

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1154

Chapter 99, Laws of 2013

63rd Legislature
2013 Regular Session

ENERGY INDEPENDENCE ACT--NONPOWER ATTRIBUTES

EFFECTIVE DATE: 07/28/13

Passed by the House March 6, 2013
Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 15, 2013
Yeas 47 Nays 0

BRAD OWEN

President of the Senate

Approved May 1, 2013, 1:54 p.m.

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1154** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 1, 2013

**Secretary of State
State of Washington**

HOUSE BILL 1154

Passed Legislature - 2013 Regular Session

State of Washington

63rd Legislature

2013 Regular Session

By Representatives Upthegrove and Ryu

Read first time 01/17/13. Referred to Committee on Environment.

1 AN ACT Relating to modifying the definition of nonpower attributes
2 in the energy independence act; and reenacting and amending RCW
3 19.285.030.

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

5 **Sec. 1.** RCW 19.285.030 and 2012 c 22 s 2 are each reenacted and
6 amended to read as follows:

7 The definitions in this section apply throughout this chapter
8 unless the context clearly requires otherwise.

9 (1) "Attorney general" means the Washington state office of the
10 attorney general.

11 (2) "Auditor" means: (a) The Washington state auditor's office or
12 its designee for qualifying utilities under its jurisdiction that are
13 not investor-owned utilities; or (b) an independent auditor selected by
14 a qualifying utility that is not under the jurisdiction of the state
15 auditor and is not an investor-owned utility.

16 (3)(a) "Biomass energy" includes: (i) Organic by-products of
17 pulping and the wood manufacturing process; (ii) animal manure; (iii)
18 solid organic fuels from wood; (iv) forest or field residues; (v)

1 untreated wooden demolition or construction debris; (vi) food waste and
2 food processing residuals; (vii) liquors derived from algae; (viii)
3 dedicated energy crops; and (ix) yard waste.

4 (b) "Biomass energy" does not include: (i) Wood pieces that have
5 been treated with chemical preservatives such as creosote,
6 pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old growth
7 forests; or (iii) municipal solid waste.

8 (4) "Commission" means the Washington state utilities and
9 transportation commission.

10 (5) "Conservation" means any reduction in electric power
11 consumption resulting from increases in the efficiency of energy use,
12 production, or distribution.

13 (6) "Cost-effective" has the same meaning as defined in RCW
14 80.52.030.

15 (7) "Council" means the Washington state apprenticeship and
16 training council within the department of labor and industries.

17 (8) "Customer" means a person or entity that purchases electricity
18 for ultimate consumption and not for resale.

19 (9) "Department" means the department of commerce or its successor.

20 (10) "Distributed generation" means an eligible renewable resource
21 where the generation facility or any integrated cluster of such
22 facilities has a generating capacity of not more than five megawatts.

23 (11) "Eligible renewable resource" means:

24 (a) Electricity from a generation facility powered by a renewable
25 resource other than freshwater that commences operation after March 31,
26 1999, where: (i) The facility is located in the Pacific Northwest; or
27 (ii) the electricity from the facility is delivered into Washington
28 state on a real-time basis without shaping, storage, or integration
29 services;

30 (b) Incremental electricity produced as a result of efficiency
31 improvements completed after March 31, 1999, to hydroelectric
32 generation projects owned by a qualifying utility and located in the
33 Pacific Northwest or to hydroelectric generation in irrigation pipes
34 and canals located in the Pacific Northwest, where the additional
35 generation in either case does not result in new water diversions or
36 impoundments; and

37 (c) Qualified biomass energy.

1 (12) "Investor-owned utility" has the same meaning as defined in
2 RCW 19.29A.010.

3 (13) "Load" means the amount of kilowatt-hours of electricity
4 delivered in the most recently completed year by a qualifying utility
5 to its Washington retail customers.

6 (14)(a) "Nonpower attributes" means all environmentally related
7 characteristics, exclusive of energy, capacity reliability, and other
8 electrical power service attributes, that are associated with the
9 generation of electricity from a renewable resource, including but not
10 limited to the facility's fuel type, geographic location, vintage,
11 qualification as an eligible renewable resource, and avoided emissions
12 of pollutants to the air, soil, or water, and avoided emissions of
13 carbon dioxide and other greenhouse gases.

14 (b) "Nonpower attributes" does not include any aspects, claims,
15 characteristics, and benefits associated with the on-site capture and
16 destruction of methane or other greenhouse gases at a facility through
17 a digester system, landfill gas collection system, or other mechanism,
18 which may be separately marketable as greenhouse gas emission reduction
19 credits, offsets, or similar tradable commodities. However, these
20 separate avoided emissions may not result in or otherwise have the
21 effect of attributing greenhouse gas emissions to the electricity.

22 (15) "Pacific Northwest" has the same meaning as defined for the
23 Bonneville power administration in section 3 of the Pacific Northwest
24 electric power planning and conservation act (94 Stat. 2698; 16 U.S.C.
25 Sec. 839a).

26 (16) "Public facility" has the same meaning as defined in RCW
27 39.35C.010.

28 (17) "Qualified biomass energy" means electricity produced from a
29 biomass energy facility that: (a) Commenced operation before March 31,
30 1999; (b) contributes to the qualifying utility's load; and (c) is
31 owned either by: (i) A qualifying utility; or (ii) an industrial
32 facility that is directly interconnected with electricity facilities
33 that are owned by a qualifying utility and capable of carrying
34 electricity at transmission voltage.

35 (18) "Qualifying utility" means an electric utility, as the term
36 "electric utility" is defined in RCW 19.29A.010, that serves more than
37 twenty-five thousand customers in the state of Washington. The number

1 of customers served may be based on data reported by a utility in form
2 861, "annual electric utility report," filed with the energy
3 information administration, United States department of energy.

4 (19) "Renewable energy credit" means a tradable certificate of
5 proof of at least one megawatt-hour of an eligible renewable resource
6 where the generation facility is not powered by freshwater. The
7 certificate includes all of the nonpower attributes associated with
8 that one megawatt-hour of electricity, and the certificate is verified
9 by a renewable energy credit tracking system selected by the
10 department.

11 (20) "Renewable resource" means: (a) Water; (b) wind; (c) solar
12 energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or
13 tidal power; (g) gas from sewage treatment facilities; (h) biodiesel
14 fuel as defined in RCW 82.29A.135 that is not derived from crops raised
15 on land cleared from old growth or first-growth forests where the
16 clearing occurred after December 7, 2006; or (i) biomass energy.

17 (21) "Rule" means rules adopted by an agency or other entity of
18 Washington state government to carry out the intent and purposes of
19 this chapter.

20 (22) "Year" means the twelve-month period commencing January 1st
21 and ending December 31st.

Passed by the House March 6, 2013.

Passed by the Senate April 15, 2013.

Approved by the Governor May 1, 2013.

Filed in Office of Secretary of State May 1, 2013.