<u>E2SHB 1216</u> - S COMM AMD By Committee on Ways & Means

ADOPTED AS AMENDED 04/08/2023

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

3 "<u>NEW SECTION.</u> Sec. 1. STATEMENT OF LEGISLATIVE INTENT. (1) The legislature finds that efficient and effective siting and permitting 4 of new clean energy projects throughout Washington is necessary to: 5 Fight climate change and achieve the state's greenhouse gas emission 6 7 limits; improve air quality; grow family-wage clean energy jobs and innovative clean energy businesses that provide economic benefits 8 across the state; and make available secure domestic sources of the 9 clean energy products needed to transition off fossil fuels. 10

11 The legislature intends to: Enable more (2)efficient and 12 effective siting and permitting of clean energy projects with 13 policies and investments that protect the environment, overburdened 14 communities, and tribal rights, interests, and resources, including cultural resources; bring benefits to the communities that host clean 15 energy projects; and facilitate the rapid transition to clean energy 16 17 that is required to avoid the worst impacts of climate change on Washington's people and places. There is no single solution for 18 improved siting and permitting processes. Rather, a variety of 19 20 efforts and investments will help bring together state, local, 21 tribal, and federal governments, communities, workers, clean energy 22 project developers, and others to succeed in this essential task. The legislature intends to make biennial appropriations to support tribal 23 24 review of clean energy project proposals, permit applications, and 25 environmental reviews, as well as tribal participation in up-front 26 planning for clean energy projects, such as nonproject environmental 27 impact statements for clean energy projects as described in this act.

(3) Efficient and effective siting and permitting will benefit from early and meaningful community and tribal engagement, and from up-front planning including identification of areas of higher and lower levels of impact, and nonproject environmental review that identifies measures to avoid, minimize, and mitigate project impacts.

1 (4) Incorporating the principles and strategies identified in 2 subsections (1), (2), and (3) of this section, the legislature 3 intends to invest in, facilitate, and require better coordinated, 4 faster environmental review and permitting decisions by state and 5 local governments.

6 (5) Therefore, it is the intent of the legislature to support 7 efficient, effective siting and permitting of clean energy projects 8 through a variety of interventions, including:

9 (a) Establishing an interagency clean energy siting coordinating 10 council to improve siting and permitting of clean energy projects;

(b) Creating a designation for clean energy projects of statewide significance;

13 (c) Creating a fully coordinated permit process for clean energy 14 projects;

15 (d) Improving processes for review of clean energy projects under 16 the state environmental policy act;

17 (e) Requiring preparation of separate nonproject environmental 18 impact statements for green electrolytic and renewable hydrogen 19 projects and colocated battery energy storage facilities, onshore 20 utility-scale wind energy projects and colocated battery energy 21 storage facilities, and for solar energy projects and colocated 22 battery energy storage facilities, with the goal of preparing these 23 nonproject reviews by June 30, 2025; and

(f) Requiring the Washington State University energy program to complete by June 30, 2025, a siting information process for pumped storage projects in Washington.

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PART 1

INTERAGENCY CLEAN ENERGY SITING COORDINATING COUNCIL

29 <u>NEW SECTION.</u> Sec. 101. INTERAGENCY CLEAN ENERGY SITING 30 COORDINATING COUNCIL. (1) The interagency clean energy siting 31 coordinating council is created. The coordinating council is 32 cochaired by the department of commerce and the department of ecology 33 with participation from the following:

- 34 (a) The office of the governor;
- 35 (b) The energy facility site evaluation council;
- 36 (c) The department of fish and wildlife;
- 37 (d) The department of agriculture;
- 38 (e) The governor's office of Indian affairs;

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1 (f) The department of archaeology and historic preservation;

2 (g) The department of natural resources;

3 (h) The department of transportation;

(i) The utilities and transportation commission;

5 (j) The governor's office for regulatory innovation and 6 assistance;

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(k) Staff from the environmental justice council; and

8 (1) Other state and federal agencies invited by the department of 9 commerce and the department of ecology with key roles in siting clean 10 energy to participate on an ongoing or ad hoc basis.

11 (2) The department of commerce and department of ecology shall 12 assign staff in each agency to lead the coordinating council's work 13 and provide ongoing updates to the governor and appropriate 14 committees of the legislature, including those with jurisdiction over 15 the environment, energy, or economic development policy.

16 (3) For purposes of this section and section 102 of this act, 17 "coordinating council" means the interagency clean energy siting 18 coordinating council created in this section.

19 <u>NEW SECTION.</u> Sec. 102. INTERAGENCY CLEAN ENERGY SITING 20 COORDINATING COUNCIL DUTIES. (1) The responsibilities of the 21 coordinating council include, but are not limited to:

(a) Identifying actions to improve siting and permitting of clean
energy projects as defined in section 201 of this act, including
through review of the recommendations of the department of ecology
and department of commerce's 2022 Low Carbon Energy Facility Siting
Improvement Report, creating implementation plans and timelines, and
making recommendations for needed funding or policy changes;

(b) Tracking federal government efforts to improve clean energy
 project siting and permitting, including potential federal funding
 sources, and identifying state agency actions to improve coordination
 across state, local, and federal processes or to pursue supportive
 funding;

33 (c) Conducting outreach to parties with interests in clean energy 34 siting and permitting for ongoing input on how to improve state 35 agency processes and actions;

36 (d) Establishing work groups as needed to focus on specific 37 energy types such as solar, wind, battery storage, or emerging 38 technologies, or specific geographies for clean energy project 39 siting;

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1 (e) The creation of advisory committees deemed necessary to 2 inform the development of items identified in (a) through (d) of this 3 subsection;

(f) Supporting the governor's office of Indian affairs in 4 creating and updating annually, or when requested by a federally 5 6 recognized Indian tribe, a list of contacts at federally recognized Indian tribes, applicable tribal laws on consultation from federally 7 recognized Indian tribes, and tribal preferences regarding outreach 8 about clean energy project siting and permitting, such as outreach by 9 developers directly, by state government in the government-to-10 11 government relationship, or both;

12 Supporting the department of archaeology and historic (q) preservation, the governor's office of Indian affairs, the department 13 of commerce, and the energy facility site evaluation council in 14 developing and providing to clean energy project developers a 15 16 training on consultation and engagement processes for federally 17 recognized Indian tribes. The governor's office of Indian affairs must collaborate with federally recognized Indian tribes in the 18 19 development of the training;

20 (h) Supporting the department of archaeology and historic 21 preservation in updating the statewide predictive archaeological 22 model to provide clean energy project developers information about 23 where archaeological resources are likely to be found and the 24 potential need for archaeological investigations; and

(i) Supporting and promptly providing information to the department of ecology in support of the nonproject reviews required under section 303 of this act.

28 (2) The coordinating council shall provide an annual report beginning October 1, 2024, to the governor and the appropriate 29 committees of the legislature summarizing: Progress on efficient, 30 31 effective, and responsible siting and permitting of clean energy 32 projects; areas of additional work, including where clean energy project siting and permitting outcomes are not broadly recognized as 33 efficient, effective, or responsible; resource needs; recommendations 34 for future nonproject environmental impact statements for categories 35 of clean energy projects; and any needed policy changes to help 36 achieve the deployment of clean energy necessary to meet the state's 37 statutory greenhouse gas emissions limits, chapter 70A.45 RCW, and 38 39 the clean energy transformation act requirements, chapter 19.405 RCW,

and to support achieving the state energy strategy adopted by the
 department of commerce.

3 (3) The coordinating council shall:

(a) Advise the department of commerce in:

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(i) Contracting with an external, independent third party to:

6 (A) Carry out an evaluation of state agency siting and permitting 7 processes for clean energy projects and related federal and state 8 regulatory requirements, including the energy facility site 9 evaluation council permitting process authorized in chapter 80.50 10 RCW;

(B) Identify successful models used in other states for the siting and permitting of projects similar to clean energy projects, including local and state government programs to prepare build ready clean energy sites; and

15 (C) Develop recommendations for improving these processes, 16 including potential policy changes and funding, with the goal of more 17 efficient, effective siting of clean energy projects; and

(ii) Reporting on the evaluation and recommendations in (a)(i) of
 this subsection to the governor and the legislature by July 1, 2024;

(b) Pursue development of a consolidated clean energy application 20 21 similar to the joint aquatic resources permit application for, at a 22 minimum, state permits needed for clean energy projects. The department of ecology shall lead this effort and engage with federal 23 agencies and local governments to explore inclusion of federal and 24 25 local permit applications as part of the consolidated application. The department may design a single consolidated application for 26 multiple clean energy project types, may design separate applications 27 28 for individual clean energy technologies, or may design an application for related resources. The department of ecology shall 29 provide an update on its development of consolidated permit 30 31 applications for clean energy projects to the qovernor and 32 legislature by December 31, 2024. The consolidated permit application 33 process must be available, but not required, for clean energy 34 projects;

35 (c) Explore development of a consolidated permit for clean energy 36 projects. The department of ecology shall lead this effort and, in 37 consultation with federally recognized Indian tribes, explore options 38 including a clean energy project permit that consolidates department 39 of ecology permits only, or that consolidates permits from multiple 40 state and local agencies. The permit structure must identify criteria 40 Code Rev/ML:jlb 5 S-2963.2/23 2nd draft or conditions that must be met for projects to use the consolidated permit. The department of ecology may analyze criteria or conditions as part of a nonproject review under chapter 43.21C RCW. The department of ecology shall update the legislature on its evaluation of consolidated permit options and make recommendations by October 1, 2024;

7 (d) Determine priorities for categories of clean energy projects 8 to be the focus of new nonproject environmental impact statements 9 under chapter 43.21C RCW for the legislature to fund subsequent to 10 the nonproject environmental impact statements specified in section 11 302 of this act; and

(e) Consider and provide recommendations to the legislature on additional benefits that could be provided to projects designated as clean energy projects of statewide significance under section 203 of this act.

