
SUBSTITUTE HOUSE BILL 3143

State of Washington

58th Legislature

2004 Regular Session

By House Committee on Technology, Telecommunications & Energy
(originally sponsored by Representatives Morris, Nixon, Hudgins,
Sullivan and Chase)

READ FIRST TIME 02/06/04.

1 AN ACT Relating to renewable energy and energy efficiency; and
2 adding a new chapter to Title 19 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds that each electric
5 utility has the responsibility to meet the electricity demands of its
6 customers with the lowest reasonable cost mix of generating resources
7 and improvements in the efficient use of electricity. The legislature
8 further finds that integrated resource planning provides a sound method
9 for utilities to ensure that they can serve their customers' current
10 and future needs, and can lead to significant development of renewable
11 energy and energy efficiency.

12 NEW SECTION. **Sec. 2.** The definitions in this section apply
13 throughout this chapter unless the context clearly requires otherwise.

14 (1) "Commission" means the Washington state utilities and
15 transportation commission.

16 (2) "Consumer-owned utility" includes a municipal electric utility
17 formed under Title 35 RCW, a public utility district formed under Title
18 54 RCW, an irrigation district formed under chapter 87.03 RCW, a

1 cooperative formed under chapter 23.86 RCW, or a mutual corporation or
2 association formed under chapter 24.06 RCW, that is engaged in the
3 business of distributing electricity to one or more retail electric
4 customers in the state.

5 (3) "Department" means the department of community, trade, and
6 economic development.

7 (4) "Electric utility" means a consumer-owned or investor-owned
8 utility.

9 (5) "Integrated resource plan" or "plan" means a plan describing
10 the mix of generating resources and improvements in the efficient use
11 of electricity that will meet current and future needs at the lowest
12 reasonable cost to the utility and its ratepayers.

13 (6) "Investor-owned utility" means a company owned by investors
14 that meets the definition in RCW 80.04.010 and is engaged in
15 distributing electricity to more than one retail electric customer in
16 the state.

17 (7) "Full-requirements customer" means a utility that generates no
18 power and relies on the Bonneville power administration for all of the
19 power needed to supply its total load requirement.

20 NEW SECTION. **Sec. 3.** Each electric utility must develop an
21 integrated resource plan consistent with the provisions of this
22 chapter. The plan shall be prepared on a biennial basis and, at a
23 minimum, must include:

24 (1) A range of forecasts of future customer demand using methods
25 that examine the effect of economic forces on the consumption of
26 electricity and that address changes in the number, type, and
27 efficiency of electrical end-uses;

28 (2) An assessment of technically feasible improvements in the
29 efficient use of electricity, including load management and fuel
30 switching, as well as currently employed and new policies and programs
31 needed to obtain the efficiency improvements;

32 (3) An assessment of technically feasible generating technologies
33 including but not limited to renewable resources, cogeneration, power
34 purchases, and thermal resources;

35 (4) An evaluation comparing the cost-effectiveness of generating
36 resources with the cost-effectiveness of improvements in the efficient
37 use of electricity;

1 (5) The integration of the demand forecasts and resource
2 evaluations into a long-range integrated resource plan describing the
3 mix of resources and efficiency measures that will meet current and
4 future needs at the lowest reasonable cost to the utility and its
5 ratepayers;

6 (6) A short-term plan outlining the specific actions to be taken by
7 the utility consistent with the long-range integrated resource plan;
8 and

9 (7) For all plans subsequent to the initial integrated resource
10 plan, a progress report that relates the new plan to the previously
11 filed plan.

12 NEW SECTION. Sec. 4. (1) Investor-owned utilities shall submit
13 integrated-resource plans to the commission. The commission shall
14 establish by rule the requirements for preparation and submission of
15 integrated resource plans.

16 (2) The commission may adopt additional rules as necessary to
17 clarify the requirements of section 3 of this act as they apply to
18 investor-owned utilities.

19 NEW SECTION. Sec. 5. (1) Each consumer-owned utility shall
20 develop and publish a work plan for the preparation of an integrated
21 resource plan. The work plan shall set forth the proposed content of
22 the integrated resource plan, the proposed schedule of preparation, and
23 provisions for public involvement in the preparation and review of the
24 plan. The governing body of each utility shall approve an integrated
25 resource plan only after it has provided public notice and hearing on
26 the proposed plan. Each consumer-owned utility shall publish final
27 integrated resource plans either as part of an annual report or as a
28 separate document available to the public.

29 (2) Each consumer-owned utility shall transmit a copy of its
30 integrated-resource plans to the department by July 31, 2006, and
31 transmit subsequent plans every two years thereafter.

32 (3) Consumer-owned utilities that are full-requirements customers
33 of the Bonneville power administration are exempted from the
34 requirements of this chapter.

1 NEW SECTION. **Sec. 6.** Every two years as part of its biennial
2 report required under RCW 43.21F.045, the department shall review the
3 integrated resource plans of consumer-owned utilities and prepare a
4 report to the legislature assessing the utilities' conformance with
5 this chapter. The report shall include a statewide summary of utility
6 load forecasts, load/resource balance, and utility plans for the
7 development of thermal generation, renewable resources, and efficiency
8 resources. The commission shall provide the department with data
9 summarizing activities of investor-owned utilities for use in the
10 department's statewide summary.

11 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act constitute
12 a new chapter in Title 19 RCW.

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