

# HOUSE BILL REPORT

## SB 5838

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As Reported By House Committee On:  
Energy & Utilities

**Title:** An act relating to energy siting review.

**Brief Description:** Creating an energy siting process review committee.

**Sponsors:** Senators Sutherland, Williams and Roach.

**Brief History:**

Reported by House Committee on:  
Energy & Utilities, March 25, 1993, DPA.

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### HOUSE COMMITTEE ON ENERGY & UTILITIES

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives Grant, Chair; Finkbeiner, Vice Chair; Casada, Ranking Minority Member; Johanson; Kessler; Kremen; Long; and Ludwig.

**Staff:** Ken Conte (786-7113).

**Background:** In 1970, the Legislature established the Energy Facility Site Evaluation Council (EFSEC) to evaluate and approve or disapprove applications for energy facility sites. EFSEC's jurisdiction applies only to large energy plants and transmission facilities, for example, electrical generating plants with generating capacity of 250,000 kilowatts or more. Today, most energy facility projects are too small to fall under EFSEC jurisdiction. Approval for projects that do not fall under EFSEC jurisdiction is spread out across various agencies at both the state and local government levels.

In its report, the Energy Strategy Committee concluded that the state of Washington has an "ambiguous and dysfunctional licensing environment" for energy facilities. The committee also noted that the proponents of today's smaller energy facilities, including renewables, can not afford lengthy and multiple licensing procedures. The committee stressed the need for early public involvement, efficiency and coordination in siting energy facilities.

The Energy Strategy Committee recommends the creation of a siting review panel to develop state siting procedures and legislation needed to implement these procedures.

**Summary of Amended Bill:** The Energy Siting Process Review Committee is created. The committee is to review the siting processes currently applicable to energy facilities including various types of generation plants, pipelines and transmission lines.

The committee is to recommend changes to statutes, rules, and policies that will reduce the cost and provide for timely siting of new energy resources. Committee recommendations are to ensure preservation of environmental quality, coordination with federal licensing and permitting authorities, energy system reliability, public participation, and appropriate roles for local government.

The committee is made up of 15 members including one member from each caucus of the Senate and the House of Representatives, and 11 members appointed by the governor. Gubernatorial appointees are to represent cities, counties, publicly-owned electric utilities, privately-owned electric utilities, natural gas local distribution utilities, natural gas pipeline utilities, environmental organizations, independent power producers and citizens at large. Gubernatorial appointees are to represent the various geographic regions of the state.

The Energy Office is to staff the committee. The committee is to submit its report and recommended legislation to the governor and the Legislature by December 1, 1993.

**Amended Bill Compared to Original Bill:** The amended bill increases the membership of the committee to 15 by: (1) replacing the member representing local governments with one member representing cities and another representing counties; (2) replacing the member representing electric utilities with one member representing publicly-owned electric utilities and another representing privately-owned electric utilities; and (3) replacing the member representing natural gas utilities with one member representing natural gas local distribution utilities and one member representing natural gas pipeline utilities.

The amendment clarifies that legislative members are to represent the four caucuses and that gubernatorial appointees are to represent the various geographic regions of the state. Payment of travel expenses for committee members is also clarified.

The amendment adds timely siting, recognition of federal licensing and permitting authorities, and energy system reliability to the list of areas the committee is to study and about which the committee is to submit recommendations.

**Fiscal Note:** Available.

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

**Testimony For:** This is an important bill needed so that the state can site future energy resources efficiently and effectively. The Energy Office recommends that the modification made in the House companion measure be added to this bill and that natural gas local distribution utilities and natural gas pipeline utilities be represented. The committee might consider adding a reference to consideration of energy efficiency issues. The Department of Ecology strongly supports the bill. References could be added to oil transshipment and federal agencies could be added to the committee. The Washington Association of Cities supports the bill with the addition of city and county representatives. Language referencing energy efficiency could significantly broaden the mandate of the siting committee.

**Testimony Against:** None.

**Witnesses:** (All pro) Steve McLellan, State Energy Office; Carol Jolly, Department of Ecology; Mike McCourt, Association of Washington Cities; and Collins Sprague, Washington Water Power Company.