PART 2

17 CLEAN ENERGY PROJECTS OF STATEWIDE SIGNIFICANCE AND CLEAN ENERGY 18 COORDINATED PERMITTING PROCESS

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19 <u>NEW SECTION.</u> Sec. 201. DEFINITIONS. The definitions in this 20 section apply throughout this chapter unless the context clearly 21 requires otherwise.

(1) "Alternative energy resource" has the same meaning as definedin RCW 80.50.020.

(2) "Alternative jet fuel" means a fuel that can be blended and used with conventional petroleum jet fuels without the need to modify aircraft engines and existing fuel distribution infrastructure and that meets the greenhouse gas emissions reduction requirements that apply to biomass-derived fuels as defined in RCW 70A.65.010. "Alternative jet fuel" includes jet fuels derived from coprocessed feedstocks at a conventional petroleum refinery.

31 (3) "Applicant" means a person applying to the department of 32 commerce for designation of a development project as a clean energy 33 project of statewide significance under this chapter.

(4) (a) "Associated facilities" means storage, transmission,
 handling, or other related and supporting facilities connecting a
 clean energy project with the existing energy supply, processing, or
 distribution system including, but not limited to, battery energy
 storage communications, controls, mobilizing or maintenance
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1 equipment, instrumentation, and other types of ancillary storage and transmission equipment, off-line storage or venting required for 2 efficient operation or safety of the transmission system and 3 overhead, and surface or subsurface lines of physical access for the 4 inspection, maintenance, and safe operations of the transmission 5 6 facility and new transmission lines constructed to operate at nominal voltages of at least 115,000 volts to connect a clean energy project 7 to the northwest power grid. 8

9 (b) Common carrier railroads or motor vehicles are not associated 10 facilities.

(5) "Clean energy product manufacturing facility" means a facility or a project at any facility that exclusively or primarily manufactures the following products or components primarily used by such products:

(a) Vehicles, vessels, and other modes of transportation that emit no exhaust gas from the onboard source of power, other than water vapor;

(b) Charging and fueling infrastructure for electric, hydrogen,
or other types of vehicles that emit no exhaust gas from the onboard
source of power, other than water vapor;

(c) Renewable or green electrolytic hydrogen, including preparing renewable or green electrolytic hydrogen for distribution as an energy carrier or manufacturing feedstock, or converting it to a green hydrogen carrier;

25 (d) Equipment and products used to produce energy from 26 alternative energy resources;

(e) Equipment and products used to produce nonemitting electricgeneration as defined in RCW 19.405.020;

29 30 (f) Equipment and products used at storage facilities;

(g) Equipment and products used to improve energy efficiency;

31 (h) Semiconductors or semiconductor materials as defined in RCW 32 82.04.2404; and

(i) Projects or facility upgrades undertaken by emissionsintensive, trade-exposed industries as classified in RCW 70A.65.110 for which the facility can demonstrate expected reductions in overall facility greenhouse gas emissions faster than the rate of decline of free allowances allocated to emissions-intensive, trade-exposed industries under chapter 70A.65 RCW and assist in meeting compliance obligations under chapter 70A.65 RCW.

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1 (6) "Clean energy project" means the following facilities 2 together with their associated facilities:

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(a) Clean energy product manufacturing facilities;

4 (b) Electrical transmission facilities;

5 (c) Facilities to produce nonemitting electric generation or 6 electric generation from renewable resources, as defined in RCW 7 19.405.020, except for:

8 (i) Hydroelectric generation that includes new diversions, new 9 impoundments, new bypass reaches, or the expansion of existing 10 reservoirs constructed after May 7, 2019, unless the diversions, 11 bypass reaches, or reservoir expansions are necessary for the 12 operation of a pumped storage facility that: (A) Does not conflict 13 with existing state or federal fish recovery plans; and (B) complies 14 with all local, state, and federal laws and regulations; and

(ii) Hydroelectric generation associated with facilities or persons that have been the subject of an enforcement action, penalty order, or settled any enforcement action or penalty order with any agreement to pay a penalty or pay for or conduct mitigation under chapter 90.48 or 77.55 RCW during the preceding 15 years that resulted in the payment of a penalty of at least \$100,000 or conducting mitigation with a value of at least \$100,000;

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(d) Storage facilities;

(e) Facilities or projects at any facilities that exclusively or primarily process biogenic feedstocks into biofuel as defined in RCW 80.50.020;

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(f) Biomass energy facilities as defined in RCW 19.405.020; or

27 (g) Facilities or projects at any facilities that exclusively or 28 primarily process alternative jet fuel.

(7) "Electrical transmission facilities" has the same meaning as defined in RCW 80.50.020, except excluding electrical transmission facilities that primarily or solely serve facilities that generate electricity from fossil fuels.

33 (8) "Fully coordinated permit process" means a comprehensive 34 coordinated permitting assistance approach supported by a written 35 agreement between the project proponent, the department of ecology, 36 and the participating agencies.

(9) "Fully coordinated project" means a clean energy projectsubject to the fully coordinated permit process.

39 (10) "Green electrolytic hydrogen" has the same meaning as 40 defined in RCW 80.50.020.

1 (11) "Green hydrogen carrier" has the same meaning as defined in 2 RCW 80.50.020.

3 (12) "Overburdened community" has the same meaning as defined in
4 RCW 70A.02.010.

5 (13) "Permit" means any permit, license, certificate, use 6 authorization, or other form of governmental review or approval 7 required in order to construct, expand, or operate a project in the 8 state of Washington.

9 (14) "Permit agency" means any state or local agency authorized 10 by law to issue permits.

(15) "Project proponent" means a person, business, or any entity applying for or seeking a permit or permits in the state of Washington.

(16) "Reasonable costs" means direct and indirect expenses 14 incurred by the department of ecology, participating agencies, or 15 local governments in carrying out the coordinated permit process 16 17 established in this chapter, including the initial assessment, environmental review, and permitting. "Reasonable costs" includes 18 work done by agency or local government staff or consultants hired by 19 agencies or local governments to carry out the work plan. "Reasonable 20 21 costs" may also include other costs agreed to between the applicant and the department of ecology, participating agencies, or local 22 23 governments.

24 (17) "Renewable hydrogen" has the same meaning as defined in RCW 25 80.50.020.

26 (18) "Renewable natural gas" has the same meaning as defined in 27 RCW 80.50.020.

28 (19) "Renewable resource" has the same meaning as defined in RCW 29 80.50.020.

30 (20) "Storage facility" has the same meaning as defined in RCW 31 80.50.020.

32 <u>NEW SECTION.</u> Sec. 202. CLEAN ENERGY PROJECTS OF STATEWIDE 33 SIGNIFICANCE—APPLICATION PROCESS. (1) The department of commerce 34 shall develop an application for the designation of clean energy 35 projects as clean energy projects of statewide significance.

36 (2) An application to the department of commerce by an applicant 37 under this section must include:

38 (a) Information regarding the location of the project;

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(b) Information sufficient to demonstrate that the project
 qualifies as a clean energy project;

(c) An explanation of how the project is expected to contribute 3 to the state's achievement of the greenhouse gas emission limits in 4 chapter 70A.45 RCW and is consistent with the state energy strategy 5 6 adopted by the department of commerce, as well as any contribution that the project is expected to make to other state regulatory 7 requirements for clean energy and greenhouse gas emissions, including 8 the requirements of chapter 19.405, 70A.30, 70A.60, 70A.65, 70A.535, 9 or 70A.540 RCW; 10

(d) An explanation of how the project is expected to contribute to the state's economic development goals, including information regarding the applicant's average employment in the state for the prior year, estimated new employment related to the project, estimated wages of employees related to the project, and estimated time schedules for completion and operation;

17 (e) A plan for engagement and information sharing with 18 potentially affected federally recognized Indian tribes;

(f) A description of potential community benefits and impacts from the project, a plan for community engagement in the project development, and an explanation of how the applicant might use a community benefit agreement or other legal document that stipulates the benefits that the developer agrees to fund or furnish, in exchange for community support of a project; and

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(g) Other information required by the department of commerce.

