

SENATE BILL REPORT

HB 1761

As Reported By Senate Committee On:
Energy, Telecommunications & Utilities, March 23, 1995

Title: An act relating to clarification of physical conditions for determining the output of major energy projects.

Brief Description: Clarifying physical conditions for determining the output of major energy projects.

Sponsors: Representatives Casada, Hankins, Patterson, Crouse, Huff, Carlson, Morris, Mielke, Mitchell and Kessler.

Brief History:

Committee Activity: Energy, Telecommunications & Utilities: 3/21/95, 3/23/95 [DP].

SENATE COMMITTEE ON ENERGY, TELECOMMUNICATIONS & UTILITIES

Majority Report: Do pass.

Signed by Senators Sutherland, Chair; Loveland, Vice Chair; Finkbeiner, Hochstatter and Owen.

Staff: Phil Moeller (786-7445)

Background: In 1970, the Legislature created the Energy Facility Site Evaluation Council (EFSEC) to coordinate the evaluation, siting, and licensing of major non-hydroelectric energy facilities. EFSEC has rulemaking authority.

For facilities falling within its jurisdiction, EFSEC: (1) evaluates the impacts of energy facility proposals; (2) recommends to the Governor whether to approve an energy facility application; (3) imposes conditions on approved projects to ensure safe construction and operation and to minimize adverse impacts; (4) monitors construction, operation, and eventual decommissioning of energy facilities; and (5) enforces compliance with site certification conditions.

Thermal power plants (electricity-generating facilities using fuel, such as gas-fired combined-cycle combustion turbines) of at least 250 megawatts are within EFSEC's jurisdiction.

In 1981, voters approved Initiative No. 394, which is called the Washington State Energy Financing Voter Approval Act. Under this law, a local government is prohibited from selling bonds to finance the construction or acquisition of major electrical generating facilities, that are intended to generate more than 250 megawatts of electricity, unless the voters of the local government approve a ballot proposition authorizing the expenditure of the funds. Provisions are made for the preparation of a cost-effectiveness study of the project by an independent consultant and preparation of a special voters' pamphlet on the

proposal that is distributed to voters in the local governments proposing to participate in the project.

Historically, proponents of a new thermal power plant have relied on the "name-plate rating" to determine whether the plant is within EFSEC's jurisdiction or subject to the Washington State Energy Financing Voter Approval Act. However, a plant that ordinarily generates less than 250 megawatts of electricity may on some occasions, due to weather conditions, generate more than 250 megawatts of electricity. Influential weather conditions include ambient temperature and pressure.

Current law does not explicitly address situations where a thermal facility ordinarily generates less, but may occasionally generate more, than 250 megawatts of electricity.

Summary of Bill: The definition that determines whether an energy project is considered by the Energy Facility Site Evaluation Council is clarified by stating the 250 megawatt generating threshold for electricity production is measured using maximum continuous electric generating capacity, less minimum auxiliary load, at average ambient temperature and pressure.

The same clarification is made to the definition of a major public energy project subject to voter approval for financing under Initiative 394.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This is a simple bill that provides clarification and certainty as to whether or not proposed electricity-producing projects exceed the 250 megawatt threshold.

Testimony Against: This measure is an attempt to prevent a public vote on certain electricity-producing projects that are designed to produce an amount of power just under the 250 megawatt threshold.

Testified: Ron Newbry, PacifiCorp (pro); Jim Boldt (pro); Jim Sanders (pro); Ronald John (con); Betty Smith (con); Bob Wachter (con); Emory H. Hall (con).