviation biofuels production facility" means a facility primarily for the processing of nonfossil biogenic feedstocks to produce aviation fuels that meet the fuel quality technical standards of the American society for testing materials for aviation fuels and coproducts.

(3) "Department" means the department of commerce.

(4) "Manufacturing" shall have the meaning assigned it in RCW 82.62.010.

(5)(a) "Project of statewide significance" means:

(i) A border crossing project that involves both private and public investments carried out in conjunction with adjacent states or provinces;

(ii) A development project that will provide a net environmental benefit;

(iii) A development project in furtherance of the commercialization of innovations;

(iv) A private industrial development with private capital investment in manufacturing or research and development;

(v) An aviation biofuels production facility; ((~~or~~))

(vi) A pumped storage project using water rights approved by the legislature for that purpose; or

(vii) A project designated by the legislature and codified under this chapter.

(b) To qualify for designation under RCW 43.157.030 as a project of statewide significance:

(i) The project must be completed after January 1, 2009;

(ii) The applicant must submit an application to the department for designation as a project of statewide significance to the department of commerce; and

(iii) Except for an aviation biofuels production facility, the project must have:

(A) In counties with a population less than or equal to twenty thousand, a capital investment of five million dollars;

(B) In counties with a population greater than twenty thousand but no more than fifty thousand, a capital investment of ten million dollars;

(C) In counties with a population greater than fifty thousand but no more than one hundred thousand, a capital investment of fifteen million dollars;

(D) In counties with a population greater than one hundred thousand but no more than two hundred thousand, a capital investment of twenty million dollars;

(E) In counties with a population greater than two hundred thousand but no more than four hundred thousand, a capital investment of thirty million dollars;

(F) In counties with a population greater than four hundred thousand but no more than one million, a capital investment of forty million dollars;

(G) In counties with a population greater than one million, a capital investment of fifty million dollars;

(H) In rural counties as defined by RCW 82.14.370, projected full-time employment positions after completion of construction of fifty or greater;

(I) In counties other than rural counties as defined by RCW 82.14.370, projected full-time employment positions after completion of construction of one hundred or greater; or

(J) Been qualified by the director of the department as a project of statewide significance either because:

(I) The economic circumstances of the county merit the additional assistance such designation will bring;

(II) The impact on a region due to the size and complexity of the project merits such designation;

(III) The project resulted from or is in furtherance of innovation activities at a public research institution in the state or is in or resulted from innovation activities within an innovation partnership zone; or

(IV) The project will provide a net environmental benefit as evidenced by plans for design and construction under green building standards or for the creation of renewable energy technology or components or under other environmental criteria established by the director in consultation with the director of the department of ecology.

A project may be qualified under this subsection (5)(b)(iii)(J) only after consultation on the availability of staff resources of the office of regulatory assistance.

(6) "Research and development" shall have the meaning assigned it in RCW 82.62.010.

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