CLEAN ENERGY PROJECTS OF STATEWIDE 26 NEW SECTION. Sec. 203. SIGNIFICANCE-DEPARTMENT OF COMMERCE DECISION. (1) (a) The department 27 of commerce, in consultation with natural resources agencies and 28 other state agencies identified as likely to have a role in siting or 29 permitting a project, must review applications received under section 30 of this act. Within 14 business days of receiving the 31 202 application, the department of commerce must mail or provide in 32 person a written determination that the application is complete, or 33 if the application is incomplete, an opportunity to meet with the 34 35 department of commerce to determine what is necessary to make the 36 application complete. Within seven business days after an applicant has submitted additional information identified by the department of 37 38 commerce as being necessary for a complete application, the

1 department of commerce must notify the applicant whether the 2 application is complete or what additional information is necessary.

3 (b) When the application is complete, the director of the 4 department of commerce must determine within 60 business days whether 5 to designate an applicant's project as a clean energy project of 6 statewide significance.

7 (c) A determination of completeness does not preclude the 8 department of commerce from requesting additional information if new 9 information is required or substantial changes in the proposed 10 project occur.

11 (2) The department of commerce may designate a clean energy 12 project of statewide significance taking into consideration:

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(a) Whether the project qualifies as a clean energy project;

(b) Whether the project will: Contribute to achieving state emission reduction limits under chapter 70A.45 RCW; be consistent with the state energy strategy adopted by the department of commerce; contribute to achieving other state requirements for clean energy and greenhouse gas emissions reductions; and support the state's economic development goals;

20 (c) Whether the level of applicant need for coordinated state 21 assistance, including for siting and permitting and the complexity of 22 the project, warrants the designation of a project;

(d) Whether the project is proposed for an area or for a clean energy technology that has been reviewed through a nonproject environmental review process, or least-conflict siting process including, but not limited to, the processes identified in sections 303 and 306 of this act, and whether the project is consistent with the recommendations of such processes;

(e) Whether the project is anticipated to have potential near term or long-term significant positive or adverse impacts on
 environmental and public health, including impacts to:

32 (i) State or federal endangered species act listed species in33 Washington;

34 (ii) Overburdened communities; and

35 (iii) Rights, interests, and resources, including tribal cultural 36 resources, of potentially affected federally recognized Indian 37 tribes; and

38 (f) Input received from potentially affected federally recognized 39 Indian tribes, which the department must solicit and acknowledge the 40 receipt of.

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1 (3) In determining whether to approve an application, the 2 department of commerce must consider information contained in an 3 application under section 202 of this act demonstrating an 4 applicant's tribal outreach and engagement, engagement with the 5 department of archaeology and historic preservation, and engagement 6 with the governor's office of Indian affairs.

7 (4)(a) The department of commerce may designate an unlimited 8 number of projects of statewide significance that meet the criteria 9 of this section.

10 (b) An applicant whose application to the department of commerce 11 under this chapter is not successful is eligible to reapply.

12 <u>NEW SECTION.</u> Sec. 204. CLEAN ENERGY COORDINATED PERMITTING 13 PROCESS—DEPARTMENT OF ECOLOGY DUTIES. An optional, fully coordinated 14 permit process is established for clean energy projects that do not 15 apply to the energy facility site evaluation council under chapter 16 80.50 RCW. In support of the coordinated permitting process for clean 17 energy projects, the department of ecology must:

(1) Act as the central point of contact for the project proponent
for the coordinated permitting process for projects that do not apply
to the energy facility site evaluation council under chapter 80.50
RCW and communicate with the project proponent about defined issues;

(2) Conduct an initial assessment of the proposed project review and permitting actions for coordination purposes as provided in section 205 of this act;

(3) Ensure that the project proponent has been informed of all
the information needed to apply for the state and local permits that
are included in the coordinated permitting process;

(4) Facilitate communication between project proponents and
 agency staff to promote timely permit decisions and promote adherence
 to agreed schedules;

31 (5) Verify completion among participating agencies of 32 administrative review and permit procedures, such as providing public 33 notice;

34 (6) Assist in resolving any conflict or inconsistency among 35 permit requirements and conditions;

36 (7) Consult with potentially affected federally recognized Indian 37 tribes as provided in section 209 of this act in support of the 38 coordinated permitting process;

(8) Engage with potentially affected overburdened communities as
 provided in section 209 of this act;

(9) Manage a fully coordinated permitting process; and

4 (10) Coordinate with local jurisdictions to assist with 5 fulfilling the requirements of chapter 36.70B RCW and other local 6 permitting processes.

7 <u>NEW SECTION.</u> Sec. 205. CLEAN ENERGY COORDINATED PERMITTING 8 PROCESS INITIAL ASSESSMENT. (1) Upon the request of a proponent of a 9 clean energy project, the department of ecology must conduct an 10 initial assessment to determine the level of coordination needed, 11 taking into consideration the complexity of the project and the 12 experience of those expected to be involved in the project 13 application and review process.

14 (2) The initial project assessment must consider the complexity, 15 size, and need for assistance of the project and must address as 16 appropriate:

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(a) The expected type of environmental review;

(b) The state and local permits or approvals that are anticipatedto be required for the project;

20 (c) The permit application forms and other application 21 requirements of the participating permit agencies;

(d) The anticipated information needs and issues of concern of each participating agency; and

24 (e) The anticipated time required for the environmental review 25 process under chapter 43.21C RCW and permit decisions by each participating agency, including the estimated time required to 26 27 determine if the permit applications are complete, to conduct the environmental review under chapter 43.21C RCW, and conduct permitting 28 processes for each participating agency. In determining the estimated 29 30 time required, full consideration must be given to achieving the greatest possible efficiencies through any concurrent studies and any 31 consolidated applications, hearings, and comment periods. 32

33 (3) The outcome of the initial assessment must be documented in 34 writing, furnished to the project proponent, and be made available to 35 the public.

36 (4) The initial assessment must be completed within 60 days of 37 the clean energy project proponent's request to the department under 38 this section, unless information on the project is not complete.

<u>NEW SECTION.</u> Sec. 206. CLEAN ENERGY COORDINATED PERMITTING PROCESS REQUIREMENTS AND PROCEDURES. (1) A project proponent may submit a written request to the department of ecology pursuant to section 208 of this act and a local government development agreement to support local government actions pursuant to section 207 of this act for participation in a fully coordinated permitting process. To be eligible to participate in the fully coordinated permit process:

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(a) The project proponent must:

9 (i) Enter into a cost-reimbursement agreement pursuant to section 10 208 of this act;

(ii) Provide sufficient information on the project and project site to identify probable significant adverse environmental impacts;

13 (iii) Provide information on any voluntary mitigation measures; 14 and

(iv) Provide information on engagement actions taken by the proponent with federally recognized Indian tribes, local government, and overburdened communities; and

18 (b) The department of ecology must determine that the project 19 raises complex coordination, permit processing, or substantive permit 20 review issues.

(2) A project proponent who requests designation as a fully coordinated project must provide the department of ecology with a complete description of the project. The department of ecology may request any information from the project proponent that is necessary to make the designation under this section and may convene a meeting of the likely participating permit agencies.

(3) For a fully coordinated permitting process, the department of 27 ecology must serve as the main point of contact for the project 28 29 proponent and participating agencies with regard to coordinating the permitting process for the project as a whole. Each participating 30 31 agency must designate a single point of contact for permit 32 coordinating with the department of ecology. The department of ecology must keep a schedule identifying required procedural steps in 33 the permitting process and highlighting substantive issues 34 as appropriate that must be resolved in order for the project to move 35 36 forward. In carrying out these responsibilities, the department of 37 ecology must:

(a) Conduct the duties for the coordinated permitting process asdescribed in section 205 of this act;

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1 (b)(i) Reach out to tribal or federal jurisdictions responsible 2 for issuing a permit for the project and invite them to participate 3 in the coordinated permitting process or to receive periodic updates 4 of the project;

5 (ii) Reach out to local jurisdictions responsible for issuing a 6 permit for the project and inform them of their obligations under 7 section 207 of this act.

8 (4) Within 30 days, or longer with agreement of the project 9 proponent, of the date that the department of ecology determines a 10 project is eligible for the fully coordinated permitting process, the 11 department of ecology shall convene a work plan meeting with the 12 project proponent, local government, and the participating permit 13 agencies to develop a coordinated permitting process schedule. The 14 work plan meeting agenda may include any of the following:

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(a) Review of the permits that are anticipated for the project;

16 (b) A review of the permit application forms and other 17 application requirements of the agencies that are participating in 18 the coordinated permitting process;

(c) An estimation of the timelines that will be used by each 19 participating permit agency to make permit decisions, including the 20 21 estimated time periods required to determine if the permit 22 applications are complete and to review or respond to each application or submittal of new information. In the development of 23 this timeline, full attention must be given to achieving the maximum 24 25 efficiencies possible through concurrent studies and consolidated applications, hearings, and comment periods; or 26

(d) An estimation of reasonable costs for the department of ecology, participating agencies, and the county, city, or town in which the project is proposed for environmental review and permitting, based on known information about the project.

