

SHB 1010 - H AMD

By Representative Morris

1 On page 2, line 36, strike all of section 3 and insert the
2 following:

3 "NEW SECTION. **Sec. 3.** (1) Except as otherwise provided under
4 this section, each electric utility must develop an integrated
5 resource plan, by July 31, 2006, consistent with the provisions of
6 this section. Such a plan must be updated, at minimum, in 2009,
7 2014, and 2019, and, at a minimum, must include:

8 (a) A range of forecasts of future customer demand using
9 methods that examine the effect of economic forces on the
10 consumption of electricity and that address changes in the number,
11 type, and efficiency of electrical end-uses;

12 (b) An assessment of technically feasible improvements in the
13 efficient generation, transmission, distribution, and use of
14 electricity, including load management and fuel switching, as well
15 as currently employed and new policies and programs needed to
16 obtain the efficiency improvements;

17 (c) An assessment of technically feasible generating
18 technologies including but not limited to renewable resources,
19 cogeneration, power purchases, and thermal resources;

20 (d) An evaluation comparing the cost-effectiveness of
21 generating resources with the cost-effectiveness of improvements in
22 the efficient use of electricity;

23 (e) The integration of the demand forecasts and resource
24 evaluations into a long-range integrated resource plan describing
25 the mix of resources and efficiency measures that will meet current
26 and future needs at:

27 (i) The lowest reasonable cost, including but not limited to,
28 all direct costs of a project or resource over its effective life
29 and quantifiable environmental costs and benefits directly
30 attributable to the project or resource; and

1 (ii) The lowest reasonable risk, including but not limited to,
2 an assessment of risk associated with fuel price, fuel
3 availability, hedging, and future environmental regulations, to the
4 utility and its ratepayers;

5 (f) A short-term plan outlining the specific actions to be
6 taken by the utility consistent with the long-range integrated
7 resource plan; and

8 (g) For all plans subsequent to the initial integrated resource
9 plan, a progress report that relates the new plan to the previous
10 plan.

11 (2) Electric utilities that have less than twenty-five thousand
12 customers may develop an integrated resource plan that includes, at
13 a minimum, only the following:

14 (a) The mix of resources and efficiency measures that the
15 utility intends to use and acquire to meet current needs and future
16 needs for five, ten, and fifteen years at:

17 (i) The lowest reasonable cost, including all direct costs of
18 a project or resource; and

19 (ii) The lowest reasonable risk, including an identification of
20 economic or financial risk and risk associated with fuel price,
21 fuel availability, hedging, and future environmental regulations,
22 to the utility and its ratepayers; and

23 (b) Analysis demonstrating how the electric utility determined
24 the resources.

25 (3) The requirements of this section do not apply to:

26 (a) A consumer-owned utility that purchases all of its power
27 under a contract with a federal power marketing agency; or

28 (b) A consumer-owned utility that has less than a total of
29 three percent load growth during the three years prior to the year
30 of a required integrated resource plan."

EFFECT: Revises the substitute bill so that utilities that purchase all power from a contract with a federal power marketing agency are exempt from developing an integrated resource plan. Utilities with less than three percent load growth over the three years prior to the year of a required integrated resource plan are also exempt. Utilities with less than 25,000 customers are required to create modified integrated resource plans with fewer elements than a full integrated resource plan.