CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1037

60th Legislature 2007 Regular Session

CERTIFICATE
I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby
certify that the attached is SUBSTITUTE HOUSE BILL 1037 as passed by the House of Representatives and the Senate or
the dates hereon set forth.
Chief Clerk
FILED
Secretary of State State of Washington

SUBSTITUTE HOUSE BILL 1037

AS AMENDED BY THE SENATE

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Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Technology, Energy & Communications (originally sponsored by Representatives Morris, Hudgins, Moeller and B. Sullivan)

READ FIRST TIME 01/22/07.

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- 1 AN ACT Relating to siting electrical transmission under the energy
- 2 facility site evaluation council; amending RCW 80.50.060; reenacting
- and amending RCW 80.50.020; adding new sections to chapter 80.50 RCW;
- 4 and repealing 2006 c 196 s 2 (uncodified).
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 80.50.020 and 2006 c 205 s 1 and 2006 c 196 s 1 are each reenacted and amended to read as follows:
 - The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 10 (1) "Applicant" means any person who makes application for a site 11 certification pursuant to the provisions of this chapter.
- 12 (2) "Application" means any request for approval of a particular 13 site or sites filed in accordance with the procedures established 14 pursuant to this chapter, unless the context otherwise requires.
- 15 (3) "Person" means an individual, partnership, joint venture, 16 private or public corporation, association, firm, public service 17 company, political subdivision, municipal corporation, government 18 agency, public utility district, or any other entity, public or 19 private, however organized.

- 1 (4) "Site" means any proposed or approved location of an energy 2 facility, alternative energy resource, or electrical transmission 3 facility.
 - (5) "Certification" means a binding agreement between an applicant and the state which shall embody compliance to the siting guidelines, in effect as of the date of certification, which have been adopted pursuant to RCW 80.50.040 as now or hereafter amended as conditions to be met prior to or concurrent with the construction or operation of any energy facility.
 - (6) "Associated facilities" means storage, transmission, handling, or other related and supporting facilities connecting an energy plant with the existing energy supply, processing, or distribution system, including, but not limited to, communications, controls, mobilizing or maintenance equipment, instrumentation, and other types of ancillary transmission equipment, off-line storage or venting required for efficient operation or safety of the transmission system and overhead, and surface or subsurface lines of physical access for the inspection, maintenance, and safe operations of the transmission facility and new transmission lines constructed to operate at nominal voltages ((in excess)) of at least 115,000 volts to connect a thermal power plant or alternative energy facilities to the northwest power grid. However, common carrier railroads or motor vehicles shall not be included.
 - (7) "Transmission facility" means any of the following together with their associated facilities:
 - (a) Crude or refined petroleum or liquid petroleum product transmission pipeline of the following dimensions: A pipeline larger than six inches minimum inside diameter between valves for the transmission of these products with a total length of at least fifteen miles;
 - (b) Natural gas, synthetic fuel gas, or liquefied petroleum gas transmission pipeline of the following dimensions: A pipeline larger than fourteen inches minimum inside diameter between valves, for the transmission of these products, with a total length of at least fifteen miles for the purpose of delivering gas to a distribution facility, except an interstate natural gas pipeline regulated by the United States federal power commission((\div)).
- 37 (((c))) <u>(8) "</u>Electrical transmission facilities<u>"</u> ((in excess of 38 115,000 volts in national interest electric transmission corridors as

designated by the United States secretary of the department of energy or the federal energy regulatory commission pursuant to section 1221 of the national energy policy act, and such rules and regulations as the secretary or the federal energy regulatory commission adopts to implement the act)) means electrical power lines and related equipment.

