
SENATE BILL 5555

State of Washington

63rd Legislature

2013 Regular Session

By Senator Ericksen

Read first time 02/04/13. Referred to Committee on Energy, Environment & Telecommunications.

1 AN ACT Relating to the Washington state renewable energy space
2 heating act; reenacting and amending RCW 43.325.010; creating new
3 sections; and providing an expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that the Washington
6 state energy policy is to reduce the need to import oil from foreign
7 countries to meet the energy needs of Washington citizens and to
8 protect the environment from the release of excessive carbon monoxide
9 and ozone depleting compounds. Pellets made from wood shavings and
10 sawdust offer an outstanding opportunity to reduce the need to import
11 oil from foreign countries and also provide significant environmental
12 improvements over traditional fuels such as heating oil and natural
13 gas. Wood pellets produce a smaller volume of hydrocarbons, methane,
14 and carbon dioxide when burned in approved pellet heating devices. The
15 carbon dioxide that is released when densified wood pellets are burned
16 is considered to be carbon neutral. This fuel does not add to carbon
17 in the atmosphere. When natural gas or fuel oil is burned, carbon
18 dioxide that has been out of circulation for thousands of years is
19 released, which is perceived as a net increase in the atmospheric

1 carbon dioxide concentration. The legislature further finds that
2 densified wood biomass pellets are a very cost effective fuel source
3 for efficient space heating in homes and buildings and for heating
4 water. The legislature further finds that Washington state has a very
5 large supply of raw materials that are highly suitable for the
6 manufacturing of densified biomass wood pellets. The legislature
7 further finds that prudently managed public lands and forests are an
8 outstanding source of material needed to produce densified biomass wood
9 pellets and will reduce the release of ozone depleting methane from
10 decaying wood debris. The legislature further finds that the
11 Washington State University extension energy program recommended in
12 2012 that existing tax incentives for biomass fuels be extended to
13 support the development of the densified biomass wood pellet industry.

14 The legislature declares that densified biomass wood pellets are a
15 renewable energy fuel and enacts the Washington state renewable energy
16 space heating act to encourage the increased use, and increased
17 production, of densified biomass wood pellets and the development and
18 installation of densified biomass wood pellet space heating and water
19 heating devices.

20 **Sec. 2.** RCW 43.325.010 and 2009 c 565 s 41 and 2009 c 451 s 2 are
21 each reenacted and amended to read as follows:

22 The definitions in this section apply throughout this chapter
23 unless the context clearly requires otherwise.

24 (1) "Alternative fuel" means all products or energy sources used to
25 propel motor vehicles, other than conventional gasoline, diesel, or
26 reformulated gasoline. "Alternative fuel" includes, but is not limited
27 to, cellulose, liquefied petroleum gas, liquefied natural gas,
28 compressed natural gas, biofuels, biodiesel fuel, E85 motor fuel, fuels
29 containing seventy percent or more by volume of alcohol fuel, fuels
30 that are derived from biomass, hydrogen fuel, anhydrous ammonia fuel,
31 nonhazardous motor fuel, or electricity, excluding onboard electric
32 generation.

33 (2) "Applicant" means the state and any political subdivision of
34 the state, including port districts, counties, cities, towns, special
35 purpose districts, and other municipal corporations or quasi-municipal
36 corporations. "Applicant" may also include federally recognized
37 tribes, state institutions of higher education with appropriate

1 research capabilities, any organization described in section 501(c)(3)
2 of the internal revenue code, and private entities that are eligible to
3 receive federal funds.

4 (3) "Assistance" includes loans, leases, product purchases, or
5 other forms of financial or technical assistance.

6 (4) "Biofuel" includes, but is not limited to, biodiesel, ethanol,
7 and ethanol blend fuels and renewable liquid natural gas or liquid
8 compressed natural gas made from biogas.

9 (5) "Biogas" includes waste gases derived from landfills and
10 wastewater treatment plants and dairy and farm wastes.

