
HOUSE BILL 1643

State of Washington

63rd Legislature

2013 Regular Session

By Representatives Fey, Short, Upthegrove, Nealey, Pollet, Lias, Ormsby, Ryu, and Moscoso

Read first time 02/04/13. Referred to Committee on Environment.

1 AN ACT Relating to energy conservation under the energy
2 independence act; and amending RCW 19.285.060.

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

4 **Sec. 1.** RCW 19.285.060 and 2007 c 1 s 6 are each amended to read
5 as follows:

6 (1) Except as provided in subsection (2) of this section, a
7 qualifying utility that fails to comply with the energy conservation or
8 renewable energy targets established in RCW 19.285.040 shall pay an
9 administrative penalty to the state of Washington in the amount of
10 fifty dollars for each megawatt-hour of shortfall. Beginning in 2007,
11 this penalty shall be adjusted annually according to the rate of change
12 of the inflation indicator, gross domestic product-implicit price
13 deflator, as published by the bureau of economic analysis of the United
14 States department of commerce or its successor.

15 (2)(a) A qualifying utility that does not meet an annual renewable
16 energy target established in RCW 19.285.040(2) is exempt from the
17 administrative penalty in subsection (1) of this section for that year
18 if the commission for investor-owned utilities or the auditor for all

1 other qualifying utilities determines that the utility complied with
2 RCW 19.285.040(2) (d) or (i) or 19.285.050(1).

3 (b) If a qualifying utility does not meet its biennial energy
4 conservation acquisition target as required in RCW 19.285.040(1) and is
5 subject to administrative penalties under subsection (1) of this
6 section, the commission, for a qualifying utility that is an investor-
7 owned utility, or the attorney general, for a qualifying utility that
8 is not an investor-owned utility, shall reduce the penalty by the
9 adjusted amount as provided in subsection (1) of this section for each
10 megawatt-hour in excess of its conservation target from the previous
11 completed biennium.

12 (3) A qualifying utility must notify its retail electric customers
13 in published form within three months of incurring a penalty regarding
14 the size of the penalty and the reason it was incurred.

15 (4) The commission shall determine if an investor-owned utility may
16 recover the cost of this administrative penalty in electric rates, and
17 may consider providing positive incentives for an investor-owned
18 utility to exceed the targets established in RCW 19.285.040.

19 (5) Administrative penalties collected under this chapter shall be
20 deposited into the energy independence act special account which is
21 hereby created. All receipts from administrative penalties collected
22 under this chapter must be deposited into the account. Expenditures
23 from the account may be used only for the purchase of renewable energy
24 credits or for energy conservation projects at public facilities, local
25 government facilities, community colleges, or state universities. The
26 state shall own and retire any renewable energy credits purchased using
27 moneys from the account. Only the director of (~~general~~
28 ~~administration~~) enterprise services or the director's designee may
29 authorize expenditures from the account. The account is subject to
30 allotment procedures under chapter 43.88 RCW, but an appropriation is
31 not required for expenditures.

32 (6) For a qualifying utility that is an investor-owned utility, the
33 commission shall determine compliance with the provisions of this
34 chapter and assess penalties for noncompliance as provided in
35 subsection (1) of this section.

36 (7) For qualifying utilities that are not investor-owned utilities,
37 the auditor is responsible for auditing compliance with this chapter

1 and rules adopted under this chapter that apply to those utilities and
2 the attorney general is responsible for enforcing that compliance.

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