- ((+8)) (9) "Independent consultants" means those persons who have no financial interest in the applicant's proposals and who are retained by the council to evaluate the applicant's proposals, supporting studies, or to conduct additional studies.
- 10 (((9))) <u>(10)</u> "Thermal power plant" means, for the purpose of 11 certification, any electrical generating facility using any fuel, 12 including nuclear materials, for distribution of electricity by 13 electric utilities.
- $((\frac{10}{10}))$ <u>(11)</u> "Energy facility" means an energy plant or 15 transmission facilities: PROVIDED, That the following are excluded 16 from the provisions of this chapter:
 - (a) Facilities for the extraction, conversion, transmission or storage of water, other than water specifically consumed or discharged by energy production or conversion for energy purposes; and
 - (b) Facilities operated by and for the armed services for military purposes or by other federal authority for the national defense.
 - $((\frac{(11)}{(12)}))$ "Council" means the energy facility site evaluation council created by RCW 80.50.030.
 - $((\frac{12}{12}))$ <u>(13)</u> "Counsel for the environment" means an assistant attorney general or a special assistant attorney general who shall represent the public in accordance with RCW 80.50.080.
- $((\frac{(13)}{(14)}))$ (14) "Construction" means on-site improvements, excluding exploratory work, which cost in excess of two hundred fifty thousand dollars.
- $((\frac{14}{14}))$ <u>(15)</u> "Energy plant" means the following facilities 31 together with their associated facilities:
 - (a) Any stationary thermal power plant with generating capacity of three hundred fifty thousand kilowatts or more, measured using maximum continuous electric generating capacity, less minimum auxiliary load, at average ambient temperature and pressure, and floating thermal power plants of one hundred thousand kilowatts or more, including associated facilities. For the purposes of this subsection, "floating thermal

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power plants" means a thermal power plant that is suspended on the surface of water by means of a barge, vessel, or other floating platform;

- (b) Facilities which will have the capacity to receive liquefied natural gas in the equivalent of more than one hundred million standard cubic feet of natural gas per day, which has been transported over marine waters;
- (c) Facilities which will have the capacity to receive more than an average of fifty thousand barrels per day of crude or refined petroleum or liquefied petroleum gas which has been or will be transported over marine waters, except that the provisions of this chapter shall not apply to storage facilities unless occasioned by such new facility construction;
- (d) Any underground reservoir for receipt and storage of natural gas as defined in RCW 80.40.010 capable of delivering an average of more than one hundred million standard cubic feet of natural gas per day; and
- (e) Facilities capable of processing more than twenty-five thousand barrels per day of petroleum into refined products.
- $((\frac{(15)}{(16)}))$ "Land use plan" means a comprehensive plan or land use element thereof adopted by a unit of local government pursuant to chapter 35.63, 35A.63, 36.70, or 36.70A RCW, or as otherwise designated by this act.
- $((\frac{16}{10}))$ (17) "Zoning ordinance" means an ordinance of a unit of local government regulating the use of land and adopted pursuant to chapter 35.63, 35A.63, 36.70, or 36.70A RCW or Article XI of the state Constitution, or as otherwise designated by this act.
- (((17))) (18) "Alternative energy resource" means: (a) Wind; (b) solar energy; (c) geothermal energy; (d) landfill gas; (e) wave or tidal action; or (f) biomass energy based on solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.
- (((18))) (19) "Secretary" means the secretary of the United States department of energy.
- 36 (20) "Preapplication process" means the process which is initiated 37 by written correspondence from the preapplicant to the council, and

- includes the process adopted by the council for consulting with the preapplicant and with cities, towns, and counties prior to accepting applications for all transmission facilities.
- 4 (21) "Preapplicant" means a person considering applying for a site certificate agreement for any transmission facility.
- **Sec. 2.** RCW 80.50.060 and 2006 c 196 s 4 are each amended to read 7 as follows:

- (1) The provisions of this chapter ((shall)) apply to the construction of energy facilities which includes the new construction of energy facilities and the reconstruction or enlargement of existing energy facilities where the net increase in physical capacity or dimensions resulting from such reconstruction or enlargement meets or exceeds those capacities or dimensions set forth in RCW 80.50.020 (7) and (((14))) (15). No construction of such energy facilities may be undertaken, except as otherwise provided in this chapter, after July 15, 1977, without first obtaining certification in the manner provided in this chapter.
- (2) The provisions of this chapter apply to the construction, reconstruction, or enlargement of a new or existing energy facility that exclusively uses alternative energy resources and chooses to receive certification under this chapter, regardless of the generating capacity of the project.
- (3)(a) The provisions of this chapter apply to the construction ((of new)), reconstruction, or modification of electrical transmission facilities ((or the modification of existing electrical transmission facilities in a national interest electric transmission corridor designated by the secretary)) when:
- 28 <u>(i) The facilities are located in a national interest electric</u> 29 transmission corridor as specified in RCW 80.50.045;
 - (ii) An applicant chooses to receive certification under this chapter, and the facilities are: (A) Of a nominal voltage of at least one hundred fifteen thousand volts and are located in a completely new corridor, except for the terminus of the new facility or interconnection of the new facility with the existing grid, and the corridor is not otherwise used for electrical transmission facilities; and (B) located in more than one jurisdiction that has promulgated land use plans or zoning ordinances; or