31 (5) Each participating agency and the lead agency under chapter 32 43.21C RCW must send at least one representative qualified to discuss 33 applicability and timelines associated with all the permits administered by that agency or jurisdiction to the work plan meeting. 34 The department of ecology must notify any relevant federal agency or 35 potentially affected federally recognized Indian tribe of the date of 36 the meeting and invite them to participate in the process. 37

(6) Any accelerated time period for the consideration of a permit
 application or for the completion of the environmental review process
 under chapter 43.21C RCW must be consistent with any statute, rule,
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or regulation, or adopted state policy, standard, or guideline that
 requires the participation of other agencies, federally recognized
 Indian tribes, or interested persons in the application process.

4 (7) Upon the completion of the work plan meeting under subsection 5 (4) of this section, the department of ecology must finalize the 6 coordinated permitting process schedule, share it in writing with the 7 project proponent, participating state agencies, lead agencies under 8 chapter 43.21C RCW, and cities and counties subject to an agreement 9 specified in section 207 of this act, and make the schedule available 10 to the public.

11 (8) As part of the coordinated permit process, the developer may prepare a community benefit agreement or other similar document to 12 identify how to mitigate potential community impacts or impacts to 13 14 tribal rights and resources, including cultural resources. The agreement should include benefits in addition to jobs or tax revenues 15 16 resulting from the project. Approval of any benefit agreement or 17 other legal document stipulating the benefits that the developer agrees to fund or furnish, in exchange for community or tribal 18 government support of the project, must be made by the local 19 government legislative authority of the county, city, or town in 20 21 which the project is proposed or by the relevant federally recognized Indian tribal government. 22

(9) If a lead agency under chapter 43.21C RCW, a permit agency, 23 24 or the project proponent foresees, at any time, that it will be 25 unable to meet the estimated timelines or other obligations under the 26 schedule agreement, it must notify the department of ecology of the reasons for the delay and offer potential solutions or an amended 27 timeline. The department of ecology must notify the participating 28 29 agencies and the project proponent and, upon agreement of all parties, adjust the schedule or, if necessary, schedule another work 30 31 plan meeting.

(10) The project proponent may withdraw from the coordinated permitting process by submitting to the department of ecology a written request that the process be terminated. Upon receipt of the request, the department of ecology must notify each participating agency that a coordinated permitting process is no longer applicable to the project.

38 (11)(a) Permitting decisions made by state and local 39 jurisdictions under the fully coordinated permitting process in this 40 chapter are considered final, subject to any appeals process Code Rev/ML:jlb 16 S-2963.2/23 2nd draft 1 available to applicants or other parties. Applicants utilizing the 2 fully coordinated permitting process in this chapter are not eligible 3 for permitting under chapter 80.50 RCW unless a substantial change is 4 made to the proposed project.

5 (b) Prior to considering an application under chapter 80.50 RCW 6 from a project applicant that has previously used the fully 7 coordinated permitting process under this chapter for the project, 8 the energy facility site evaluation council must determine that the 9 project applicant has made a substantial change to the project, 10 relative to the project as it was proposed under the fully 11 coordinated permitting process.

12 <u>NEW SECTION.</u> Sec. 207. CLEAN ENERGY COORDINATED PERMITTING 13 PROCESS—LOCAL JURISDICTION AGREEMENTS. (1)(a) Counties and cities 14 with clean energy projects that are determined to be eligible for the 15 fully coordinated permit process shall enter into an agreement with 16 the department of ecology or with the project proponents of clean 17 energy projects for expediting the completion of projects.

(b) For the purposes of this section, "expedite" means that a county or city will develop and implement a method to accelerate the process for permitting and environmental review. Expediting should not disrupt or otherwise delay the permitting and environmental review of other projects or require the county or city to incur additional costs that are not compensated.

(2) Agreements required by this section must include requirements that the county or city coordinate with the department of ecology and conduct environmental review and permitting to align with the work plan described in section 206(4) of this act and:

(a) Expedite permit processing for the design and construction ofthe project;

(b) Expedite environmental review processing;

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31 (c) Expedite processing of requests for street, right-of-way, or
 32 easement vacations necessary for the construction of the project;

33 (d) Develop and follow a plan for consultation with potentially 34 affected federally recognized Indian tribes; and

(e) Carry out such other actions identified by the department of
 ecology as needed for the fully coordinated permitting process.

37 <u>NEW SECTION.</u> Sec. 208. CLEAN ENERGY COORDINATED PERMITTING
 38 PROCESS—COST-REIMBURSEMENT AGREEMENTS. (1) For a fully coordinated
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1 permitting process, a project proponent must enter into a cost-2 reimbursement agreement with the department of ecology in accordance 3 with RCW 43.21A.690. The cost-reimbursement agreement is to recover 4 reasonable costs incurred by the department of ecology and 5 participating agencies in carrying out the coordinated permitting 6 process.

7 (2) The cost-reimbursement agreement may include deliverables and8 schedules for invoicing and reimbursement.

(3) For a fully coordinated permitting process, a project 9 proponent must enter into a development agreement with the county, 10 11 city, or town in which the project is proposed, in accordance with 12 the authorization and requirements in RCW 36.70B.170 through 36.70B.210. The development agreement must detail the obligations of 13 the local jurisdiction and the project applicant. It must also 14 include, but not be limited to, the process the county, city, or town 15 16 will implement for meeting its obligation to expedite the 17 application, other clarifications for project phasing, and an 18 estimate of reasonable costs.

19 (4) For a fully coordinated permitting process, a project 20 proponent may enter directly into a cost-reimbursement agreement 21 similar to that described in subsection (1) of this section, to 22 reimburse the costs of a federally recognized Indian tribe for 23 reviewing and providing input on the siting and permitting of a clean 24 energy project.

(5) If a project proponent foresees, at any time, that it will be unable to meet its obligations under the agreement, it must notify the department of ecology and state the reasons, along with proposals for resolution.

Sec. 209. CLEAN ENERGY COORDINATED PERMITTING 29 NEW SECTION. PROCESS-TRIBAL CONSULTATION AND OVERBURDENED COMMUNITY ENGAGEMENT. 30 31 (1) (a) The department of ecology must offer early, meaningful, and individual consultation with any affected federally recognized Indian 32 33 tribe on designated clean energy projects participating in the coordinated permitting process for the purpose of understanding 34 impacts to tribal rights, interests, and resources, 35 potential 36 including tribal cultural resources, archaeological sites, sacred sites, fisheries, or other rights and interests in tribal lands and 37 lands within which an Indian tribe or tribes possess rights reserved 38 or protected by federal treaty, statute, or executive order. The 39 Code Rev/ML:jlb 18 S-2963.2/23 2nd draft

1 consultation is independent of, and in addition to, any public participation process required by state law, or by a state agency. 2 The goal of the consultation process is to support the coordinated 3 permitting process by early identification of tribal 4 rights, interests, and resources, including tribal cultural resources, 5 6 potentially affected by the project, and identifying solutions, when possible, to avoid, minimize, or mitigate any adverse effects on 7 tribal rights, interests, or resources, including tribal cultural 8 resources, based on environmental or permit reviews. 9

10 (b) At the earliest possible date after the initiation of the 11 coordinated permitting process under this chapter, the department of 12 ecology shall engage in a preapplication process with all affected 13 federally recognized Indian tribes potentially impacted by the 14 project.

(i) The department of ecology must notify the department of 15 16 archaeology and historic preservation, the department of fish and 17 wildlife, and all affected federally recognized Indian tribes potentially impacted by the project. The notification must include 18 geographical location, detailed scope of the proposed project, 19 preliminary proposed project details available to federal, state, or 20 21 local governmental jurisdictions, and all publicly available 22 materials.

(ii) The department of ecology must also offer to discuss the 23 project with the department of archaeology and historic preservation, 24 25 the department of fish and wildlife, and all affected federally recognized Indian tribes potentially impacted by the project. Any 26 resultant discussions must include the project's impact to tribal 27 rights, interests, and resources, including tribal cultural 28 resources, archaeological sites, sacred sites, fisheries, or other 29 rights and interests in tribal lands and lands within which a tribe 30 31 or tribes possess rights reserved or protected by federal treaty, 32 statute, or executive order.

(iii) All affected federally recognized Indian tribes may submit to the department of ecology a summary of tribal issues, questions, concerns, or other statements regarding the project, which must become part of the official files maintained by the department of ecology for the coordinated permitting process. The summary does not limit what issues affected federally recognized Indian tribes may raise in the consultation process.

1 (iv) The notification and offer to initiate discussion must be 2 documented by the department of ecology and delivered to the 3 department of archaeology and historic preservation, the department 4 of fish and wildlife, and to the affected federally recognized Indian 5 tribe or tribes. If the discussions pursuant to (b)(ii) of this 6 subsection do not occur, the department of ecology must document the 7 reason why the discussion or discussions did not occur.

