

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

By Representative Dye

ADOPTED 02/13/2022

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

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4 "NEW SECTION. Sec. 19. (1)(a) The department must consult
5 with stakeholders from rural communities, agriculture, and forestry
6 to gain a better understanding of the benefits and impacts of
7 anticipated changes in the state's energy system, including the
8 siting of facilities under the jurisdiction of the energy facility
9 site evaluation council, and to identify risks and opportunities for
10 rural communities. This consultation must be conducted in compliance
11 with the community engagement plan developed by the department under
12 chapter 70A.02 RCW and with input from the environmental justice
13 council, using the best recommended practices available at the time.
14 The department must collect the best available information and learn
15 from the lived experiences of people in rural communities, with the
16 objective of improving state implementation of clean energy
17 policies, including the siting of energy facilities under the
18 jurisdiction of the energy facility site evaluation council, in ways
19 that protect and improve life in rural Washington. The department
20 must consult with an array of rural community members including low-
21 income community and vulnerable population members or
22 representatives, legislators, local elected officials and staff,
23 those involved with agriculture and forestry, renewable energy
24 project property owners, utilities, large energy consumers, and
25 others.

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

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

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

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

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

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

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

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

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

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

31 (b) The report must include a baseline understanding of rural
32 energy production and consumption, and collect data on their
33 economic impacts. Specifically, the report must examine:
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1 (i) Direct, indirect, and induced jobs in construction and
2 operations;

3 (ii) Financial returns to property owners;

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

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

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

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

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

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

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

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

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31 NEW SECTION. **Sec. 20.** (1)(a) A joint select committee on
32 alternative energy facility siting is established, with members as
33 provided in this subsection:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (9) For the purposes of this section, "alternative energy" means
26 energy derived from an alternative energy resource specified in RCW
27 80.50.020(1).

28 (10) This section expires June 30, 2024."
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30 Renumber the remaining sections consecutively and correct any
31 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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