

HOUSE BILL REPORT

SSB 5113

As Reported by House Committee On: Technology & Economic Development

Title: An act relating to requiring the department of commerce to coordinate and advance the siting and manufacturing of small modular reactors in the state to meet future energy supply, environmental, and energy security needs.

Brief Description: Requiring the department of commerce to coordinate and advance the siting and manufacturing of small modular reactors in the state to meet future energy supply, environmental, and energy security needs.

Sponsors: Senate Committee on Energy, Environment & Telecommunications (originally sponsored by Senator Brown).

Brief History:

Committee Activity:

Technology & Economic Development: 3/25/15, 4/1/15 [DPA].

Brief Summary of Substitute Bill (As Amended by Committee)

- Expands the duties and powers of the Department of Commerce (Commerce) to include coordination and advancement of the manufacturing of small modular reactors in the state to meet future energy supply, environmental, and energy security needs.
- Requires Commerce and the Office of the Superintendent of Public Instruction to jointly submit a report to the appropriate committees of the Legislature by December 1, 2015, with recommendations for the establishment of a clean energy education program.

HOUSE COMMITTEE ON TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: Do pass as amended. Signed by 11 members: Representatives Morris, Chair; Tarleton, Vice Chair; Smith, Ranking Minority Member; DeBolt, Assistant Ranking Minority Member; Fey, Harmsworth, Magendanz, Nealey, Santos, Wylie and Young.

Minority Report: Do not pass. Signed by 2 members: Representatives Hudgins and Ryu.

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.

Staff: Nikkole Hughes (786-7156).

Background:

Washington State Energy Office.

The State Energy Office, located in the Department of Commerce (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 the following:

- prepare and update contingency plans for implementation in the event of energy shortages or emergencies;
- coordinate federal energy programs appropriate for state-level implementation;
- develop energy policy recommendations; and
- serve as the official state agency responsible for coordinating implementation of the State Energy Strategy.

Small Modular Reactors.

Small modular reactors (SMR) are factory-fabricated reactors that can be transported by truck or by rail to a power site and are smaller in size than current generation base-load plants. According to the U.S. Department of Energy, none of the existing SMR concepts to date have been designed, licensed, or constructed.

Nuclear Power Plant Siting.

The Energy Facility Site Evaluation Council (EFSEC) coordinates all evaluation and licensing steps for siting certain energy facilities, as well as specifies the conditions of construction and operation. The EFSEC's siting authority extends over nuclear power plants of any size and thermal electric power plants with a generating capacity of 350 megawatts or greater.

Summary of Amended Bill:

Legislative Findings.

The following Legislative findings and statements of Legislative intent are established:

- advancing the manufacturing of SMRs may help the state meet future energy supply, environmental, and energy security needs;
- because Washington's students are the foundation for providing a highly skilled workforce for the clean technology sector, including the manufacturing of SMRs, it is in the public interest to provide students the opportunity to strengthen their knowledge of the fundamentals of the energy sciences;
- Commerce must provide support to the Office of the Superintendent of Public Instruction (OSPI) for the purpose of developing a clean energy education program as it relates to training and education on clean technologies;
- nothing prevents the EFSEC from exercising its authority to receive, review, and approve an application for the siting and certification of any nuclear power facility where the primary purpose is to produce and sell electricity; and

- nothing grants authority to Commerce for the siting of any nuclear power facility where the primary purpose is to produce and sell electricity.

Washington State Energy Office.

The powers and duties of the State Energy Office are expanded to include coordination and advancement of the manufacturing of SMRs in the state to meet future energy supply, environmental, and energy security needs, taking into consideration how disposal of nuclear waste may impact the state.

"Small modular reactor" means a scalable nuclear power plant using reactors that each have a gross power output no greater than 300 megawatts electric, where each reactor is designed for factory manufacturing and ease of transport.

Clean Energy Education Program.

By December 1, 2015, Commerce and the OSPI must jointly submit a report to the appropriate committees of the Legislature with recommendations for the establishment of a clean energy education program. The clean energy education program must include:

- grants for clean energy ambassadors to be used to create a pool of persons who can introduce students to clean energy science and technology, including solar and wind power, SMRs, and opportunities for nuclear waste cleanup technology careers; and
- grants for certified science teachers to be used to assist teachers in pursuing professional development opportunities related to clean energy science and applied learning curricula.

A report to the Legislature must include reference to and consideration of both the 2013 state science learning standards adopted by the OSPI and the energy literacy framework developed by the U.S. Department of Energy. The report must also include a list of suggested qualifications to be used to identify or approve clean energy ambassadors and recommendations on professional development for educators related to clean energy, including training related to advancing the manufacturing of SMRs, solar and wind power, nuclear waste cleanup, and using applied learning curricula.

Amended Bill Compared to Substitute Bill:

The amended bill:

- adds language establishing a legislative finding specifying that because Washington's students are the foundation for providing the diverse and highly skilled workforce needed for advancing the manufacturing of SMRs and other clean technologies, it is in the public interest to provide students the opportunity to strengthen their knowledge of the energy sciences;
- adds intent language directing Commerce to provide support to the OSPI for the purpose of developing a clean energy education program as it relates to training and education on clean technologies, including manufacturing of SMRs;
- adds language establishing a legislative finding that nothing prevents the EFSEC from exercising its authority to receive, review, and approve an application for the siting and certification of any nuclear power facility where the primary purpose is to produce and sell electricity;

- removes reference to the coordination and advancement of the siting of SMRs as a power or duty of Commerce;
 - requires Commerce to take into consideration how disposal of nuclear waste may impact Washington state as it performs the duty of advancing the manufacturing of SMRs;
 - requires Commerce and the OSPI to jointly submit a report to the appropriate committees of the Legislature by December 1, 2015, with recommendations for the establishment of a clean energy education program; and
 - outlines certain required components of both the clean energy education program and the report to be submitted to the Legislature.
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Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended 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) At the national level, the Nuclear Regulatory Commission is expediting permitting for small modular reactors. Washington has the expertise in the state to begin looking at the supply chain for the components of small modular reactors. This bill would be the first step in laying the groundwork to make sure that Washington is competitive for nuclear jobs. This bill should consider the authority of the Energy Facility Site Evaluation Council, which has jurisdiction over the siting of nuclear power plants of any size.

(Opposed) There are nuclear experts that would disagree that small modular reactors are safe, reliable, and clean. Nuclear energy is right next to coal in its carbon footprint. Small modular reactors are still in the prototype stage and have not been tested under any kind of power production.

Persons Testifying: (In support) Senator Brown, prime sponsor; Tony Usibelli, Department of Commerce; and Jim Gaston, Energy Northwest.

(Opposed) Deborah Wolpoff; Arthur West; and Thomas Buchanan and Chuck Johnson, Washington Physicians for Social Responsibility.

Persons Signed In To Testify But Not Testifying: None.