**1117-S AMS ENET S1163.1 - NOT FOR FLOOR USE**

**SHB 1117** - S COMM AMD

By Committee on Environment, Energy & Technology

**ADOPTED 04/11/2023**

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec.**  The legislature finds that the electric grid is undergoing profound changes. Due to decreasing costs of renewable generation and policies like the clean energy transformation act, the grid is gradually evolving from one built to deliver to the customer electricity from centralized electric generation plants to one with variable energy resources like wind turbines and solar panels dispersed geographically across a broad landscape. As described in the 2021 Washington state energy strategy, the grid that our region is transitioning to will require greater transmission capacity and make greater use of energy storage and customer-side resources to manage the generation on the supply side.

As clean electricity replaces fossil fuels in the state's economy, the transmission and distribution infrastructure, the sticks and wires of the grid, must meet increasingly complex service requirements and loads. The changing demand includes, but is not limited to, population changes, vehicle charging, serving other specialized technology that requires high power quality, electrification of building-related end uses now served by fossil fuels, electricity deployed on the customer side of the meter through net metering, community solar programs, and the growth of demand response programs.

Further, the clean energy transformation act requires that utilities making investments in new resources after May 2019, rely on energy efficiency, demand response, renewable resources, and energy storage to the maximum extent feasible, while transitioning away from coal and natural gas-fired generation. Electric utilities are actively working to ensure resource adequacy through the development of explicit resource adequacy standards and a standardized resource adequacy program. This work is ongoing and should result in a binding and enforceable program with a robust public oversight mechanism. Understanding and addressing any energy adequacy challenges created by a deeply decarbonized grid is key to keeping the state's supply of electricity reliable.

**Sec.**  RCW 19.280.065 and 2020 c 63 s 2 are each amended to read as follows:

(1) At least once every twelve months, the department and the commission shall jointly convene a meeting of representatives of the investor-owned utilities and consumer-owned utilities, regional planning organizations, transmission operators, energy analytics experts at Pacific Northwest national laboratory, and other stakeholders to discuss the current, short-term, and long-term adequacy of energy resources to serve the state's electric needs, and address specific steps the utilities can take to coordinate planning in light of the significant changes to the Northwest's power system including, but not limited to, technological developments, retirements of legacy baseload power generation resources, and changes in laws and regulations affecting power supply options. The department and commission shall provide a summary of these meetings, including any specific action items, to the governor and legislature within sixty days of the meeting.

(2) In 2023, the meeting convened by the department and the commission pursuant to subsection (1) of this section must address strategies to ensure power supply adequacy to avoid the risk of rolling blackouts. The meeting must also focus discussion on the extent to which proposed laws and regulations may require new state policy for resource adequacy. The stakeholder meeting should seek to identify regulatory and statutory incentives to enhance and ensure resource adequacy and reliability. If regional energy analytics capability is established at Pacific Northwest national laboratory, the department and the commission must invite the Pacific Northwest national laboratory to the meeting to provide relevant analytics to inform the discussion.

(3) This section expires January 1, ((~~2025~~)) 2031."

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On page 1, beginning on line 3 of the title, after "events;" strike the remainder of the title and insert "amending RCW 19.280.065; creating a new section; and providing an expiration date."

EFFECT: (1) Adds representatives of Pacific Northwest national laboratory's (PNNL) energy analytics experts to the list of entities to be included at each annual resource adequacy stakeholder meeting; and

(2) Directs the utilities and transportation commission and department of commerce to invite PNNL, if regional energy analytics capability has been established at PNNL, to provide relevant analytics to inform the discussion at the 2023 meeting.