

SENATE BILL REPORT

SB 5682

AS REPORTED BY COMMITTEE ON ENERGY & UTILITIES,
MARCH 5, 1991

Brief Description: Creating the Washington energy self-sufficiency commission.

SPONSORS: Senators Thorsness, Sutherland, Barr, Williams and Saling.

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: That Substitute Senate Bill No. 5682 be substituted therefor, and the substitute bill do pass.

Signed by Senators Thorsness, Chairman; Saling, Vice Chairman; Jesernig, Nelson, Patterson, Roach, Stratton, Sutherland, and Williams.

Staff: Dave Monthie (786-7198)

Hearing Dates: February 28, 1991; March 5, 1991

BACKGROUND:

The use of alternative fuels, such as ethanol, methanol, and natural gas, are being increasingly viewed as a desirable part of any comprehensive strategy for obtaining cleaner air by reducing the carbon dioxide emissions from automobiles. The 1990 amendments to the federal Clean Air Act require that by 1996 auto makers annually produce a minimum of 150,000 vehicles running on alternative fuels. The Department of General Administration's Alternative Fuels Subcommittee submitted a report to the Governor in December that recommended that Washington pursue small-scale demonstrations of alternatively-fueled vehicles and monitor other large-scale demonstrations.

Transportation uses 73 percent of the petroleum consumed in Washington. The state is totally dependent on out-of-state sources of supply.

Washington has a very productive agricultural sector that can produce major quantities of grains like wheat that may be used to produce ethanol. The increased use of ethanol in this state as a vehicle fuel would provide additional markets for such agricultural products, improve air quality, and reduce dependence on out-of-state petroleum.

SUMMARY:

An energy self-sufficiency commission is created within the State Energy Office to study the production and use of ethanol in the state. Seven issues are identified for inclusion in

the study, including the availability in the state of feedstocks to generate ethanol and synthetic fuels, the effect of such use on the marketplace, the effect of burning such fuels with gasoline, and the break-even point in producing such fuels and natural oil-based fuels.

The commission has 14 members appointed by the Governor. The composition of the commission is prescribed, and includes representatives of agriculture, synthetic fuel production, oil companies, gas station dealers, state agencies, academics, and four members of the Legislature.

The commission is to develop an action plan and submit it to the Legislature by December 1, 1991. The report is to include a target date for the first ethanol introduction of January, 1993, and further recommendations to the Legislature on energy uses of agriculture. A final report is due on December 1, 1992, and the commission terminates on March 1, 1993.

EFFECT OF PROPOSED SUBSTITUTE:

The substantive portions of the bill are deleted. The Washington State Energy Office is directed to act as the state clearinghouse for information on the production and use of ethanol and other synthetic fuels. Its responsibilities include the dissemination of information, monitoring of pilot projects, advising and consulting with other agencies and governments, consulting with the Department of Agriculture on the use of organic feedstocks for production of such fuels, and assisting in planning and evaluating pilot projects. WSEO must include in its biennial report summaries of the status of, and recommendations for, the production and use of ethanol and synthetic fuels.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

The concept of providing additional emphasis and information on ethanol and other fuels is good. One agency to act as a clearinghouse is needed.

TESTIMONY AGAINST:

The Governor's energy strategy (SB 5245) would do basically the same thing.

TESTIFIED: Jim Harding, WSEO