ENGROSSED SUBSTITUTE SENATE BILL 5290

State of Washington

63rd Legislature

2013 Regular Session

Environment & Telecommunications Senate Energy, (originally sponsored by Senators Delvin, Ericksen, Sheldon, Roach, Becker, Bailey, Rivers, Honeyford, Braun, Carrell, Schoesler, Parlette, and Hewitt)

READ FIRST TIME 02/14/13.

- AN ACT Relating to designating certain hydroelectric generation 1 2 from a generation facility located in irrigation pipes, irrigation 3 canals, water pipes whose primary purpose is for conveyance of water for domestic use, and wastewater pipes as an eligible renewable 4 5 resource under chapter 19.285 RCW; and reenacting and amending RCW 19.285.030.
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- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- Sec. 1. RCW 19.285.030 and 2012 c 22 s 2 are each reenacted and 8 amended to read as follows: 9
- 10 The definitions in this section apply throughout this chapter 11 unless the context clearly requires otherwise.
- 12 (1) "Attorney general" means the Washington state office of the 13 attorney general.
- 14 (2) "Auditor" means: (a) The Washington state auditor's office or its designee for qualifying utilities under its jurisdiction that are 15 16 not investor-owned utilities; or (b) an independent auditor selected by a qualifying utility that is not under the jurisdiction of the state 17 auditor and is not an investor-owned utility. 18

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- 1 (3)(a) "Biomass energy" includes: (i) Organic by-products of 2 pulping and the wood manufacturing process; (ii) animal manure; (iii) 3 solid organic fuels from wood; (iv) forest or field residues; (v) 4 untreated wooden demolition or construction debris; (vi) food waste and 5 food processing residuals; (vii) liquors derived from algae; (viii) 6 dedicated energy crops; and (ix) yard waste.
 - (b) "Biomass energy" does not include: (i) Wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old growth forests; or (iii) municipal solid waste.
 - (4) "Commission" means the Washington state utilities and transportation commission.
 - (5) "Conservation" means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.
- 16 (6) "Cost-effective" has the same meaning as defined in RCW 80.52.030.
 - (7) "Council" means the Washington state apprenticeship and training council within the department of labor and industries.
 - (8) "Customer" means a person or entity that purchases electricity for ultimate consumption and not for resale.
 - (9) "Department" means the department of commerce or its successor.
 - (10) "Distributed generation" means an eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts.
 - (11) "Eligible renewable resource" means:

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- (a) Electricity from a generation facility powered by a renewable resource other than freshwater that commences operation after March 31, 1999, where: (i) The facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services;
- (b) Incremental electricity produced as a result of efficiency improvements completed after March 31, 1999, to hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest ((or to hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest,)) where the additional

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- generation ((in either case)) does not result in new water diversions or impoundments; ((and))
- 3 (c) <u>Hydroelectric generation from a project completed after March</u>
 4 31, 1999, where the generation facility is located in irrigation pipes,
 5 irrigation canals, water pipes whose primary purpose is for conveyance
 6 of water for domestic use, and wastewater pipes located in Washington
 7 where the generation does not result in new water diversions or
- 8 <u>impoundments; or</u>

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- 9 <u>(d)</u> Qualified biomass energy.
- 10 (12) "Investor-owned utility" has the same meaning as defined in 11 RCW 19.29A.010.
- 12 (13) "Load" means the amount of kilowatt-hours of electricity 13 delivered in the most recently completed year by a qualifying utility 14 to its Washington retail customers.
 - (14) "Nonpower attributes" means all environmentally related characteristics, exclusive of energy, capacity reliability, and other electrical power service attributes, that are associated with the generation of electricity from a renewable resource, including but not limited to the facility's fuel type, geographic location, vintage, qualification as an eligible renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.
- (15) "Pacific Northwest" has the same meaning as defined for the Bonneville power administration in section 3 of the Pacific Northwest electric power planning and conservation act (94 Stat. 2698; 16 U.S.C. Sec. 839a).
- 27 (16) "Public facility" has the same meaning as defined in RCW 39.35C.010.
 - (17) "Qualified biomass energy" means electricity produced from a biomass energy facility that: (a) Commenced operation before March 31, 1999; (b) contributes to the qualifying utility's load; and (c) is owned either by: (i) A qualifying utility; or (ii) an industrial facility that is directly interconnected with electricity facilities that are owned by a qualifying utility and capable of carrying electricity at transmission voltage.
- 36 (18) "Qualifying utility" means an electric utility, as the term 37 "electric utility" is defined in RCW 19.29A.010, that serves more than 38 twenty-five thousand customers in the state of Washington. The number

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- of customers served may be based on data reported by a utility in form 861, "annual electric utility report," filed with the energy information administration, United States department of energy.
 - (19) "Renewable energy credit" means a tradable certificate of proof of at least one megawatt-hour of an eligible renewable resource where the generation facility is not powered by freshwater. The certificate includes all of the nonpower attributes associated with that one megawatt-hour of electricity, and the certificate is verified by a renewable energy credit tracking system selected by the department.
 - (20) "Renewable resource" means: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or tidal power; (g) gas from sewage treatment facilities; (h) biodiesel fuel as defined in RCW 82.29A.135 that is not derived from crops raised on land cleared from old growth or first-growth forests where the clearing occurred after December 7, 2006; or (i) biomass energy.
- (21) "Rule" means rules adopted by an agency or other entity of Washington state government to carry out the intent and purposes of this chapter.
- 20 (22) "Year" means the twelve-month period commencing January 1st 21 and ending December 31st.

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