(v) Nothing in this section may be interpreted to require the 8 disclosure of information that is exempt from disclosure pursuant to 9 RCW 42.56.300 or federal law, including section 304 of the national 10 historic preservation act of 1966. Any information that is exempt 11 12 from disclosure pursuant to RCW 42.56.300 or federal law, including section 304 of the national historic preservation act of 1966, shall 13 not become part of publicly available coordinated permitting process 14 files. 15

16 (2) The department of ecology must identify overburdened 17 communities, as defined in RCW 70A.02.010, which may be potentially 18 affected by clean energy projects participating in the coordinated 19 permitting process. The department of ecology must verify these 20 communities have been meaningfully engaged in the regulatory 21 processes in a timely manner by participating agencies and their 22 comments considered for determining potential impacts.

23 <u>NEW SECTION.</u> Sec. 210. MISCELLANEOUS. (1) Nothing in this 24 chapter:

(a) Prohibits an applicant, a project proponent, a state agency,
a local government, or a federally recognized Indian tribe from
entering into a nondisclosure agreement to protect confidential
business information, trade secrets, financial information, or other
proprietary information;

30 (b) Limits or affects other statutory provisions specific to any 31 state agency related to that agency's procedures and protocols 32 related to the identification, designation, or disclosure of 33 information identified as confidential business information, trade 34 secrets, financial information, or other proprietary information;

35 (c) Limits or affects the provisions of chapter 42.56 RCW as they 36 apply to information or nondisclosure agreements obtained by a state 37 agency under this chapter; or

(d) Relieves the responsible official under chapter 43.21C RCW
 for an action of the official's responsibilities under that chapter.

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1 (2) The decisions by the department of commerce to designate a clean energy project of statewide significance must be made available 2 to the public. Regardless of any exemptions otherwise set forth in 3 42.56.270, publicly shared information must include the 4 RCW designee's name, a brief description of the project, the intended 5 6 project location, a description of climate and economic development benefits to the state and communities therein, a tribal engagement 7 plan, a community engagement plan, and a community benefit agreement 8 9 if applicable.

(3) The department of commerce may terminate a designation of a 10 11 clean energy project of statewide significance for reasons that 12 include, but are not limited to, failure to comply with requirements of the designation or the emergence of new 13 information that significantly alters the department of commerce's assessment of the 14 applicant's application, project, or project proponent. 15 The 16 department of commerce must notify the applicant, project proponent, 17 and the department of ecology of the termination in writing within 30 18 days.

(4) Nothing in this chapter affects the jurisdiction of theenergy facility site evaluation council under chapter 80.50 RCW.

(5) This chapter does not limit or abridge the powers and duties 21 22 granted to a participating permit agency under the law or laws that authorizes or requires the agency to issue a permit for a project. 23 Each participating permit agency retains its authority to make all 24 25 decisions on all substantive matters with regard to the respective 26 component permit that is within its scope of its responsibility including, but not limited to, the determination of permit 27 28 application completeness, permit approval or approval with 29 conditions, or permit denial.

30 <u>NEW SECTION.</u> Sec. 211. A new section is added to chapter 80.50 31 RCW to read as follows:

Applicants utilizing the fully coordinated permitting process 32 under chapter 43.--- RCW (the new chapter created in section 402 of 33 this act) are not eligible for permitting under this chapter unless a 34 35 substantial change is made to the proposed project. Prior to considering an application under this chapter from a project 36 applicant that has previously used the fully coordinated permitting 37 process under chapter 43.--- RCW (the new chapter created in section 38 402 of this act) for that project, the council must determine that 39 Code Rev/ML:jlb S-2963.2/23 2nd draft 21

1 the project applicant has made a substantial change to the project, 2 relative to the project as it was proposed under the fully 3 coordinated permitting process.

4 Sec. 212. RCW 80.50.140 and 1988 c 202 s 62 are each amended to 5 read as follows:

6 (1) (a) The following decisions are subject to judicial review 7 pursuant to the provisions of chapter 34.05 RCW and this section:

8 <u>(i)</u> A final decision pursuant to RCW 80.50.100 on an application 9 for certification ((shall be subject to judicial review pursuant to 10 provisions of chapter 34.05 RCW and this section)); or

(ii) A land use decision as defined in RCW 36.70C.020, a final decision on a permit or other similar approval required under chapter 90.58 RCW, or any decision that would otherwise have been subject to the jurisdiction of the pollution control hearings board under RCW 43.21B.110, and which is necessary for a clean energy project as defined in section 201 of this act.

(b) Petitions for review of such a decision shall be filed in the 17 Thurston county superior court. All petitions for review of a 18 decision under RCW 80.50.100 or decision relating to any permit as 19 set forth in this subsection for a clean energy project as defined in 20 section 201 of this act shall be consolidated into a single 21 22 proceeding before the Thurston county superior court. The Thurston county superior court shall certify the petition for review to the 23 supreme court upon the following conditions: 24

25

(((a))) <u>(i)</u> Review can be made on the administrative record;

26 (((b))) <u>(ii)</u> Fundamental and urgent interests affecting the 27 public interest and development of energy facilities are involved 28 which require a prompt determination;

29 (((c))) <u>(iii)</u> Review by the supreme court would likely be sought 30 regardless of the determination of the Thurston county superior 31 court; and

32

(((d))) <u>(iv)</u> The record is complete for review.

33 The Thurston county superior court shall assign a petition for review of a decision under RCW 80.50.100 or a decision relating to 34 any permit as set forth in this subsection (1) for a clean energy 35 project as defined in section 201 of this act for hearing at the 36 earliest possible date and shall expedite such petition in every way 37 38 possible. If the court finds that review cannot be limited to the 39 administrative record as set forth in ((subparagraph (a))) (b)(i) of Code Rev/ML:jlb 22 S-2963.2/23 2nd draft

this subsection because there are alleged irregularities in the 1 procedure before the council or other permitting authority not found 2 in the record, but finds that the standards set forth 3 in ((subparagraphs)) (b) ((, (c), and (d))) (ii), (iii), and (iv) of this 4 subsection are met, the court shall proceed to take testimony and 5 6 determine such factual issues raised by the alleged irregularities and certify the petition and its determination of such factual issues 7 to the supreme court. Upon certification, the supreme court shall 8 assign the petition for hearing at the earliest possible date, and it 9 shall expedite its review and decision in every way possible. 10

11 (2) Objections raised by any party in interest concerning procedural error by the council shall be filed with the council 12 within ((sixty)) 60 days of the commission of such error, or within 13 ((thirty)) 30 days of the first public hearing or meeting of the 14 council at which the general subject matter to which the error is 15 16 related is discussed, whichever comes later, or such objection shall 17 be deemed waived for purposes of judicial review as provided in this 18 section.

19 (3) The rules and regulations adopted by the council shall be 20 subject to judicial review pursuant to the provisions of chapter 21 34.05 RCW.

22 Sec. 213. RCW 36.70C.030 and 2010 1st sp.s. c 7 s 38 are each 23 amended to read as follows:

(1) This chapter replaces the writ of certiorari for appeal of land use decisions and shall be the exclusive means of judicial review of land use decisions, except that this chapter does not apply to:

28 (a) Judicial review of:

29 (i) Land use decisions made by bodies that are not part of a 30 local jurisdiction;

(ii) Land use decisions of a local jurisdiction that are subject to review by a quasi-judicial body created by state law, such as the shorelines hearings board or the growth management hearings board;

34 (b) Judicial review of applications for a writ of mandamus or 35 prohibition; ((or))

36 (c) Claims provided by any law for monetary damages or
 37 compensation. If one or more claims for damages or compensation are
 38 set forth in the same complaint with a land use petition brought
 39 under this chapter, the claims are not subject to the procedures and
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1 standards, including deadlines, provided in this chapter for review 2 of the petition. The judge who hears the land use petition may, if 3 appropriate, preside at a trial for damages or compensation; or

4 (d) A land use decision relating to a clean energy project as
5 defined in section 201 of this act and subject to the review
6 proceedings set forth in RCW 80.50.140.

7 (2) The superior court civil rules govern procedural matters
8 under this chapter to the extent that the rules are consistent with
9 this chapter.

10 Sec. 214. RCW 90.58.180 and 2011 c 277 s 4 are each amended to 11 read as follows:

(1) Any person aggrieved by the granting, denying, or rescinding of a permit on shorelines of the state pursuant to RCW 90.58.140 may seek review from the shorelines hearings board by filing a petition for review within ((twenty-one)) <u>21</u> days of the date of filing of the decision as defined in RCW 90.58.140(6).

Within seven days of the filing of any petition for review with 17 the board as provided in this section pertaining to a final decision 18 of a local government, the petitioner shall serve copies of the 19 petition on the department, the office of the attorney general, and 20 the local government. The department and the attorney general may 21 intervene to protect the public interest and ensure that the 22 provisions of this chapter are complied with at any time within 23 24 fifteen days from the date of the receipt by the department or the 25 attorney general of a copy of the petition for review filed pursuant to this section. The shorelines hearings board shall schedule review 26 proceedings on the petition for review without regard as to whether 27 the period for the department or the attorney general to intervene 28 has or has not expired. 29

30 (2) The department or the attorney general may obtain review of 31 any final decision granting a permit, or granting or denying an 32 application for a permit issued by a local government by filing a 33 written petition with the shorelines hearings board and the 34 appropriate local government within ((twenty-one)) <u>21</u> days from the 35 date the final decision was filed as provided in RCW 90.58.140(6).

