1091-S3.E AMS VAND S2709.1

<u>E3SHB 1091</u> - S AMD TO WM COMM AMD (S-2397.5/21) **659** By Senator Van De Wege

ADOPTED 04/08/2021

On page 1, line 29, after "(3)" insert "The legislature finds 1 that the clean fuel standard created in this chapter will create jobs 2 3 in Washington state in the production and distribution of sustainable like biofuels from agricultural feedstocks and 4 fuels forest residuals, hydrogen produced from renewable feedstocks, and more. In 5 order to maximize the benefits of this policy to Washington workers 6 7 while also protecting the environment for current and future 8 generations, it is necessary to uphold and improve upon the state's siting policies. By identifying priority areas of the state for 9 10 development and by developing methods to further avoid, minimize, and mitigate environmental impacts consistent with statute, rules, and 11 guidance, Washington can protect its environment, contribute to the 12 13 global fight against climate change, and support broadly shared 14 prosperity.

15 (4)"

16 On page 38, after line 9, insert the following:

17 "<u>NEW SECTION.</u> Sec. 26. A new section is added to chapter 28B.30 18 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this 19 specific purpose, Washington State University's energy program must 20 21 initiate a least conflict priority clean energy project siting program in coordination with the energy facility site evaluation 22 23 council, the department of ecology, the department of commerce, the department of fish and wildlife, local governments, clean energy 24 25 stakeholders, conservation stakeholders, and Indian tribes. This program must engage all relevant agencies, stakeholders, and Indian 26 27 tribes to identify priority areas in Washington state with the least 28 amount of potential environmental impact and other conflict over competing land uses in the siting of major clean energy projects with 29 30 the potential to produce significant volumes of transportation fuel 31 with a low carbon intensity, or that support the production of such 32 transportation fuel. Washington State University's energy program may Code Rev/ML:akl 1 S-2709.1/21 identify different priority areas for different types of industrial or manufacturing clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity in sectors including, but not limited to, biofuels, agricultural and forest biomass, hydrogen produced via electrolysis of water, and renewable natural gas.

7 (2) A project proposed in an area designated under subsection (1) 8 of this section does not receive a guarantee or assurance of being 9 permitted and is subject to review consistent with chapter 43.21C RCW 10 and applicable environmental permit processes. Project proponents are 11 not limited to proposing projects in identified least conflict zones.

12 (3) The identification of priority areas completed in subsection13 (1) of this section must be updated at least once every six years.

14 <u>NEW SECTION.</u> Sec. 27. A new section is added to chapter 43.21A 15 RCW to read as follows:

16 Subject to the availability of amounts appropriated for this specific purpose, the department, in consultation with the department 17 18 of commerce, must periodically convene stakeholders, including all of those identified in section 26 of this act, Indian tribes, and the 19 20 member agencies of the energy facility site evaluation council to identify and discuss avoidance, minimization, and mitigation of 21 significant likely environmental impacts of clean energy projects 22 specified in section 26 of this act. The environmental impacts 23 24 identified and discussed must include, but are not limited to, air 25 quality impacts, impacts to land and aquatic habitats, and wildlife impacts that may result from clean energy projects. The department 26 27 must periodically provide a report to the appropriate committees of 28 the house of representatives and the senate identifying mitigation resources, funding needs, and potential policies and programs to 29 30 modify permitting and environmental review necessary for construction 31 of clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity, or that 32 33 support the production of such transportation fuel, in Washington 34 state."

35 Renumber the remaining sections consecutively and correct any 36 internal references accordingly.

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On page 38, at the beginning of line 24, after "RCW;" insert 1 2 "adding a new section to chapter 28B.30 RCW; adding a new section to 3 chapter 43.21A RCW;"

EFFECT: (1) Requires the Washington State University (WSU) Energy program, in coordination with specified state agencies, to initiate a program to identify least conflict priority sites for clean energy projects with the potential to produce significant volumes of low carbon transportation fuel.

(2) Provides that SEPA and environmental permit processes apply to project proposals in areas identified through the WSU energy program site identification process.

(3) Requires the WSU energy program to update its identification of priority areas every six years.

(4) Requires the Department of Ecology to periodically convene stakeholders, specified agencies, and Indian tribes to identify and discuss mitigation of significant likely environmental impacts associated with clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity, or that support the production of such transportation fuel, in Washington state.

(5) Requires the Department of Ecology to provide a periodic report to the Legislature on mitigation resources, funding needs, and potential policies and programs to modify permitting and environmental review associated with clean energy projects that produce transportation fuel.

(6) Adds language to the intent section.

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