

HOUSE BILL REPORT

SSB 5936

As Reported by House Committee On: Environment & Energy

Title: An act relating to use of industrial waste through industrial symbioses.

Brief Description: Concerning use of industrial waste through industrial symbioses.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Brown, Walsh, Hasegawa and Rolfes).

Brief History:

Committee Activity:

Environment & Energy: 3/18/19, 3/26/19 [DPA].

Brief Summary of Substitute Bill (As Amended by Committee)

- Requires the Department of Commerce (Commerce) to produce a proposal and recommendations for setting up an industrial symbiosis coordination and innovation program by June 30, 2020.
- Authorizes Commerce, subject to appropriations, to provide financial and technical assistance for development of projects that encourage and enhance projects to create a cooperative use of wastewater, waste heat and materials, and resource-sharing among more than one industry, company, or facility.

HOUSE COMMITTEE ON ENVIRONMENT & ENERGY

Majority Report: Do pass as amended. Signed by 10 members: Representatives Fitzgibbon, Chair; Lekanoff, Vice Chair; Shea, Ranking Minority Member; Dye, Assistant Ranking Minority Member; Boehnke, Doglio, Fey, Mead, Peterson and Shewmake.

Staff: Robert Hatfield (786-7117).

Background:

The Department of Commerce (Commerce) is the lead state agency to assist in establishing and improving markets for recyclable materials. The Department of Commerce provides a

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range of programs to assist businesses, such as education, technical assistance, and business grants and loans. In addition, Commerce implements the Clean Energy Fund program, which funds the development, demonstration, and deployment of clean energy technology.

Industrial processes create heat in the form of exhaust gases, cooling water, and hot equipment surfaces and products. Recovering this waste heat may allow it to be used to produce electricity, or to cool and heat a building or facility. Industrial symbiosis is the process of generating uses for industrial by-products, including heat, water, and materials.

Summary of Amended Bill:

By June 30, 2020, Commerce must produce a proposal and recommendations for setting up an industrial symbiosis coordination and innovation program. The Department of Commerce must convene at least two meetings with relevant industry stakeholders when developing the proposal.

The proposal must include:

- a strategy to develop inventories of industrial waste and wastewater innovation currently in operation;
- recommendations regarding data collection for material flows to generate potential industry waste and wastewater matches and opportunities;
- guidance and best practices for emerging local industrial resource innovation parks; and
- recommendations for performance metrics to track results of industrial resource innovation parks that measure economic and environmental outcomes.

Subject to appropriation, Commerce may make loans or grants for the development, demonstration, and deployment of projects that encourage and enhance cooperative use of wastewater, waste heat and materials, and resource sharing. The Department of Commerce may also develop a process for providing financial and technical assistance.

Amended Bill Compared to Substitute Bill:

The substitute bill makes a variety of changes:

- The date by which the Commerce must produce a proposal and recommendations regarding an industrial coordination program is changed from December 1, 2019, to June 30, 2020.
- The scope of Commerce's proposal and recommendations is modified in several ways, including that wastewater is included in the category of waste materials to be considered in the proposal and recommendations.
- The scope of Commerce's lending and grant-awarding authority is expanded to include, among other things, resource sharing among more than one industry.
- The Department of Commerce is authorized to provide technical assistance through an industrial resource innovation accelerator.
- The Department of Commerce is required to identify the sources of scientific, economic, or other technical information, including peer-reviewed science, that it

relied on in developing its proposal and recommendations for setting up an industrial symbiosis program.

- The Department of Commerce is required to identify any costs and benefits associated with its proposal and recommendations for setting up an industrial symbiosis program.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Industrial symbioses are the intentional co-location of the manufacturers in order to be able to take advantage of industrial waste generated by the manufacturing process. Other countries do this very successfully.

The inspiration for this bill came from a trip to Scandinavia, and looking at infrastructure projects there that could be translated back to Washington. One of the world's leading examples of industrial symbiosis is a city in Denmark that has roughly 12 major facilities that exchange waste heat, solid waste, and wastewater. The facilities generate approximately \$28 million in revenue each year, while also reducing carbon emissions by 600,000 tons per year. Communities in Washington have been very receptive to this concept. Washington can go far beyond what Denmark is doing, for example, by bringing in a research and development component, or by utilizing recycled materials in the manufacturing process. Washington can be a national leader in the world of industrial symbiosis.

There are already examples where industrial symbiosis is happening. King County has miles of wastewater piping at a temperature of 60 degree Fahrenheit. Vancouver was able to heat the Olympic village with heat given off from wastewater.

(Opposed) None.

(Other) This bill represents a real opportunity to reduce operational costs, increase competitiveness, and attract businesses to Washington. It would be good to move the date of the Department of Commerce report back to June 30, 2020.

Persons Testifying: (In support) Senator Brown, prime sponsor; Rhys Roth, Center for Sustainable Infrastructure; and Heather Trim, Zero Waste Washington.

(Other) Jasmine Vasavada, Department of Commerce.

Persons Signed In To Testify But Not Testifying: None.