
**Technology, Telecommunications
& Energy Committee**

HB 1775

Brief Description: Establishing a joint task force to examine the operational, economic, and regulatory obstacles to renewable resources development.

Sponsors: Representatives Crouse, Morris and Upthegrove.

Brief Summary of Bill

- Establishes the Joint Task Force on Renewable Resource Development to evaluate the potential for additional wind power generation of electricity and the factors that may help or hinder the development and deployment of wind power and other renewable resources for use in generating electricity.

Hearing Date: 2/18/03

Staff: Pam Madson (786-7166).

Background:

In Washington, most of the electricity generated comes from hydroelectric projects. According to the U.S. Energy Information Administration's latest available summary (1999), hydroelectric power generation accounts for 83 percent of electricity generated; coal represents 7.4 percent; nuclear power supplies 5.2 percent; and natural gas supplies 3.4 percent. Non-hydro renewable resources such as wind, solar, or biomass represents 1.1 percent.

The region's recent experience with unprecedented high prices in the western power markets has focused attention on development of alternative energy sources. The fluctuating market prices of electricity are making investments in renewable resources more economically competitive than in the past when they have been significantly more expensive than fossil fuels. The Stateline Wind Center located in southeast Washington and the Nine Canyon wind project are two examples in this state of recent wind power development. A wind project in central Washington has filed an application for site certification through the Energy Facility Site Evaluation Council (EFSEC). In 2001, the Legislature gave authority to renewable energy projects to voluntarily seek certification of a project through EFSEC.

Traditionally, electric utilities have been guided in their efforts to acquire resources for meeting their customers' demand for electricity by a least cost planning analysis. Utilities choose a mix of supply and demand side resources that minimizes the cost of services to the customer. The mix may include electricity that is generated by the utility itself, purchased on long-term contracts from other producers, or may include some electricity purchased on the short-term or spot market. It may also include conservation and energy efficiency.

Washington electricity customers are served by three investor-owned utilities; 23 public utility districts; 17 municipal utilities; eight rural electric cooperatives and six mutual corporations.

Summary of Bill:

The Joint Task Force on Renewable Resource Development is established to evaluate the potential for additional wind power generation of electricity and the factors that may help or hinder the development and deployment of wind power and other renewable resources for use in generating electricity.

The Task Force membership includes one member from each of the two largest caucuses of the House of Representatives, appointed by the Speaker of the House, and one member from each of the two largest caucuses of the Senate, appointed by the Majority Leader of the Senate. Member selection must consider geographic diversity. The Speaker of the House and the Majority Leader of the Senate must each appoint a co-chair from their respective chambers.

The co-chairs may appoint advisory committees of experts and interested parties to assist the Task Force. Findings, conclusions, or recommendations must be agreed to by a majority of the legislative members. The Task Force begins its work July 1, 2003, and must present its final report to the Legislature no later than January 1, 2004. Staffing is provided by the Office of Program Research and Senate Committee Services.

Among the items the Task Force is directed to addresses are:

- (1) Identification of the typical capacity factors for the following generation technologies: Wind, hydroelectric, combined cycle combustion turbines, nuclear, coal, solar, and biomass;
- (2) Evaluation of the operational and financial impacts of wind generation on the integrated electric grid;
- (3) Identification of impacts of capital availability on development of generation resources;
- (4) Evaluation of state and local siting regulations and their impact on development of wind generation facilities;
- (5) Evaluation of wind power generation in meeting or conflicting with operational and reliability requirements of utilities in the state;
- (6) Evaluation of the possibilities and limitations of integrating wind power with hydro power to produce electricity; and
- (7) Identification of incentives or regulatory accommodations that would encourage utilities to acquire wind generation.

The Task Force expires on June 1, 2004.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.