

SENATE BILL REPORT

HB 1955

As Reported by Senate Committee On:
Environment, Energy & Technology, February 20, 2024

Title: An act relating to repealing the greenhouse gas content disclosure provision.

Brief Description: Repealing the greenhouse gas content disclosure provision.

Sponsors: Representatives Barnard, Doglio, Ramos, Reeves and Hackney; by request of Department of Commerce.

Brief History: Passed House: 1/29/24, 96-0.

Committee Activity: Environment, Energy & Technology: 2/14/24, 2/20/24 [DP].

Brief Summary of Bill

- Repeals the greenhouse gas content calculation and reporting requirement for electric utilities under the Clean Energy Transformation Act.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Majority Report: Do pass.

Signed by Senators Nguyen, Chair; Lovelett, Vice Chair; MacEwen, Ranking Member; Boehnke, Lovick, Short, Trudeau and Wellman.

Staff: Kimberly Cushing (786-7421)

Background: Clean Energy Transformation Act. In 2019 the Legislature passed the Clean Energy Transformation Act (CETA), which requires Washington's electric utilities to meet 100 percent of their retail electric load using non-emitting and renewable resources by January 1, 2045. CETA requires electric utilities to eliminate coal-fired resources from their allocation of electricity by December 31, 2025, and make all retail sales of electricity greenhouse gas neutral by January 1, 2030.

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.

Greenhouse Gas Content Calculation. Under CETA, each electric utility must report the greenhouse gas (GHG) emissions content in electricity, through a GHG content calculation made by the Department of Ecology (Ecology), in consultation with the Department of Commerce (Commerce). The GHG content calculation must be based on the fuel sources reported in the statutorily required fuel mix disclosure report.

For unspecified electricity, electricity that is not traceable to a specific generating facility, the utility must use Ecology's emissions rate adopted by rule. The emissions rate for unspecified electricity must be consistent with the rate established for markets in the Western Interconnection. If Ecology has not adopted an emissions rate for unspecified electricity, a rate at 0.437 metric tons of carbon dioxide per megawatt-hour of electricity applies.

Under CETA, the fuel mix calculated for the Bonneville Power Administration may exclude purchases of electric generation not associated with Washington State load.

Each consumer-owned utility must provide its GHG content calculation to Commerce, and each investor-owned utility must provide its calculation to Commerce and the Utilities and Transportation Commission (UTC).

Greenhouse Gas Emissions Reporting. Under current law, Ecology must adopt rules requiring reporting of GHG emissions where those emissions from a single facility, or from electricity or fossil fuels sold in Washington by a single supplier or local distribution company, meet or exceed 10,000 metric tons of carbon dioxide equivalent annually.

Summary of Bill: Electric utilities are no longer required to provide to Commerce or the UTC a GHG content calculation under CETA. The definition of GHG content calculation and the requirement to provide it are both repealed.

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: Commerce has found that one of the provisions in CETA has been superseded by more robust reporting requirements under 2021 legislation. As a result, Commerce concluded that it would be best to remove this provision. The reporting is not an especially big burden, but it is good practice and less confusing if we don't have competing calculations of emissions.

Persons Testifying: PRO: Glenn Blackmon, Department of Commerce.

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