(3) The review proceedings authorized in subsections (1) and (2)
 of this section are subject to the provisions of chapter 34.05 RCW
 pertaining to procedures in adjudicative proceedings. Judicial review
 of such proceedings of the shorelines hearings board is governed by
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1 chapter 34.05 RCW. The board shall issue its decision on the appeal 2 authorized under subsections (1) and (2) of this section within ((one 3 <u>hundred eighty</u>)) <u>180</u> days after the date the petition is filed with 4 the board or a petition to intervene is filed by the department or 5 the attorney general, whichever is later. The time period may be 6 extended by the board for a period of ((thirty)) <u>30</u> days upon a 7 showing of good cause or may be waived by the parties.

8 (4) Any person may appeal any rules, regulations, or guidelines 9 adopted or approved by the department within ((thirty)) <u>30</u> days of 10 the date of the adoption or approval. The board shall make a final 11 decision within sixty days following the hearing held thereon.

12 (5) The board shall find the rule, regulation, or guideline to be 13 valid and enter a final decision to that effect unless it determines 14 that the rule, regulation, or guideline:

15 (a) Is clearly erroneous in light of the policy of this chapter; 16 or

17 (b) Constitutes an implementation of this chapter in violation of 18 constitutional or statutory provisions; or

19

(c) Is arbitrary and capricious; or

20 (d) Was developed without fully considering and evaluating all 21 material submitted to the department during public review and 22 comment; or

23

(e) Was not adopted in accordance with required procedures.

(6) If the board makes a determination under subsection (5)(a) 24 25 through (e) of this section, it shall enter a final decision declaring the rule, regulation, or guideline invalid, remanding the 26 rule, regulation, or guideline to the department with a statement of 27 the reasons in support of the determination, and directing the 28 department to adopt, after a thorough consultation with the affected 29 local government and any other interested party, a new rule, 30 31 regulation, or guideline consistent with the board's decision.

(7) A decision of the board on the validity of a rule, regulation, or guideline shall be subject to review in superior court, if authorized pursuant to chapter 34.05 RCW. A petition for review of the decision of the shorelines hearings board on a rule, regulation, or guideline shall be filed within ((thirty)) <u>30</u> days after the date of final decision by the shorelines hearings board.

38 (8) The review proceedings authorized in subsections (1) and (2)
39 of this section do not apply to any decision required under this
40 chapter relating to a clean energy project as defined in section 201

1 of this act and subject to the review proceedings set forth in RCW
2 80.50.140.

3 Sec. 215. RCW 43.21B.110 and 2022 c 180 s 812 are each amended 4 to read as follows:

5 (1) The hearings board shall only have jurisdiction to hear and 6 decide appeals from the following decisions of the department, the 7 director, local conservation districts, the air pollution control 8 boards or authorities as established pursuant to chapter 70A.15 RCW, 9 local health departments, the department of natural resources, the 10 department of fish and wildlife, the parks and recreation commission, 11 and authorized public entities described in chapter 79.100 RCW:

12 (a) Civil penalties imposed pursuant to RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 13 70A.530.040, 70A.350.070, 70A.515.060, 70A.245.040, 70A.245.050, 70A.245.070, 70A.245.080, 14 70A.65.200, 70A.455.090, 76.09.170, 77.55.440, 78.44.250, 88.46.090, 15 16 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102. 17 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 70A.15.2520, 70A.15.3010, 70A.300.120, 70A.350.070, 18 43.27A.190, 70A.245.020, 70A.65.200, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 19 20 90.48.120, and 90.56.330.

Except as provided in RCW 90.03.210(2), the issuance, 21 (C) 22 modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its 23 24 jurisdiction, including the issuance or termination of a waste 25 disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste 26 27 disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70A.205.260. 28

(d) Decisions of local health departments regarding the grant or
 denial of solid waste permits pursuant to chapter 70A.205 RCW.

31 (e) Decisions of local health departments regarding the issuance 32 and enforcement of permits to use or dispose of biosolids under RCW 33 70A.226.090.

34 (f) Decisions of the department regarding waste-derived 35 fertilizer or micronutrient fertilizer under RCW 15.54.820, and 36 decisions of the department regarding waste-derived soil amendments 37 under RCW 70A.205.145.

38 (g) Decisions of local conservation districts related to the 39 denial of approval or denial of certification of a dairy nutrient Code Rev/ML:jlb 26 S-2963.2/23 2nd draft 1 management plan; conditions contained in a plan; application of any 2 dairy nutrient management practices, standards, methods, and 3 technologies to a particular dairy farm; and failure to adhere to the 4 plan review and approval timelines in RCW 90.64.026.

5 (h) Any other decision by the department or an air authority 6 which pursuant to law must be decided as an adjudicative proceeding 7 under chapter 34.05 RCW.

8 (i) Decisions of the department of natural resources, the 9 department of fish and wildlife, and the department that are 10 reviewable under chapter 76.09 RCW, and the department of natural 11 resources' appeals of county, city, or town objections under RCW 12 76.09.050(7).

13 (j) Forest health hazard orders issued by the commissioner of 14 public lands under RCW 76.06.180.

15 (k) Decisions of the department of fish and wildlife to issue, 16 deny, condition, or modify a hydraulic project approval permit under 17 chapter 77.55 RCW, to issue a stop work order, to issue a notice to 18 comply, to issue a civil penalty, or to issue a notice of intent to 19 disapprove applications.

20 (1) Decisions of the department of natural resources that are 21 reviewable under RCW 78.44.270.

(m) Decisions of an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(n) Decisions of the department of ecology that are appealable under RCW 70A.245.020 to set recycled minimum postconsumer content for covered products or to temporarily exclude types of covered products in plastic containers from minimum postconsumer recycled content requirements.

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(o) Orders by the department of ecology under RCW 70A.455.080.

32 (2) The following hearings shall not be conducted by the hearings33 board:

34 (a) Hearings required by law to be conducted by the shorelines35 hearings board pursuant to chapter 90.58 RCW.

36 (b) Hearings conducted by the department pursuant to RCW 37 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100, 38 70A.15.3110, and 90.44.180.

39 (c) Appeals of decisions by the department under RCW 90.03.110 40 and 90.44.220.

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(d) Hearings conducted by the department to adopt, modify, or
 repeal rules.

3 (3) Review of rules and regulations adopted by the hearings board 4 shall be subject to review in accordance with the provisions of the 5 administrative procedure act, chapter 34.05 RCW.

6 <u>(4) Notwithstanding subsections (1) through (3) of this section,</u> 7 <u>the hearings board does not have jurisdiction to hear and decide</u> 8 <u>appeals involving any matter under this section if the matter is</u> 9 <u>related to a clean energy project as defined in section 201 of this</u> 10 <u>act. The review proceedings set forth in RCW 80.50.140 apply to</u> 11 <u>matters listed in this section but which involve clean energy</u> 12 <u>projects as defined in section 201 of this act.</u>

PART 3 14 PERMITTING AND ENVIRONMENTAL REVIEW PROVISIONS FOR CLEAN ENERGY 15 PROJECTS

16 <u>NEW SECTION.</u> Sec. 301. A new section is added to chapter 43.21C 17 RCW to read as follows:

18 SEPA CLEAN ENERGY FACILITIES. (1) The definitions in this 19 subsection apply throughout this section unless the context clearly 20 requires otherwise.

(a) "Alternative energy resource" has the same meaning as definedin RCW 80.50.020.

(b) "Alternative jet fuel" has the same meaning as defined in section 201 of this act.

25 (c) "Associated facilities" has the same meaning as defined in 26 section 201 of this act.

(d) "Clean energy product manufacturing facility" has the samemeaning as defined in section 201 of this act.

(e) "Clean energy project" has the same meaning as defined insection 201 of this act.

31 (f) "Closely related proposals" means proposals that:

(i) Cannot or will not proceed unless the other proposals, orparts of proposals, are implemented simultaneously with them; or

34 (ii) Are interdependent parts of a larger proposal and depend on 35 the larger proposal as their justification or for their 36 implementation.

37 (g) "Green electrolytic hydrogen" has the same meaning as defined 38 in RCW 80.50.020.

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1 (h) "Green hydrogen carrier" has the same meaning as defined in 2 RCW 80.50.020.

3 (i) "Renewable hydrogen" has the same meaning as defined in RCW 4 80.50.020.

5 (j) "Renewable natural gas" has the same meaning as defined in 6 RCW 80.50.020.

7 (k) "Renewable resource" has the same meaning as defined in RCW8 80.50.020.

