
Environment & Energy Committee

HB 1948

Brief Description: Ensuring that methods for calculating the electric load of utilities under the energy independence act do not have the effect of discouraging voluntary investments in renewable power.

Sponsors: Representatives Ybarra and Fitzgibbon.

Brief Summary of Bill

- Specifies that voluntary renewable energy purchases by retail electric customers of electric utilities do not count towards the overall calculation of that utility's load, for purposes of determining the utility's renewable targets under the Energy Independence Act.

Hearing Date: 1/8/24

Staff: Megan McPhaden (786-7114).

Background:

Energy Independence Act Renewable Load Targets.

Approved by voters in 2006, the Energy Independence Act, also known as Initiative 937 (I-937), requires electric utilities with 25,000 or more customers to meet targets for energy conservation and using eligible renewable resources. Utilities that must comply with I-937 are called qualifying utilities.

Each qualifying utility must use eligible renewable resources, or acquire equivalent renewable energy credits, or a combination of both, to meet the following annual targets based on load, which is the amount of kilowatt-hours of electricity delivered in the most recent year by utility to

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its customers:

- at least 3 percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;
- at least 9 percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and
- at least 15 percent of its load by January 1, 2020, and each year thereafter.

To comply with these targets, a qualifying utility may not count:

- eligible renewable resources or distributed generation where the associated renewable energy credits are owned by a separate entity; or
- eligible renewable resources or renewable energy credits obtained for and used in an optional pricing program such as a utility's voluntary program to purchase qualified alternative energy resources.

Summary of Bill:

Calculating Load for Energy Independence Act Targets.

A qualifying utility's load does not include kilowatt-hours delivered to the utility's system from a retail electric customer's voluntary purchase of an eligible renewable energy resource. A retail electric customer's voluntary renewable energy purchase is either a direct purchase of eligible renewable resources or participation in a utility renewable resources program where the utility purchases the renewable resource megawatt-hours for the utility's system and retires the associated renewable energy credits on behalf of the customer.

Appropriation: None.

Fiscal Note: Requested on January 2, 2024.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.