

SSB 5735 - S AMD 43
By Senator McCoy

NOT ADOPTED 3/9/2015

1 On page 7, line 13, after "2019;" strike "and" and insert
2 "~~(and)~~"

3 On page 7, line 15, after "thereafter" insert "; and
4 (iv) Beginning January 1, 2021, the qualifying utility shall use
5 eligible renewable resources or acquire equivalent renewable energy
6 credits, or any combination of them, for at least fifteen percent of
7 its load and, in addition, shall comply with the requirements of (e)
8 of this subsection"

9 Beginning on page 7, line 35, after "(e)" strike all material
10 through "compliance path." on page 8, line 28 and insert "Except as
11 provided in (b), (c), and (d) of this subsection, beginning January
12 1, 2021, and each year thereafter, all electric utilities as that
13 term is defined in RCW 19.29A.010 shall meet one hundred percent of
14 any new generation need with any one or any combination of the
15 following: Conservation, eligible renewable resources, and storage.

16 (i) New generation subject to the requirements of this
17 subsection, whether that new generation is needed to replace retiring
18 generation, to meet load growth, or for any other purpose, includes
19 the following:

20 (A) A utility's new or increased ownership interest in a new or
21 existing generation facility or unit, consistent with RCW
22 19.285.030(16); and

23 (B) A new or increased contractual commitment that obligates a
24 utility to purchase a specified amount of megawatt-hours. Contracts
25 do not comply with this subsection unless the sources or origins of
26 generation can be ascertained with reasonable certainty. A contract
27 is not in compliance with this subsection if the contract specifies a
28 source of generation where the megawatt-hours from such source are
29 double counted or contractually committed to another purchaser.

30 (ii) The following are not subject to the requirements of this
31 subsection: (A) A utility's allocation of Bonneville power
32 administration tier 1 power, as determined pursuant to a utility's
33 tier 1 contract with the Bonneville power administration; (B) short-

1 term spot market purchases; (C) generation that is found by the
2 Washington utilities and transportation commission or a utility's
3 governing board to be required to maintain reliable service and
4 comply with applicable standards of the North American electric
5 reliability corporation or its successor; and (D) increased megawatt-
6 hours from a generation facility that is already owned by a utility
7 where the utility's ownership interest in the facility does not
8 increase.

9 (iii) A utility may acquire new generation other than
10 conservation, eligible renewable resources, and storage for
11 integration, ancillary services, load following, and peak load
12 requirements only if the new generation is found by the Washington
13 utilities and transportation commission or a utility's governing
14 board to be required for such purposes.

15 (iv) A utility may only acquire existing Washington-based and
16 Washington utility-owned hydropower in a year where a utility
17 acquires new generation that individually or collectively serves more
18 than ten percent of the utility's annual load. The hydropower
19 acquired pursuant to this subsection (2)(e)(iv) may not exceed fifty
20 percent of the new generation acquired by the utility.

21 (v) If a utility acquires a new ownership interest or contractual
22 commitment in gas-fired generation after January 1, 2015, and before
23 January 1, 2021, only the megawatt-hours needed to serve the
24 utility's load in the year that the utility acquires such ownership
25 interest or contractual commitment will be considered existing
26 generation. Any increase in the megawatt-hours used or acquired by
27 the utility after January 1, 2021, must be treated as new generation
28 and is subject to the requirements of this subsection (2)(e).

29 (vi) For the purposes of this subsection, "storage" means a set
30 of technologies capable of storing previously generated electric
31 energy and releasing that energy at a later time. For the purposes of
32 this subsection (2)(e), pumped storage projects are considered an
33 energy storage tool for grid stabilization and improved integration
34 of variable renewable energy resources and should not cause any
35 additional adverse impacts to waterways. Adverse impacts may be in
36 river, in-channel peaking, ramping, new pumping of groundwater, or
37 diversion of surface water resources. Utilities should focus on
38 reservoirs already built where water rights are already issued."

1 Reletter the remaining subsections consecutively and correct any
2 internal references accordingly.

EFFECT: Replaces the compliance alternatives relating to carbon reduction investments with a compliance requirement beginning January 2021 applicable to new generation.

--- END ---