9 (1) "Storage facility" has the same meaning as defined in RCW 10 80.50.020.

(2) (a) After the submission of an environmental checklist and 11 prior to issuing a threshold determination that a clean energy 12 project proposal is likely to cause a probable significant adverse 13 environmental impact consistent with RCW 43.21C.033, the lead agency 14 must notify the project applicant and explain in writing the basis 15 16 for its anticipated determination of significance. Prior to issuing 17 the threshold determination of significance, the lead agency must give the project applicant the option of withdrawing and revising its 18 application and the associated environmental checklist. The lead 19 agency shall make its threshold determination based upon the changed 20 or clarified application and associated environmental checklist. The 21 22 responsible official has no more than 30 days from the date of the 23 resubmission of a clarified or changed application to make a threshold determination, unless the applicant makes material changes 24 25 that substantially modify the impact of the proposal, in which case the responsible official must treat the resubmitted clarified or 26 27 changed application as new, and is subject to the timelines 28 established in RCW 43.21C.033.

(b) The notification required under (a) of this subsection is not an official determination by the lead agency and is not subject to appeal under this chapter.

32 (c) Nothing in this subsection amends the requirements of RCW 33 43.21C.033 as they apply to proposals that are not for clean energy 34 projects and nothing in this subsection precludes the lead agency 35 from allowing an applicant for a proposal that is not a clean energy 36 project to follow application processes similar to or the same as the 37 application processes identified in this subsection.

(3) (a) When an environmental impact statement is required, a lead
 agency shall prepare a final environmental impact statement for clean

energy projects within 24 months of a threshold determination of a
 probable significant, adverse environmental impact.

3 (b) A lead agency may work with clean energy project applicants 4 to set or extend a time limit longer than 24 months under (a) of this 5 subsection, provided the:

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(i) Applicant agrees to a longer time limit; and

7 (ii) Responsible official for the lead agency maintains an 8 updated schedule available for public review.

9 (c) For all clean energy projects that require the preparation of 10 an environmental impact statement, the lead agency shall work 11 collaboratively with applicants and all agencies that will have 12 actions requiring review under this chapter to develop a schedule 13 that shall:

(i) Include a list of, and roles and responsibilities for, all entities that have actions requiring review under this chapter for the project;

(ii) Include a comprehensive schedule of dates by which review under this chapter will be completed, all actions requiring review under this chapter will be taken, and the public will have an opportunity to participate;

21 (iii) Be completed within 60 days of issuance of a determination 22 of significance;

23 (iv) Be updated as needed, but no later than 30 days of missing a 24 date on the schedule; and

(v) Be available for public review on the state environmental policy act register.

(d) A lead agency may fulfill its responsibilities under this subsection with a coordinated project plan prepared pursuant to 42 U.S.C. Sec. 4370m-2(c)(1) if it includes all dates identified under (c)(ii) of this subsection.

31 (e) A failure to comply with the requirements in this subsection 32 is not subject to appeal and does not provide a basis for the 33 invalidation of the review by an agency under this chapter. Nothing 34 in this subsection creates any civil liability for an agency or 35 creates a new cause of action against an agency.

36 (f) For clean energy projects, the provisions of this subsection 37 are in addition to the requirements of RCW 43.21C.0311.

(4) This subsection provides clarifications on the content ofreview under this chapter specific to clean energy projects.

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1 (a) In defining the proposal that is the subject of review under 2 this chapter, a lead agency may not combine the evaluation of a clean 3 energy project proposal with other proposals unless the:

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(i) Proposals are closely related; or

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(1) Hoposais are crosery related, or

(ii) Applicant agrees to combining the proposals' evaluation.

6 (b) An agency with authority to impose mitigation under RCW 7 43.21C.060 may require mitigation measures for clean energy projects 8 only to address the environmental impacts that are attributable to 9 and caused by a proposal.

10 <u>NEW SECTION.</u> Sec. 302. A new section is added to chapter 43.21C
11 RCW to read as follows:

12 NONPROJECT ENVIRONMENTAL IMPACT STATEMENTS. (1) The department of 13 ecology shall prepare nonproject environmental impact statements, 14 pursuant to RCW 43.21C.030, that assess and disclose the probable 15 significant adverse environmental impacts, and that identify related 16 mitigation measures, for each of the following categories of clean 17 energy projects, and colocated battery energy storage projects that 18 may be included in such projects:

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(a) Green electrolytic or renewable hydrogen projects;

20 (b) Utility-scale solar energy projects, which will consider the 21 findings of the Washington State University least-conflict solar 22 siting process; and

23

(c) Onshore utility-scale wind energy projects.

24 (2) The scope of a nonproject environmental review shall be 25 limited to the probable, significant adverse environmental impacts in geographic areas that are suitable for the applicable clean energy 26 27 type. The department of ecology may consider standard attributes for 28 likely development, proximity to existing transmission or complementary facilities, and planned corridors for transmission 29 30 capacity construction, reconstruction, or enlargement. The nonproject 31 review is not required to evaluate geographic areas that lack the 32 characteristics necessary for the applicable clean energy project 33 type.

(3) (a) The scope of nonproject environmental impact statements
 must consider, as appropriate, analysis of the following probable
 significant adverse environmental impacts, including direct,
 indirect, and cumulative impacts to:

38 (i) Historic and cultural resources;

(ii) Species designated for protection under RCW 77.12.020 or the
 federal endangered species act;

3 (iii) Landscape scale habitat connectivity and wildlife migration 4 corridors;

5 (iv) Environmental justice and overburdened communities as 6 defined in RCW 70A.02.010;

7 (v) Cultural resources and elements of the environment relevant 8 to tribal rights, interests, and resources including tribal cultural 9 resources, and fish, wildlife, and their habitat;

10 11 (vi) Land uses, including agricultural and ranching uses; and

(vii) Military installations and operations.

12 (b) The nonproject environmental impact statements must identify measures to avoid, minimize, and mitigate probable significant 13 adverse environmental impacts identified during the review. These 14 measures to mitigate probable significant adverse 15 include environmental impacts to elements of the environment as defined in 16 WAC 197-11-444 as it existed as of January 1, 2023, tribal rights, 17 interests, and resources, including tribal cultural resources, as 18 identified in RCW 70A.65.305, and overburdened communities as defined 19 in RCW 70A.02.010. The department of ecology shall consult with 20 21 federally recognized Indian tribes and other agencies with expertise 22 in identification and mitigation of probable, significant adverse environmental impacts including, but not limited to, the department 23 of fish and wildlife. The department of ecology shall further specify 24 25 when probable, significant adverse environmental impacts cannot be 26 mitigated.

(4) In defining the scope of nonproject review of clean energy 27 projects, the department of ecology shall request input from 28 agencies, federally recognized Indian tribes, industry, stakeholders, 29 local governments, and the public to identify the geographic areas 30 31 suitable for the applicable clean energy project type, based on the 32 climatic and geophysical attributes conducive to or required for project development. The department of ecology will provide 33 opportunities for the engagement of tribes, overburdened communities, 34 and stakeholders that self-identify an interest in participating in 35 36 the processes.

(5) The department of ecology will offer early and meaningful
 consultation with any affected federally recognized Indian tribe on
 the nonproject review under this section for the purpose of
 understanding potential impacts to tribal rights and resources,
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including tribal cultural resources, archaeological sites, sacred sites, fisheries, or other rights and interests in tribal lands and lands within which an Indian tribe or tribes possess rights reserved or protected by federal treaty, statute, or executive order. Certain information obtained by the department of ecology under this section is exempt from disclosure consistent with RCW 42.56.300.

(6) Final nonproject environmental review documents for the clean 7 energy projects identified in subsection (1) of this section, where 8 applicable, shall include maps identifying probable, significant 9 adverse environmental impacts for the resources evaluated. Maps must 10 be prepared with the intention to illustrate probable, significant 11 12 impacts, creating a tool that may be used by project proponents, tribes, and government to inform decision making. The maps may not be 13 used in the place of surveys on specific parcels of land or input of 14 a potentially affected federally recognized Indian tribe regarding 15 16 specific parcels.

17 (7) Following the completion of a nonproject review subject to this section, the interagency clean energy siting coordinating 18 council created in section 101 of this act must consider the findings 19 and make recommendations to the legislature and governor on potential 20 21 areas to designate as clean energy preferred zones for the clean energy project technology analyzed, and any taxation, regulatory, 22 23 environmental review, or other benefits that should accrue to projects in such designated preferred zones. 24

(8) Nothing in this section prohibits or precludes projects from being located outside areas designated as clean energy preferred zones.

28 <u>NEW SECTION.</u> Sec. 303. A new section is added to chapter 43.21C 29 RCW to read as follows:

LEAD AGENCY USE OF NONPROJECT ENVIRONMENTAL IMPACT STATEMENT. (1) A lead agency conducting a project-level environmental review under this chapter of a clean energy project identified in section 302(1) of this act must consider a nonproject environmental impact statement prepared pursuant to section 302 of this act in order to identify and mitigate project-level probable significant adverse environmental impacts.

