

SENATE BILL REPORT

SHB 1924

As of February 14, 2024

Title: An act relating to promoting the integration of fusion technology within state clean energy policies.

Brief Description: Promoting the integration of fusion technology within state clean energy policies.

Sponsors: House Committee on Environment & Energy (originally sponsored by Representatives Shavers, Ryu, Barnard, Stearns and Wylie).

Brief History: Passed House: 2/6/24, 95-2.

Committee Activity: Environment, Energy & Technology: 2/14/24.

Brief Summary of Bill

- Requires the state energy strategy concerning the pursuit of cleaner energy sources to include and support fusion energy technologies.
- Requires that the Interagency Clean Energy Siting Coordinating Council's annual report include recommendations on the use of nonproject environmental impact statements for fusion energy projects.
- Adds facilities that manufacture or assemble component parts for fusion energy facilities to the list of Projects of Statewide Significance.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Staff: Adam Brunmeier (786-7357)

Background: Washington State Energy Strategy. The state energy strategy is a comprehensive energy planning process that is designed to help the state meet its energy needs and plan future developments. The Department of Commerce is tasked with responsibilities of promoting and implementing the state energy strategy.

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

The development and implementation of the state energy strategy is guided by a set of nine principles. These principles include language encouraging the development and maintenance of clean energy and support for clean energy technology.

Interagency Clean Energy Siting Coordinating Council. The Interagency Clean Energy Siting Coordinating Council (coordinating council) is composed of several executive offices and state agencies and co-chaired by the Department of Commerce and the Department of Ecology. The coordinating council's duties include advising on and developing the siting and permitting processes for clean energy projects. Beginning October 1, 2024, the coordinating council must deliver annual reports to the Governor and the Legislature summarizing progress on the processes for siting and permitting clean energy projects.

Nonproject Environmental Impact Statements. The State Environmental Policy Act (SEPA) establishes a review process for state and local governments to identify environmental impacts that may result from governmental decisions, such as the issuance of permits or the adoption of land use plans. The SEPA environmental review process requires an environmental impact statement (EIS) for projects with a probable significant adverse environmental impact.

A Nonproject EIS provides the opportunity to evaluate a planned action before projects begin or permit applications are prepared. The early SEPA analysis results in a more streamlined process when a project does occur as certain portions of the analysis have already been completed. The SEPA rules allow for this phased review process for certain actions, typically involving individual components of a larger comprehensive system or network.

Projects of Statewide Significance. The Department of Commerce may designate certain private investments as Projects of Statewide Significance to expedite the permitting and environmental review process. Project proponents must submit applications containing details of the project in order to be considered. The determination is reached based on criteria related to the nature of the project, its economic impact, and the benefits it will bring to local communities.

Qualifying projects include:

- a border crossing project with private and public investments carried out with adjacent states or provinces;
- a development that will provide a net environmental benefit;
- a development in furtherance of the commercialization on innovations;
- a private industrial development with private capital investment in manufacturing or research and development;
- an aviation biofuels production facility;
- a pumped storage project using approved water rights; and
- any other project designated and codified by the Legislature.

Summary of Bill: The State Energy Strategy. A new section is added to the chapter concerning the state energy office and state energy strategy. In addition to the principles guiding the development of the state energy strategy, the state must ensure that the pursuit of cleaner energy sources actively includes and supports innovative, emerging, and promising clean energy technologies, such as fusion energy.

Fusion energy is defined to mean: energy from the merger of atomic nuclei.

Interagency Clean Energy Siting Coordinating Council. In its annual report, the coordinating council must include a recommendation of whether and when fusion energy could be an appropriate category for nonproject EISs.

Projects of Statewide Significance. Facilities that manufacture or assemble component parts for fusion energy facilities are added to the list of projects eligible for designation as Projects of Statewide Significance.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: Fusion technology is the future and we are close to achieving success in development and implementation. Fusion technology promises a reliable supply of clean energy with minimal emissions and this bill will help the state of Washington become a leader in fusion. Fusion energy may offer greater energy capacity and a smaller footprint than alternatives like wind and solar, making it more viable for supplying energy to urban communities. The statewide significance designation in the bill will help fusion energy companies in Washington lead the industry and the world in fusion technology. Washington is poised to lay the foundation for fusion technology and the existing workforce is well-positioned to drive innovation and development. State support for fusion technology can bring economic development and new jobs to Washington State.

Persons Testifying: PRO: Representative Clyde Shavers, Prime Sponsor; Ryan Umstattd, Zap Energy, Inc.; Hawkins DeFrance, Avalanche Energy Designs, Inc.; Sachin Desai, Helion Energy; Chris Ajemian, Kyoto Fusioneering America.

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