1812-S2 AMH DYEM MCPH 045

**2SHB 1812** - H AMD TO H AMD (H-2677.2/22) **1095**

By Representative Dye

**ADOPTED 02/13/2022**

On page 28, after line 22 of the striking amendment, insert the following:

"NEW SECTION. **Sec.**  (1)(a) The department must consult with stakeholders from rural communities, agriculture, and forestry to gain a better understanding of the benefits and impacts of anticipated changes in the state's energy system, including the siting of facilities under the jurisdiction of the energy facility site evaluation council, and to identify risks and opportunities for rural communities. This consultation must be conducted in compliance with the community engagement plan developed by the department under chapter 70A.02 RCW and with input from the environmental justice council, using the best recommended practices available at the time. The department must collect the best available information and learn from the lived experiences of people in rural communities, with the objective of improving state implementation of clean energy policies, including the siting of energy facilities under the jurisdiction of the energy facility site evaluation council, in ways that protect and improve life in rural Washington. The department must consult with an array of rural community members including low-income community and vulnerable population members or representatives, legislators, local elected officials and staff, those involved with agriculture and forestry, renewable energy project property owners, utilities, large energy consumers, and others.

(b) The consultation must include at least three stakeholder meetings in eastern and western Washington.

(c) The department's consultation with stakeholders may include, but is not limited to, the following topics:

(i) Energy facility siting under the jurisdiction of the energy facility site evaluation council, including placement of new renewable energy resources, such as wind and solar generation, pumped storage, and batteries or new non-emitting electric generation resources, and their contribution to resource adequacy;

(ii) Production of hydrogen, biofuels, and feedstocks for clean fuels;

(iii) Programs to reduce energy cost burdens on rural families and farm operations;

(iv) Electric vehicles, farm and warehouse equipment, and charging infrastructure suitable for rural use;

(v) Efforts to capture carbon or produce energy on agricultural, forest, and other rural lands, including dual use solar projects that ensure ongoing agricultural operations;

(vi) The use of wood products and forest practices that provide low-carbon building materials and renewable fuel supplies; and

(vii) The development of clean manufacturing facilities, such as solar panels, vehicles, and carbon fiber.

(2)(a) The department must complete a report on rural clean energy and resilience that takes into consideration the consultation with rural stakeholders as described in subsection (1) of this section. The report must include recommendations for how policies, projects, and investment programs, including energy facility siting through the energy facility site evaluation council, can be developed or amended to more equitably distribute costs and benefits to rural communities. The report must include an assessment of how to improve the total benefits to rural areas overall, as well as the equitable distribution of benefits and costs within rural communities.

(b) The report must include a baseline understanding of rural energy production and consumption, and collect data on their economic impacts. Specifically, the report must examine:

(i) Direct, indirect, and induced jobs in construction and operations;

(ii) Financial returns to property owners;

(iii) Effects on local tax revenues and public services, which must include whether any school districts had a net loss of resources from diminished local effort assistance payments required under chapter 28A.500 RCW;

(iv) Effects on other rural land uses, such as agriculture and tourism;

(v) Geographic distribution of large energy projects previously sited or forecast to be sited in Washington; and

(vi) Potential forms of economic development assistance and impact mitigation payments.

(c) The report must include a forecast of what Washington's clean energy transition will require for siting energy projects in rural Washington. The department must gather and analyze the best available information to produce forecast scenarios.

(d) By December 1, 2022, the department must submit an interim report on rural clean energy and resilience to the joint select committee created in section 20 of this act, the energy facility site evaluation council, and the appropriate policy and fiscal committees of the legislature.

(e) By December 1, 2023, the department must submit a final report on rural clean energy and resilience to the joint select committee created in section 20 of this act, the energy facility site evaluation council, and the appropriate policy and fiscal committees of the legislature.

(3) For the purposes of this section, "department" means the department of commerce.

NEW SECTION. **Sec.**  (1)(a) A joint select committee on alternative energy facility siting is established, with members as provided in this subsection:

(i) The president of the senate shall appoint two members from each of the two largest caucuses of the senate and an alternate from each caucus; and

(ii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives and an alternate from each caucus.

(b) The committee shall choose its cochairs from among its legislative leadership. The two cochairs must be from different caucuses.

(c) The committee shall select other officers from among its members as the committee deems appropriate.

(d) Alternates appointed to the committee may vote on any pending committee business in place of an absent member during a committee meeting.

(2)(a) The committee shall review the following issues:

(i) Inequities in where large alternative energy projects, including projects under the jurisdiction of the energy facility site evaluation council, have been sited in Washington;

(ii) Inequities in where large alternative energy projects, including projects under the jurisdiction of the energy facility site evaluation council, are forecast to be sited in Washington; and

(iii) Forms of economic development assistance, mitigation payments, and viewshed impairment payments that counties not hosting their per capita share of alternative energy resources should provide to counties that host more than their per capita share.

(b) In support of its obligations under (a) of this subsection, the committee must review the report produced by the department of commerce under section 19 of this act.

(3) The committee must hold at least four meetings, at least two of which must be in eastern Washington. One cochair shall preside over the meetings in western Washington and the other cochair shall preside over the meetings in eastern Washington. The first meeting of the committee must occur by September 30, 2022.

(4) The committee must be staffed by senate committee services and the house of representatives office of program research.

(5) Relevant state agencies, departments, and commissions, including the energy facility site evaluation council, shall cooperate with the committee and provide information as the cochairs reasonably request.

(6) Legislative members of the committee must be reimbursed for travel expenses in accordance with RCW 44.04.120.

(7) The expenses of the committee shall be paid jointly by the senate and the house of representatives. Committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(8) The committee shall report its findings and any recommendations to the energy facility site evaluation council and the committees of the legislature with jurisdiction over environment and energy laws by December 1, 2023. Recommendations of the committee may be made by a simple majority of committee members. In the event that the committee does not reach majority-supported recommendations, the committee may report minority findings supported by at least two members of the committee. Notice of the completion of the findings and recommendations required in this subsection must be published in the Washington State Register by December 1, 2023.

(9) For the purposes of this section, "alternative energy" means energy derived from an alternative energy resource specified in RCW 80.50.020(1).

(10) This section expires June 30, 2024."

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

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|  | EFFECT:   Requires the Department of Commerce (Commerce) to consult with rural, agriculture, and forestry stakeholders to consider the benefits and impacts of changes in the state's energy system to rural communities. Requires Commerce to complete an interim report on rural clean energy and resilience that examines the impact of energy projects in rural areas and considers input from the stakeholder consultation by December 1, 2022, and a final report by December 1, 2023. Establishes a Joint Select Committee on alternative energy facility siting to review where large alternative energy projects have been sited and are forecasted to be sited. Requires the Joint Select Committee to report findings and recommendations to the Legislature by December 1, 2023. |

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