

SHB 1117 - S COMM AMD

By Committee on Environment, Energy & Technology

ADOPTED 04/11/2023

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that the electric
4 grid is undergoing profound changes. Due to decreasing costs of
5 renewable generation and policies like the clean energy
6 transformation act, the grid is gradually evolving from one built to
7 deliver to the customer electricity from centralized electric
8 generation plants to one with variable energy resources like wind
9 turbines and solar panels dispersed geographically across a broad
10 landscape. As described in the 2021 Washington state energy strategy,
11 the grid that our region is transitioning to will require greater
12 transmission capacity and make greater use of energy storage and
13 customer-side resources to manage the generation on the supply side.

14 As clean electricity replaces fossil fuels in the state's
15 economy, the transmission and distribution infrastructure, the sticks
16 and wires of the grid, must meet increasingly complex service
17 requirements and loads. The changing demand includes, but is not
18 limited to, population changes, vehicle charging, serving other
19 specialized technology that requires high power quality,
20 electrification of building-related end uses now served by fossil
21 fuels, electricity deployed on the customer side of the meter through
22 net metering, community solar programs, and the growth of demand
23 response programs.

24 Further, the clean energy transformation act requires that
25 utilities making investments in new resources after May 2019, rely on
26 energy efficiency, demand response, renewable resources, and energy
27 storage to the maximum extent feasible, while transitioning away from
28 coal and natural gas-fired generation. Electric utilities are
29 actively working to ensure resource adequacy through the development
30 of explicit resource adequacy standards and a standardized resource
31 adequacy program. This work is ongoing and should result in a binding

1 and enforceable program with a robust public oversight mechanism.
2 Understanding and addressing any energy adequacy challenges created
3 by a deeply decarbonized grid is key to keeping the state's supply of
4 electricity reliable.

5 **Sec. 2.** RCW 19.280.065 and 2020 c 63 s 2 are each amended to
6 read as follows:

7 (1) At least once every twelve months, the department and the
8 commission shall jointly convene a meeting of representatives of the
9 investor-owned utilities and consumer-owned utilities, regional
10 planning organizations, transmission operators, energy analytics
11 experts at Pacific Northwest national laboratory, and other
12 stakeholders to discuss the current, short-term, and long-term
13 adequacy of energy resources to serve the state's electric needs, and
14 address specific steps the utilities can take to coordinate planning
15 in light of the significant changes to the Northwest's power system
16 including, but not limited to, technological developments,
17 retirements of legacy baseload power generation resources, and
18 changes in laws and regulations affecting power supply options. The
19 department and commission shall provide a summary of these meetings,
20 including any specific action items, to the governor and legislature
21 within sixty days of the meeting.

22 (2) In 2023, the meeting convened by the department and the
23 commission pursuant to subsection (1) of this section must address
24 strategies to ensure power supply adequacy to avoid the risk of
25 rolling blackouts. The meeting must also focus discussion on the
26 extent to which proposed laws and regulations may require new state
27 policy for resource adequacy. The stakeholder meeting should seek to
28 identify regulatory and statutory incentives to enhance and ensure
29 resource adequacy and reliability. If regional energy analytics
30 capability is established at Pacific Northwest national laboratory,
31 the department and the commission must invite the Pacific Northwest
32 national laboratory to the meeting to provide relevant analytics to
33 inform the discussion.

34 (3) This section expires January 1, ((2025)) 2031."

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1 On page 1, beginning on line 3 of the title, after "events;"
2 strike the remainder of the title and insert "amending RCW
3 19.280.065; creating a new section; and providing an expiration
4 date."

EFFECT: (1) Adds representatives of Pacific Northwest national laboratory's (PNNL) energy analytics experts to the list of entities to be included at each annual resource adequacy stakeholder meeting; and

(2) Directs the utilities and transportation commission and department of commerce to invite PNNL, if regional energy analytics capability has been established at PNNL, to provide relevant analytics to inform the discussion at the 2023 meeting.

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