

SENATE BILL REPORT

SHB 1895

As Reported By Senate Committee On:
Water, Energy & Environment, March 30, 2005

Title: An act relating to statewide energy efficiency.

Brief Description: Modifying duties of the joint committee on energy supply and energy conservation.

Sponsors: House Committee on Technology, Energy & Communications (originally sponsored by Representatives Morris, Hudgins, McCoy and B. Sullivan).

Brief History: Passed House: 3/10/05, 94-0.

Committee Activity: Water, Energy & Environment: 3/24/05, 3/30/05 [DPA].

SENATE COMMITTEE ON WATER, ENERGY & ENVIRONMENT

Majority Report: Do pass as amended.

Signed by Senators Poulsen, Chair; Rockefeller, Vice Chair; Morton, Ranking Minority Member; Fraser, Hewitt, Honeyford, Mulliken, Pridemore and Regala.

Staff: William Bridges (786-7424)

Background: Joint Committee on Energy Supply. The committee is composed of eight legislative members and is chaired by a member of their own choosing. It must meet at the following times: (1) at least once a year; (2) at the call of the chair to receive information related to a state or regional energy supply situation; (3) during a condition of energy supply alert or energy emergency; or (4) upon the call of the chair when the Governor acts to terminate an energy supply alert or energy emergency.

Upon the Governor's declaration of an energy supply alert or energy emergency, the committee must review the Governor's plans and make recommendations. The committee is also charged with approving or disapproving any requests by the Governor to extend an energy supply alert or energy emergency.

Energy Audits. State agencies and school districts are required to conduct preliminary energy surveys and audits of their buildings. The Department of General Administration (GA) tracks and reports the installation of any energy conservation measures that result from the audits.

Local governments may conduct their own energy audits, but there is no clear authority permitting local governments to aggregate projects across jurisdictions in order to enhance their cost-effectiveness. Furthermore, local governments are not required to report to GA the installation of any energy conservation measures.

Washington Economic Development Finance Authority (WEDFA). WEDFA is a 17-member body appointed by the Governor. It is authorized to issue nonrecourse revenue bonds

in support of economic development activities, including energy conservation. The bonds issued by WEDFA are not obligations of the state.

Summary of Amended Bill: The Joint Committee on Energy Supply is renamed the Joint Committee on Energy Supply and Conservation (Committee).

Aggregated energy audits and conservation measures are authorized for municipalities. Municipalities may conduct energy audits and implement cost-effective energy conservation measures among multiple government entities.

Municipalities must report to GA. All municipalities must report to GA if they implemented or did not implement, during the previous biennium, cost-effective energy conservation measures aggregated among multiple government entities. The reports must be submitted to GA by September 1, 2007, and by September 1, 2009. In collecting the reports, GA must co-operate with the appropriate associations that represent municipalities.

GA must report to the Committee. GA must prepare a report summarizing the cost-effective energy conservation measures submitted by municipalities. GA must submit the report to the Committee by December 31, 2007, and by December 31, 2009.

WEDFA bonds may be used to finance conservation measures. Conservation measures may be financed with bonds issued by WEDFA.

Legislative intent is expressed and terms are defined. Among other things, the legislature intends to extend conservation measures across all levels of government. Various terms are defined, such as "municipality," which includes cities, counties, towns, and certain special purpose districts.

Amended Bill Compared to Original Bill: The original bill was not considered

Appropriation: None.

Fiscal Note: Preliminary note available on original bill.

Committee/Commission/Task Force Created: No.

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

Testimony For: Bill will allow GA to work with local governments to aggregate their conservation measures. For example, it may not make economic sense for one city to replace five stop lights with energy efficient models, but it could make economic sense if all the jurisdictions in a utility's service area could join together to replace all their stop lights. GA will work with the associations of the reporting parties to make the process as efficient as possible. Bill will encourage the modernization of public facilities and the resulting long-range energy savings. Government should be a leader in conservation efforts. The bill will help make the state more energy self-sufficient and cause less damage to the environment.

Testimony Against: None.

Who Testified: PRO: Representative Morris, prime sponsor; John Lynch, GA; Stan Price, NW Energy Efficiency Coalition; Toni Potter, League of Women Voters of WA; Victoria Lincoln, AWC.