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**SHB 2995** - H AMD TO H AMD (H-5172.1/18) **1440**

By Representative Nealey

On page 2, beginning on line 3 of the striking amendment, strike all of section 2, 3, and 4

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 6, beginning on line 27 of the striking amendment, after "(3)" strike all material through "compliance" on line 37 and insert "The commission and department must jointly evaluate whether a requirement for electric utilities to meet one hundred percent of their retail electric load with clean energy and renewable resources is expected to be met by each electric utility. If the requirement is not expected to be met by each electric utility, the commission and department must identify whether technology obstacles exist that prevent compliance and provide policy recommendations to aid in compliance"

On page 7, beginning on line 1 of the striking amendment, strike all of section 6

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 7, beginning on line 31 of the striking amendment, after "(1)" strike all material through "2051" on page 11, line 8 and insert "(a) A legislative task force on carbon-free, renewable, and economical energy is established, with members as provided in this subsection (1).

(i) The president of the senate must appoint two voting members from each of the two largest caucuses of the senate.

(ii) The speaker of the house of representatives must appoint two voting members from each of the two largest caucuses of the house of representatives.

(iii) The president of the senate and the speaker of the house of representatives jointly must appoint the following nonvoting members representing relevant stakeholders:

(A) The governor, or the governor's designee;

(B) Three representatives of investor-owned utilities;

(C) Four representatives of consumer-owned utilities, with one representative of each of the following: a utility that owns and operates thermal electric generation resources, a utility that owns and operates hydroelectric generation resources, a utility that does not own and operate thermal electric generation resources or hydroelectric generation resources, and a rural electric cooperative;

(D) One representative of industrial ratepayers;

(E) One representative of the Bonneville power administration;

(F) Three representatives of organizations which advocate for clean energy technologies and greenhouse gas emissions reductions;

(G) One representative of a statewide labor organization;

(H) Public counsel or an advocate for electric utility ratepayers designated by public counsel; and

(I) One representative of a light and power business that is not an electric utility which owns and operates a combined cycle natural gas resource in the state.

(iv) The governor must appoint nonvoting members in an advisory role including, but not limited to, the following:

(A) One representative of the Washington state utilities and transportation commission;

(B) One representative of the department of commerce;

(C) Two representatives of the two largest state institutions of higher education;

(D) One representative of the Pacific Northwest national laboratory;

(E) An expert in, or developer of, clean energy technologies;

(F) One representative of the Northwest power and planning council; and

(G) One representative of the western electricity coordinating council.

(b) The task force must choose its cochairs from among its legislative membership. The chair of the joint committee on energy supply and energy conservation shall convene the initial meeting of the task force.

(2) The task force shall determine the appropriate carbon reduction targets for electric utilities, to be achieved according to the following schedule:

(a) January 1, 2030, and each year thereafter through December 31, 2034;

(b) January 1, 2035, and each year thereafter through December 31, 2039;

(c) January 1, 2040, and each year thereafter through December 31, 2044; and

(d) January 1, 2045, and each year thereafter.

(3) In determining the targets under subsection (2) of this section, the task force must review the technological feasibility, timeline, cost, and other impacts of transitioning Washington's electricity sector to carbon-free generation resources, including but not limited to the following issues:

(a) Technological feasibility, including an examination of resources known to be commercially available, the potential for storage, and replacement of baseload fossil fuel generation;

(b) Reliability, ratepayer costs, and regional market impacts, including impacts on multistate utilities, energy imbalance markets, the potential for negative pricing, and impacts on renewable energy credit markets;

(c) The unique aspects of Washington's utilities;

(d) The effect of transportation electrification and the electrification of other sectors on a utility's load;

(e) The potential policy interactions between an emission reduction requirement for the electricity sector and other carbon reduction policies;

(f) An assessment of appropriate incentives, if any, to facilitate the transition to carbon free generation resources;

(g) Federal and state regulatory and legal considerations; and

(h) Equitable treatment among utilities.

(4) Staff support for the task force must be provided by the senate committee services and the house of representatives office of program research.

(5) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(6) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(7) The task force must convene at least four meetings in 2018.

(8) In order for a recommendation to be included in the report, it must be supported by a majority of the task force's voting members. Minority reports or comments must be included in the report.

(9) The task force must report its findings and recommendations to the governor and the appropriate committees of the legislature, in compliance with RCW 43.01.036, by January 1, 2019.

(10) This section expires January 1, 2019"

Correct the title.

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|  | EFFECT:   Removes sections pertaining to establishing and implementing fossil fuel reduction targets for electric utilities and market customers. Strikes the establishment of a Joint Select Committee on Washington's Clean Energy Transition, and instead establishes a Legislative Task Force on Carbon-Free, Renewable, and Economical Energy (the Carbon-FREE Task Force). Requires the Carbon-FREE Task Force to determine the appropriate carbon reduction targets for electric utilities to be achieved between January 1, 2030, and January 1, 2045, and each year thereafter. Requires the Carbon-FREE Task Force to report its findings and recommendations to the Governor and the appropriate committees of the Legislature by January 1, 2019. |

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