1095-S2 AMH MORR HUGH 068

**2SHB 1095** - H AMD **538**

By Representative Morris

 On page 5, line 8, after "(e)" strike "A" and insert "For a critical governmental facility a"

 On page 5, line 9, after "of" strike "whether" and insert "the following: (i) Whether"

 On page 5, line 13, after "period" insert "; and (ii) the cost of integrating the variability of combined heat and power resources"

 On page 7, line 4, after "to" strike "value" and insert "assess"

 On page 7, line 6, after "resource" strike "results" and insert "may result"

 On page 7, line 9, after "value" insert ", pursuant to RCW 19.280.030,"

 On page 7, line 13, after "planning" insert "only if an assessment of combined heat and power identifies opportunities for combined heat and power that are dispatchable and that may provide capacity value"

 On page 7, beginning on line 16, after "(1)" strike all material through "(2)" on line 26 insert the following:

 "The legislature finds that power purchase agreements of a minimum of fifteen years for the electric output of combined heat and power systems may be advantageous to both electric utilities and the owners or operators of combined heat and power systems.

 (2) Electric utilities with over twenty-five thousand customers in the state of Washington are encouraged to offer a minimum term of fifteen years for new power purchase agreements for the electric output of combined heat and power systems beginning December 31, 2016.

 (3)"

 Renumber the remaining subsections consecutively and correct any internal references accordingly.

 On page 13, beginning on line 13, strike all of section 13

 Renumber the remaining sections consecutively and correct any internal references accordingly.

 On page 16, line 20, after "(3)" and insert the following:

 "The requirements established in this section shall not apply to an owner or operator of an industrial, commercial, or institutional boiler or process heater required to complete an energy assessment under 40 C.F.R. Part 63 subpart DDDDD if that owner or operator is a member of a trade association that is a party to a federal civil action including a claim that challenges the lawfulness of such an energy assessment, until a final nonappealable order has been issued in that action dismissing such claim.

 (4)"

 Correct the title.

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|  |  EFFECT:  (1) Specifies that the requirement to include a combined heat and power system feasibility assessment in an energy-consumption analysis applies to critical governmental facilities and not other major facilities. (2) Authorizes a combined heat and power system feasibility assessment to include the cost of integrating the variability of combined heat and power resources. (3) Requires an electric utility with over 25,000 customers to value combined heat and power as having both energy and capacity value only if an assessment of combined heat and power identifies opportunities for combined heat and power that are dispatchable and that may provide capacity value. (4) Establishes a Legislative finding that power purchase agreements of at least 15 years for the electric output of combined heat and power systems may be advantageous to both electric utilities and the owners or operators of combined heat and power systems. (5) Removes from the underlying bill provisions requiring specified electric utilities to offer 15-year power purchase agreements for the electric output of combined heat and power systems, and instead encourages utilities to do so beginning December 31, 2016. (6) Removes from the underlying bill the section requiring the Utilities and Transportation Commission to establish a voluntary emission reduction program. (7) Specifies that certain requirements established for owners or operators of boilers or process heaters required to complete an energy assessment under 40 C.F.R. Part 63 subpart DDDDD do not apply to an owner or operator of a boiler or process heater if that owner or operator is a member of a trade association that is party to a federal civil action including a claim that challenges the lawfulness of the federal energy assessment requirement. This exception applies until a final nonappealable order has been issued in that action dismissing such claim.  |

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