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- (iii) An applicant chooses to receive certification under this chapter, and the facilities are: (A) Of a nominal voltage in excess of one hundred fifteen thousand volts; and (B) located outside an electrical transmission corridor identified in (a)(i) and (ii) of this subsection (3).
 - (b) For the purposes of this subsection, "modify" means a significant change to an electrical transmission facility and does not include the following: (i) Minor improvements such as the replacement of existing transmission line facilities or supporting structures with equivalent facilities or structures; (ii) the relocation of existing electrical transmission line facilities; (iii) the conversion of existing overhead lines to underground; or (iv) the placing of new or additional conductors, supporting structures, insulators, or their accessories on or replacement of supporting structures already built.
 - (4) The provisions of this chapter shall not apply to normal maintenance and repairs which do not increase the capacity or dimensions beyond those set forth in RCW 80.50.020 (7) and $((\frac{14}{14}))$ (15).
 - (5) Applications for certification of energy facilities made prior to July 15, 1977 shall continue to be governed by the applicable provisions of law in effect on the day immediately preceding July 15, 1977 with the exceptions of RCW 80.50.190 and 80.50.071 which shall apply to such prior applications and to site certifications prospectively from July 15, 1977.
 - (6) Applications for certification shall be upon forms prescribed by the council and shall be supported by such information and technical studies as the council may require.
- NEW SECTION. Sec. 3. A new section is added to chapter 80.50 RCW to read as follows:
 - (1) For applications to site electrical transmission facilities, the council shall conduct a preapplication process pursuant to rules adopted by the council to govern such process, receive applications as prescribed in RCW 80.50.071, and conduct public meetings pursuant to RCW 80.50.090.
- 35 (2) The council shall consider and may recommend certification of 36 electrical transmission facilities in corridors designated for this 37 purpose by affected cities, towns, or counties:

(a) Where the jurisdictions have identified electrical transmission facility corridors as part of their land use plans and zoning maps based on policies adopted in their plans;

- (b) Where the proposed electrical transmission facility is consistent with any adopted development regulations that govern the siting of electrical transmission facilities in such corridors; and
- (c) Where contiguous jurisdictions and jurisdictions in which related regional electrical transmission facilities are located have either prior to or during the preapplication process undertaken good faith efforts to coordinate the locations of their corridors consistent with RCW 36.70A.100.
- (3)(a) In the absence of a corridor designation in the manner prescribed in subsection (2) of this section, the council shall as part of the preapplication process require the preapplicant to negotiate, as provided by rule adopted by the council, for a reasonable time with affected cities, towns, and counties to attempt to reach agreement about a corridor plan. The application for certification shall identify only the corridor agreed to by the applicant and cities, towns, and counties within the proposed corridor pursuant to the preapplication process.
- (b) If no corridor plan is agreed to by the applicant and cities, towns, and counties pursuant to (a) of this subsection, the applicant shall propose a recommended corridor and electrical transmission facilities to be included within the proposed corridor.
- (c) The council shall consider the applicant's proposed corridor and electrical transmission facilities as provided in RCW 80.50.090 (2) and (4), and shall make a recommendation consistent with RCW 80.50.090 and 80.50.100.
- NEW SECTION. Sec. 4. A new section is added to chapter 80.50 RCW to read as follows:
 - (1) A preapplicant shall pay to the council a fee of ten thousand dollars to be applied to the cost of the preapplication process as a condition precedent to any action by the council, provided that costs in excess of this amount shall be paid only upon prior approval by the preapplicant, and provided further that any unexpended portions thereof shall be returned to the preapplicant.

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- 1 (2) The council shall consult with the preapplicant and prepare a 2 plan for the preapplication process which shall commence with an 3 informational public hearing within sixty days after the receipt of the 4 preapplication fee as provided in RCW 80.50.090.
- 5 (3) The preapplication plan shall include but need not be limited 6 to:
 - (a) An initial consultation to explain the proposal and request input from council staff, federal and state agencies, cities, towns, counties, port districts, tribal governments, property owners, and interested individuals;
- 11 (b) Where applicable, a process to guide negotiations between the 12 preapplicant and cities, towns, and counties within the corridor 13 proposed pursuant to section 3 of this act.
- NEW SECTION. Sec. 5. 2006 c 196 s 2 (uncodified) is repealed.

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