

SHB 2506 - H AMD 807

By Representative Young

1 Strike everything after the enacting clause and insert the  
2 following:

3 NEW SECTION. **Sec. 1.** (1) The legislature finds that it is in  
4 the public interest for the Washington department of ecology to file  
5 with the United States environmental protection agency an initial  
6 submittal of a state plan with an extension request to comply with  
7 the federal clean power plan by September 6, 2016, unless a different  
8 date for an initial submittal is provided for by the United States  
9 environmental protection agency. In the event that a different date  
10 for an initial submittal is specified, the department of ecology must  
11 prepare a draft of the initial submittal by September 6, 2016.

12 (2) The legislature finds that the state has emerged as a leader  
13 in the national effort to reduce power sector emissions with its  
14 existing policies and regulations, including the greenhouse gas  
15 emissions performance standard established in chapter 80.80 RCW.

16 (3) It is the intent of the legislature to analyze and carefully  
17 assess all of the state's options in complying with the federal clean  
18 power plan, including but not limited to a cumulative statewide mass-  
19 based compliance option, an average statewide rate-based compliance  
20 option, and the adoption of other market-based regulations.  
21 Furthermore, it is the intent of the legislature to have the  
22 opportunity to review the initial and final submittals of a state  
23 plan to comply with the federal clean power plan to ensure that the  
24 plan meets the requirements of this act.

25 NEW SECTION. **Sec. 2.** A new section is added to chapter 80.80  
26 RCW to read as follows:

27 (1) In developing, adopting, and implementing a state plan to  
28 comply with the requirements of the federal rule relating to  
29 greenhouse gas emissions from existing electric generation facilities  
30 published in the federal register on October 23, 2015, (80 FR 64966),  
31 the department must develop a state plan that:

1 (a) Maintains state flexibility to achieve compliance using  
2 market-based regulations that include the use of market-based tools,  
3 including intrastate trading of compliance instruments; and

4 (b) Enables Washington's participation in a regional or  
5 multistate program to trade compliance instruments such that:

6 (i) The state's opportunity to reduce greenhouse gas emissions  
7 and realize benefit is maximized at the lowest reasonable cost and  
8 risk to electric generation facilities and ratepayers, while  
9 evaluating the long-term public health and environmental impacts of  
10 compliance options; and

11 (ii) The administration and distribution of compliance  
12 instruments minimizes rate impacts on low-income families,  
13 ratepayers, and other customer classes served by the state's electric  
14 utilities.

15 (2)(a) The initial submittal or draft initial submittal of the  
16 state plan under subsection (1) of this section must outline a  
17 cumulative statewide mass-based implementation plan.

18 (b) By December 1, 2016, the department must submit and present a  
19 report to the appropriate committees of the legislature on the  
20 cumulative statewide mass-based implementation plan outlined in the  
21 initial submittal of a state plan or in a draft of the initial  
22 submittal, if such a submittal has not yet been made to the United  
23 States environmental protection agency.

24 (c) The report submitted under this subsection must include an  
25 analysis of the projected economic and environmental impact of the  
26 cumulative statewide mass-based implementation plan outlined in the  
27 initial state plan submittal compared with the projected economic and  
28 environmental impact of a rate-based implementation plan.

29 (d) The department may select the rate-based implementation plan  
30 for a final state plan only if the department concludes in the report  
31 submitted under this subsection that a rate-based implementation plan  
32 is in the public interest of the state.

33 (3) The department shall not submit a final state plan to the  
34 United States environmental protection agency until after adjournment  
35 of the 2017 regular legislative session.

36 (4) Nothing in this section changes the terms of or otherwise  
37 amends the memorandum of agreement with owners of a coal-fired  
38 baseload facility established under RCW 80.80.100.

1        NEW SECTION.    **Sec. 3.**    (1) This act expires if it is determined  
2 by a court of competent jurisdiction, in a judgment not subject to  
3 review, that a state is not required to develop, adopt, or implement  
4 a state plan to comply with the requirements of the federal rule  
5 published in the federal register on October 23, 2015, (80 FR 64966).

6        (2) The department of ecology must provide notice of the  
7 expiration date of this act to affected parties, the chief clerk of  
8 the house of representatives, the secretary of the senate, the office  
9 of the code reviser, and others as deemed appropriate by the  
10 department."

11        Correct the title.

EFFECT: Removes the requirement that a state plan to comply with the federal Clean Power Plan must ensure that the current system reliability, diversification, and diversity of the state's electric generation sources is not diminished. Removes the requirement that a state plan must distribute all compliance instruments equal to the baseline emissions for the compliance period. Removes the requirement that a rate-based plan alternative use an average statewide rate-based goal. Specifies that the Department of Ecology (Department) must report to the Legislature by December 1, 2016, on a mass-based implementation plan outlined in a draft of the initial submittal of a state plan if the initial submittal has not yet been made to the United States Environmental Protection Agency (EPA). Prohibits the Department from submitting a final state plan to the EPA until after adjournment of the 2017 regular legislative session. Expires the bill if a court of competent jurisdiction determines that a state is not required to develop, adopt, or implement a state plan to comply with the federal Clean Power Plan.

--- END ---