Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology & Economic Development Committee

ESB 5091

Brief Description: Including nuclear energy in the definition of a "qualified alternative energy resource" for the purposes of RCW 19.29A.090.

Sponsors: Senators Brown, Hewitt and Sheldon.

Brief Summary of Engrossed Bill

- Amends the definition of "qualified alternative energy resource" under voluntary alternative energy option programs to include nuclear energy.
- Requires a voluntary alternative energy option to specify the percentage of electricity fueled by nuclear energy and the percentage fueled by all other qualified alternative energy resources on the billing statements for residential customers.

Hearing Date: 3/25/15

Staff: Nikkole Hughes (786-7156).

Background:

Electric utilities, other than small electric utilities, are required to provide their retail electric customers with a voluntary option to purchase qualified alternative energy resources. On at least a quarterly basis, electric utilities must include with their retail electric customers' regular billing statement a voluntary option to purchase qualified alternative energy resources. The option may allow customers to purchase qualified alternative energy resources at fixed or variable rates and for fixed or variable periods of time. An electric utility may provide qualified alternative energy resource options through either resources it owns or contracts for, or through the purchase of renewable energy credits issued by a clearinghouse or other system.

The rates, terms, conditions, and customer notification of each utility's alternative energy option or options must be approved by the governing body of the consumer-owned utility or by the

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Utilities and Transportation Commission for investor-owned utilities. All costs and benefits associated with any alternative energy option must be allocated to the customers who voluntarily choose that option and may not be shifted to any customers who have not chosen the option.

"Qualified alternative energy resource" means the electricity or thermal energy produced from generation facilities that are fueled by the following:

- wind;
- solar energy;
- geothermal energy;
- biogases such as landfill gas and gas from wastewater treatment facilities;
- wave or tidal action;
- qualified hydropower; or
- certain biomass energy.

Summary of Bill:

For the purposes of voluntary alternative energy option programs, the definition of "qualified alternative energy resource" is amended to include nuclear energy. Billing statements for residential customers of an electric utility must specify the percentage of electricity fueled by nuclear energy and the percentage fueled by all other qualified alternative energy resources.

Appropriation: None.

Fiscal Note: Available.

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