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SENATE BILL 6500

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State of Washington

63rd Legislature

2014 Regular Session

By Senators Braun and Conway

Read first time 01/30/14. Referred to Committee on Energy, Environment & Telecommunications.

1 AN ACT Relating to allowing coal transition power to qualify as an  
2 eligible renewable resource under chapter 19.285 RCW, the energy  
3 independence act; and reenacting and amending RCW 19.285.030.

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

5 **Sec. 1.** RCW 19.285.030 and 2013 c 158 s 1, 2013 c 99 s 1, and 2013  
6 c 61 s 1 are each reenacted and amended to read as follows:

7 The definitions in this section apply throughout this chapter  
8 unless the context clearly requires otherwise.

9 (1) "Attorney general" means the Washington state office of the  
10 attorney general.

11 (2) "Auditor" means: (a) The Washington state auditor's office or  
12 its designee for qualifying utilities under its jurisdiction that are  
13 not investor-owned utilities; or (b) an independent auditor selected by  
14 a qualifying utility that is not under the jurisdiction of the state  
15 auditor and is not an investor-owned utility.

16 (3)(a) "Biomass energy" includes: (i) Organic by-products of  
17 pulping and the wood manufacturing process; (ii) animal manure; (iii)  
18 solid organic fuels from wood; (iv) forest or field residues; (v)

1 untreated wooden demolition or construction debris; (vi) food waste and  
2 food processing residuals; (vii) liquors derived from algae; (viii)  
3 dedicated energy crops; and (ix) yard waste.

4 (b) "Biomass energy" does not include: (i) Wood pieces that have  
5 been treated with chemical preservatives such as creosote,  
6 pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old growth  
7 forests; or (iii) municipal solid waste.

8 (4) "Coal transition power" has the same meaning as defined in RCW  
9 80.80.010.

10 (5) "Commission" means the Washington state utilities and  
11 transportation commission.

12 (6) "Conservation" means any reduction in electric power  
13 consumption resulting from increases in the efficiency of energy use,  
14 production, or distribution.

15 (7) "Cost-effective" has the same meaning as defined in RCW  
16 80.52.030.

17 (8) "Council" means the Washington state apprenticeship and  
18 training council within the department of labor and industries.

19 (9) "Customer" means a person or entity that purchases electricity  
20 for ultimate consumption and not for resale.

21 (10) "Department" means the department of commerce or its  
22 successor.

23 (11) "Distributed generation" means an eligible renewable resource  
24 where the generation facility or any integrated cluster of such  
25 facilities has a generating capacity of not more than five megawatts.

26 (12) "Eligible renewable resource" means:

27 (a) Electricity from a generation facility powered by a renewable  
28 resource other than freshwater that commences operation after March 31,  
29 1999, where: (i) The facility is located in the Pacific Northwest; or  
30 (ii) the electricity from the facility is delivered into Washington  
31 state on a real-time basis without shaping, storage, or integration  
32 services;

33 (b) Incremental electricity produced as a result of efficiency  
34 improvements completed after March 31, 1999, to hydroelectric  
35 generation projects owned by a qualifying utility and located in the  
36 Pacific Northwest or to hydroelectric generation in irrigation pipes  
37 and canals located in the Pacific Northwest, where the additional

1 generation in either case does not result in new water diversions or  
2 impoundments;

3 (c) Coal transition power;

4 (d) Qualified biomass energy; or

5 ~~((d))~~ (e) For a qualifying utility that serves customers in other  
6 states, electricity from a generation facility powered by a renewable  
7 resource other than freshwater that commences operation after March 31,  
8 1999, where: (i) The facility is located within a state in which the  
9 qualifying utility serves retail electrical customers; and (ii) the  
10 qualifying utility owns the facility in whole or in part or has a long-  
11 term contract with the facility of at least twelve months or more.

12 (13) "Investor-owned utility" has the same meaning as defined in  
13 RCW 19.29A.010.

14 (14) "Load" means the amount of kilowatt-hours of electricity  
15 delivered in the most recently completed year by a qualifying utility  
16 to its Washington retail customers.

17 (15)(a) "Nonpower attributes" means all environmentally related  
18 characteristics, exclusive of energy, capacity reliability, and other  
19 electrical power service attributes, that are associated with the  
20 generation of electricity from a renewable resource, including but not  
21 limited to the facility's fuel type, geographic location, vintage,  
22 qualification as an eligible renewable resource, and avoided emissions  
23 of pollutants to the air, soil, or water, and avoided emissions of  
24 carbon dioxide and other greenhouse gases.

25 (b) "Nonpower attributes" does not include any aspects, claims,  
26 characteristics, and benefits associated with the on-site capture and  
27 destruction of methane or other greenhouse gases at a facility through  
28 a digester system, landfill gas collection system, or other mechanism,  
29 which may be separately marketable as greenhouse gas emission reduction  
30 credits, offsets, or similar tradable commodities. However, these  
31 separate avoided emissions may not result in or otherwise have the  
32 effect of attributing greenhouse gas emissions to the electricity.

33 (16) "Pacific Northwest" has the same meaning as defined for the  
34 Bonneville power administration in section 3 of the Pacific Northwest  
35 electric power planning and conservation act (94 Stat. 2698; 16 U.S.C.  
36 Sec. 839a).

37 (17) "Public facility" has the same meaning as defined in RCW  
38 39.35C.010.

1 (18) "Qualified biomass energy" means electricity produced from a  
2 biomass energy facility that: (a) Commenced operation before March 31,  
3 1999; (b) contributes to the qualifying utility's load; and (c) is  
4 owned either by: (i) A qualifying utility; or (ii) an industrial  
5 facility that is directly interconnected with electricity facilities  
6 that are owned by a qualifying utility and capable of carrying  
7 electricity at transmission voltage.

8 (19) "Qualifying utility" means an electric utility, as the term  
9 "electric utility" is defined in RCW 19.29A.010, that serves more than  
10 twenty-five thousand customers in the state of Washington. The number  
11 of customers served may be based on data reported by a utility in form  
12 861, "annual electric utility report," filed with the energy  
13 information administration, United States department of energy.

14 (20) "Renewable energy credit" means a tradable certificate of  
15 proof of at least one megawatt-hour of an eligible renewable resource  
16 where the generation facility is not powered by freshwater. The  
17 certificate includes all of the nonpower attributes associated with  
18 that one megawatt-hour of electricity, and the certificate is verified  
19 by a renewable energy credit tracking system selected by the  
20 department.

21 (21) "Renewable resource" means: (a) Water; (b) wind; (c) solar  
22 energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or  
23 tidal power; (g) gas from sewage treatment facilities; (h) biodiesel  
24 fuel as defined in RCW 82.29A.135 that is not derived from crops raised  
25 on land cleared from old growth or first-growth forests where the  
26 clearing occurred after December 7, 2006; or (i) biomass energy.

27 (22) "Rule" means rules adopted by an agency or other entity of  
28 Washington state government to carry out the intent and purposes of  
29 this chapter.

30 (23) "Year" means the twelve-month period commencing January 1st  
31 and ending December 31st.

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