

SENATE BILL REPORT

SB 6196

As Passed Senate, February 16, 2016

Title: An act relating to administrative processes for the utilities and transportation commission in managing deposits and cost reimbursements of the energy facility site evaluation council.

Brief Description: Modifying administrative processes for the utilities and transportation commission in managing deposits and cost reimbursements of the energy facility site evaluation council.

Sponsors: Senators McCoy and Ericksen; by request of Utilities & Transportation Commission.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 2/02/16, 2/03/16 [DP].
Passed Senate: 2/16/16, 48-1.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Majority Report: Do pass.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; McCoy, Ranking Minority Member; Braun, Brown, Cleveland, Habib, Honeyford and Ranker.

Staff: Kimberly Cushing (786-7421)

Background: The Energy Facility Site Evaluation Council (EFSEC). EFSEC is the permitting and certificating authority for the siting of major energy facilities in Washington. The Utilities and Transportation Commission (UTC) provides administrative staff and support to EFSEC and retains supervisory authority over staff to EFSEC.

EFSEC Jurisdiction. EFSEC's siting jurisdiction includes large energy facilities, such as nuclear power plants of any size and thermal electric power plants with a generating capacity of 350 megawatts or greater. Energy facilities of any size that exclusively use alternative energy resources, such as wind power, can also opt-in to the EFSEC review and certification process.

EFSEC Application Fee. A site certification applicant must deposit at least \$50,000 or a greater specified amount with the EFSEC at the time an application is submitted. The deposit covers all of EFSEC's expenses that arise directly from processing a site certification application.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

EFSEC Inspection and Compliance Determinations Fees. Within 30 days of executing a site certification agreement, a certificate holder must deposit at least \$50,000 or a greater specified amount with EFSEC. The deposit covers all of EFSEC's expenses that arise directly from inspecting and determining compliance with the terms of the site certification relative to monitoring the effects of construction, operation, and site restoration of a facility.

Payment of EFSEC Fees. Site certification applicants and certificate holders are required to make all payments to the State Treasurer.

Summary of Bill: EFSEC Application Fees. Each site certification applicant must pay actual costs incurred by EFSEC and the UTC in processing an application. At the time of submitting an application, each applicant must deposit up to \$50,000 with the UTC, unless a greater amount is specified by EFSEC.

Additionally, applicants must reimburse the UTC for actual expenditures that arise in considering the application, including the cost of a independent consultant study. The UTC, on behalf of EFSEC, must provide an invoice of actual expenditures made during the preceding calendar quarter. The applicant must pay the UTC by the invoice due date.

If the applicant withdraws an application, EFSEC and the UTC must charge costs against the deposit for all actual expenditures incurred while considering the application.

EFSEC Inspection and Compliance Determinations Fees. Each certification holder must pay the UTC actual costs incurred by EFSEC for inspection and determination of compliance with the terms of certification. Within 30 days of executing the site certification agreement, the certificate holder must deposit up to \$50,000 with the UTC, unless a greater amount is specified by EFSEC.

Additionally, certificate holders must reimburse the UTC for actual expenditures that arise in conducting inspections and determining compliance. The UTC, on behalf of EFSEC, must provide an invoice of actual expenditures made during the preceding calendar quarter. The certificate holder must pay the UTC by the invoice due date.

If the certificate holder ceases operations, EFSEC and the UTC must charge costs against the deposit for all actual expenditures incurred in conducting inspections and determining compliance with the terms of the certification.

Reimbursements. Any unexpended portions of the applicant's deposit must be returned within 60 days of the conclusion of the application process, which is after the Governor's decision to grant or deny a certificate and judicial review opportunities have expired.

Any unexpended portions of the certificate holder's deposit must be returned within 60 days after a determination by EFSEC that the certificate is no longer required and there is no need for continuing compliance with its terms.

EFSEC and UTC Jurisdiction. Jurisdiction of EFSEC or the UTC is not extended or modified with respect to any energy facility that is not already subject to their jurisdictions as of the effective date of the bill.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill clarifies UTC's process and helps them do their job.

Persons Testifying: PRO: Senator McCoy, prime sponsor; Amanda Cecil, UTC.

Persons Signed In To Testify But Not Testifying: No one.