

HOUSE BILL REPORT

HB 2826

As Reported by House Committee On:
Technology & Economic Development

Title: An act relating to the repeal of certain duties of the state energy office with regard to preparing the state energy strategy document.

Brief Description: Repealing certain duties of the state energy office with regard to preparing the state energy strategy document.

Sponsors: Representatives DeBolt, Morris and Smith.

Brief History:

Committee Activity:

Technology & Economic Development: 1/26/16, 2/4/16 [DPS].

Brief Summary of Substitute Bill

- Removes requirements for preparing the state energy strategy from the duties of the Department of Commerce State Energy Office.
- Establishes the Washington State Energy Strategy Council (Council) to develop and adopt a state energy strategy document to guide energy-related policy decisions by the Legislature.
- Specifies that the Council must consist of six legislators and one representative of the executive branch appointed by the Governor.
- Requires staff support for the Council to be provided by the Department of Commerce.
- Directs the Council to develop and adopt a state energy strategy document by December 1, 2017, and to review and update the document by December 1 of each year thereafter.
- Directs the Council to report its findings and recommendations to the Governor and the appropriate committees of the Legislature by December 31 of each year.

HOUSE COMMITTEE ON TECHNOLOGY & ECONOMIC DEVELOPMENT

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Morris, Chair; Tarleton, Vice Chair; Smith, Ranking Minority Member; DeBolt, Assistant Ranking Minority Member; Fey, Harmsworth, Hudgins, Magendanz, Nealey, Rossetti, Santos, Wylie and Young.

Staff: Nikkole Hughes (786-7156).

Background:

Washington State Energy Office.

The State Energy Office, located in the Department of Commerce, was established by the Legislature in 1996 to provide energy policy support, analysis, and information to the Legislature, the Governor, and other state agencies. The powers and duties of the State Energy Office include:

- preparing and updating contingency plans for implementation in the event of energy shortages or emergencies;
- coordinating federal energy programs; and
- serving as the state agency responsible for developing and coordinating implementation of the state energy strategy.

The State Energy Strategy.

The state energy strategy was first developed in 1991, and must balance the following three goals:

- maintain competitive energy prices that are fair and reasonable for consumers and businesses and support the state's continued economic success;
- increase competitiveness by fostering a clean energy economy and jobs through business and workforce development; and
- meet the state's obligations to reduce greenhouse gas emissions.

The state energy strategy must be periodically reviewed by the State Energy Office and an advisory committee. Upon completion of a public hearing regarding the advisory committee's advice and recommendations for revisions to the state energy strategy, a written report must be conveyed by the State Energy Office to the Governor and the appropriate Legislative committees. The advisory committee must dissolve within three months after their written report is conveyed.

By December 1 of each even-numbered year, the State Energy Office must also prepare and transmit to the Governor and the appropriate committees of the Legislature a report on the implementation of the state energy strategy and other important energy issues.

Summary of Substitute Bill:

The following duties of the Department of Commerce are removed or repealed:

- cooperate with state agencies, other governmental units, and private interests in the prioritization and implementation of the state energy strategy elements and on other energy matters;
- serve as the official state agency responsible for developing, coordinating implementation of, and reporting on the state energy strategy; and
- prepare and transmit to the Governor and the appropriate committees of the Legislature a biennial report on the implementation of the state energy strategy and other important energy issues.

The Washington State Energy Strategy Council (Council) is established. The purpose of the Council is to develop and adopt a state energy strategy document to guide energy-related policy decisions by the Legislature. The Council must make recommendations on how the Legislature can develop policies that achieve the three goals of the state energy strategy.

The Council consists of six legislators, with two members from the majority caucus and one member from the minority caucus of the Senate, to be appointed by the President of the Senate; and two members from the majority caucus and one member from the minority caucus of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The Council also consists of one representative of the executive branch appointed by the Governor, who serves as chair.

The Council must select the first vice chair from among its legislative members. Staff support for the Council must be provided by the Department of Commerce.

The Council must develop and adopt a state energy strategy document by December 1, 2017, and must review and update the document by December 1 of each year thereafter.

The Council must report its findings and recommendations to the Governor and the appropriate committees of the Legislature by December 31 of each year. Recommendations of the Council require the affirmative vote of four of its members.

Substitute Bill Compared to Original Bill:

The substitute bill:

- restores sections in current law relating to legislative findings and principles of the state energy strategy; and
- establishes the Council to develop the state energy strategy.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 5, 2016.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill will allow the state to save the money it currently expends to produce a report that is based on outdated data.

(Opposed) None.

Persons Testifying: Representative DeBolt, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.