11 (6) "Cellulose" means lignocellulosic, hemicellulosic, or other
12 cellulosic matter that is available on a renewable or recurring basis,
13 including dedicated energy crops and trees, wood and wood residues,
14 plants, grasses, agricultural residues, fibers, animal wastes and other
15 waste materials, and municipal solid waste.

16 (7) "Coordinator" means the person appointed by the director of the
17 department of commerce.

18 (8) "Department" means the department of commerce.

19 (9) "Director" means the director of the department of commerce.

20 (10) "Energy efficiency improvement" means an installation or
21 modification that is designed to reduce energy consumption. The term
22 includes, but is not limited to: Insulation; storm windows and doors;
23 automatic energy control systems; energy efficiency audits; heating,
24 ventilating, or air conditioning and distribution system modifications
25 or replacements in buildings or central plants; caulking and weather
26 stripping; energy recovery systems; geothermal heat pumps; and day
27 lighting systems.

28 (11) "Green highway zone" means an area in the state designated by
29 the department that is within reasonable proximity of state route
30 number 5, state route number 90, and state route number 82.

31 (12) "Innovative energy technology" means, but is not limited to,
32 the following: Smart grid or smart metering; biogas from landfills,
33 wastewater treatment plants, anaerobic digesters, or other processes;
34 wave or tidal power; fuel cells; high efficiency cogeneration; the use
35 of renewable energy improvements to heat buildings; and energy storage
36 systems.

37 (13) "Peer review committee" means a board, appointed by the

1 director, that includes bioenergy specialists, energy conservation
2 specialists, scientists, and individuals with specific recognized
3 expertise.

4 (14) "Project" includes: (a) The construction of facilities,
5 including the purchase of equipment, to convert farm products or wastes
6 into electricity or gaseous or liquid fuels or other coproducts
7 associated with such conversion; (b) clean energy projects identified
8 by the clean energy leadership council, created in section 2, chapter
9 318, Laws of 2009; and (c) energy efficiency improvements, renewable
10 energy improvements, or innovative energy technologies. These
11 specifically include fixed or mobile facilities to generate electricity
12 or methane from the anaerobic digestion of organic matter, and fixed or
13 mobile facilities for extracting oils from canola, rape, mustard, and
14 other oilseeds. "Project" may also include the construction of
15 facilities associated with such conversion for the distribution and
16 storage of such feedstocks and fuels. The definition of project does
17 not apply to projects as described in RCW 43.325.020(5).

18 (15) "Renewable energy improvements" means a fixture, product,
19 system, device, or interacting group of devices that produces energy
20 from renewable resources. The term includes, but is not limited to:
21 Photovoltaic systems; solar thermal systems; small wind systems;
22 biomass systems; densified biomass wood fuel and associated heating
23 appliances for the thermal heating of buildings; and geothermal
24 systems.

25 (16) "Refueling project" means the construction of new alternative
26 fuel refueling facilities, as well as upgrades and expansion of
27 existing refueling facilities, that will enable these facilities to
28 offer alternative fuels to the public.

29 (17) "Research and development project" means research and
30 development, by an institution of higher education as defined in
31 subsection (2) of this section, relating to:

32 (a) Bioenergy sources including but not limited to biomass and
33 associated gases; or

34 (b) The development of markets for bioenergy coproducts.

35 NEW SECTION. **Sec. 3.** (1) The director shall prepare a report to
36 the legislature by December 1, 2013, on recommendations to expand the
37 use of densified biomass wood pellets and associated heating appliances

1 for the thermal heating of buildings and heating water. The department
2 shall consult with individuals actively working in the densified
3 biomass wood pellet industry and individuals actively working in the
4 industry that develops and produces heating appliances for thermal
5 heating of buildings and heating water. The department shall also
6 consult with the Washington State University extension energy program,
7 as well as other resources as determined by the department, in
8 preparing the report and the department's recommendations.

9 (2) The definitions in RCW 43.325.010 apply throughout this
10 section.

11 NEW SECTION. **Sec. 4.** Section 2 of this act expires June 30, 2014.

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