37 (2) (a) Project-level environmental review conducted pursuant to
 38 this chapter of a clean energy project identified in section 302(1)
 39 of this act must begin with review of the applicable nonproject
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1 environmental impact statement prepared pursuant to section 302 of 2 this act. The review must address any probable significant adverse 3 environmental impacts associated with the proposal that were not 4 analyzed in the nonproject environmental impact statements prepared 5 pursuant to section 302 of this act. The review must identify any 6 mitigation measures specific to the project for probable significant 7 adverse environmental impacts.

8 (b) Lead agencies reviewing site-specific project proposals for 9 clean energy projects under this chapter shall use the nonproject 10 review described in this section through one of the following methods 11 and in accordance with WAC 197-11-600, as it existed as of January 1, 12 2023:

(i) Use of the nonproject review unchanged, in accordance with RCW 43.21C.034, if the project does not cause any probable significant adverse environmental impact not identified in the nonproject review;

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(ii) Preparation of an addendum;

18 (iii) Incorporation by reference; or

19 (iv) Preparation of a supplemental environmental impact 20 statement.

21 (3) Clean energy project proposals following the recommendations 22 developed in the nonproject environment review completed pursuant to 23 section 302 of this act must be considered to have mitigated the probable significant adverse project-specific environmental impacts 24 25 under this chapter for which recommendations were specifically developed unless the project-specific environmental review identifies 26 project-level probable significant adverse environmental impacts not 27 28 addressed in the nonproject environmental review.

29 <u>NEW SECTION.</u> Sec. 304. A new section is added to chapter 36.70B 30 RCW to read as follows:

31 PROHIBITION ON DEMONSTRATION OF NEED. During project review of a project to construct or improve facilities for the generation, 32 transmission, or distribution of electricity, a local government may 33 not require a project applicant to demonstrate the necessity or 34 35 utility of the project other than to require, as part of a completed application under RCW 36.70B.070(2), submission of any publicly 36 available documentation required by the federal energy regulatory 37 38 commission or its delegees or the utilities and transportation commission or its delegees, or from any other federal agency with 39 Code Rev/ML:jlb 34 S-2963.2/23 2nd draft

regulatory authority over the assessment of electric power
 transmission and distribution needs as applicable.

3 <u>NEW SECTION.</u> Sec. 305. A new section is added to chapter 36.01 4 RCW to read as follows:

5 A county may not prohibit the installation of wind and solar 6 resource evaluation equipment necessary for the design and 7 environmental planning of a renewable energy project.

Sec. 306. IDENTIFYING INFORMATION FOR PUMPED 8 NEW SECTION. STORAGE SITING. (1) The Washington State University energy program 9 shall conduct a process to identify issues and interests related to 10 siting pumped storage projects in Washington state, to support 11 expanded capacity to store intermittently produced renewable energy, 12 such as from wind and solar, as part of the state's transition from 13 fossil fuel to 100 percent clean energy. The Washington State 14 15 University energy program may decide to include within the process's 16 scope the colocation of pumped storage with wind or solar energy generation. The goal of the process is to identify and understand 17 issues and interests of various stakeholders and federally recognized 18 19 Indian tribes related to areas where pumped storage might be sited, providing useful information to developers of potential projects, and 20 21 for subsequent environmental reviews under the state environmental 22 policy act.

(2) In carrying out this process, the Washington State University energy program shall provide ample opportunities for the engagement of federally recognized Indian tribes, local governments and special purpose districts, land use and environmental organizations, and additional stakeholders that self-identify as interested in participating in the process.

(3) The Washington State University energy program must develop
 and make available a map and associated GIS data layers, highlighting
 areas identified through the process.

(4) Any information provided by tribes will help to inform the 32 map product, but the Washington State University energy program may 33 not include sensitive tribal information, as identified by federally 34 recognized Indian tribes, in the publicly available map or GIS data 35 layers. The information developed by this process and creation of the 36 37 map under this section does not supplant the need for project developers to conduct early and individual outreach to federally 38 Code Rev/ML:jlb 35 S-2963.2/23 2nd draft 1 recognized Indian tribes and other affected communities. The 2 Washington State University energy program must take precautions to 3 prevent disclosure of any sensitive tribal information it receives 4 during the process, consistent with RCW 42.56.300.

5 (5) The pumped storage siting information process must be 6 completed by June 30, 2025.

7 <u>NEW SECTION.</u> Sec. 307. (1) (a) The department must consult with stakeholders from rural communities, agriculture, natural resource 8 management and conservation, and forestry to gain a 9 better understanding of the benefits and impacts of anticipated changes in 10 the state's energy system, including the siting of facilities under 11 the jurisdiction of the energy facility site evaluation council, and 12 to identify risks and opportunities for rural communities. This 13 consultation must be conducted in compliance with the community 14 15 engagement plan developed by the department under chapter 70A.02 RCW 16 and with input from the environmental justice council, using the best 17 recommended practices available at the time. The department must collect the best available information and learn from the lived 18 experiences of people in rural communities, with the objective of 19 improving state implementation of clean energy policies, including 20 the siting of energy facilities under the jurisdiction of the energy 21 facility site evaluation council, in ways that protect and improve 22 life in rural Washington. The department must consult with an array 23 24 of rural community members, including: Low-income community and vulnerable population members or representatives; legislators; local 25 elected officials and staff; those involved with agriculture, 26 27 forestry, and natural resource management and conservation; renewable energy project property owners; utilities; large energy consumers; 28 and others. 29

30 (b) The consultation must include stakeholder meetings with at31 least one in eastern Washington and one in western Washington.

32 (c) The department's consultation with stakeholders may include,33 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 nonemitting electric generation
 resources, and their contribution to resource adequacy;

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

3 (iii) Programs to reduce energy cost burdens on rural families 4 and farm operations;

5 (iv) Electric vehicles, farm and warehouse equipment, and 6 charging infrastructure suitable for rural use;

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

10 (vi) The use of wood products and forest practices that provide 11 low-carbon building materials and renewable fuel supplies; and

12 (vii) The development of clean manufacturing facilities, such as 13 solar panels, vehicles, and carbon fiber.

(2) (a) The department must complete a report on rural clean 14 energy and resilience that takes into consideration the consultation 15 16 with rural stakeholders as described in subsection (1) of this 17 section. The report must include recommendations for how policies, 18 projects, and investment programs, including energy facility siting through the energy facility site evaluation council, can be developed 19 or amended to more equitably distribute costs and benefits to rural 20 21 communities. The report must include an assessment of how to improve 22 the total benefits to rural areas overall, as well as the equitable 23 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:

27 (i) Direct, indirect, and induced jobs in construction and 28 operations;

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(ii) Financial returns to property owners;

30 (iii) Effects on local tax revenues and public services, which 31 must include whether any school districts had a net loss of resources 32 from diminished local effort assistance payments required under 33 chapter 28A.500 RCW and impacts to public safety, the 911 emergency 34 communications system, mental health, criminal justice, and rural 35 county roads;

36 (iv) Effects on other rural land uses, such as agriculture, 37 natural resource management and conservation, and tourism;

38 (v) Geographic distribution of large energy projects previously 39 sited or forecast to be sited in Washington;

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

3 (vii) Relevant information from the least-conflict priority solar
4 siting pilot project in the Columbia basin of eastern and central
5 Washington required under section 607, chapter 334, Laws of 2021.

6 (c) The report must include a forecast of what Washington's clean 7 energy transition will require for siting energy projects in rural 8 Washington. The department must gather and analyze the best available 9 information to produce forecast scenarios.

10 (d) By December 1, 2024, the department must submit a final 11 report on rural clean energy and resilience to the joint committee on 12 energy supply, energy conservation, and energy resilience created in 13 RCW 44.39.010 and the appropriate policy and fiscal committees of the 14 legislature.

15 (3) For the purposes of this section, "department" means the 16 department of commerce.

17 Sec. 308. RCW 44.39.010 and 2005 c 299 s 1 are each amended to 18 read as follows:

There is hereby created the joint committee on energy supply ((and)), energy conservation, and energy resilience.

21 Sec. 309. RCW 44.39.012 and 2005 c 299 s 4 are each amended to 22 read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

25 (1) "Committee" means the joint committee on energy supply 26 ((and)), energy conservation, and energy resilience.

(2) "Conservation" means reduced energy consumption or energy
 cost, or increased efficiency in the use of energy, and activities,
 measures, or equipment designed to achieve such results.

30 <u>NEW SECTION.</u> Sec. 310. (1) The committee shall review the 31 report produced by the department of commerce under section 307 of 32 this act and consider any policy or budget recommendations to reduce 33 impacts and increase benefits of the clean energy transition for 34 rural communities, including mechanisms to support local tax revenues 35 and public services.

1 (2) The committee must hold at least two meetings, at least one 2 of which must be in eastern Washington. The first meeting of the 3 committee must occur by September 30, 2023.

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

The committee shall report its findings 8 (4) and any recommendations to the energy facility site evaluation council and 9 the committees of the legislature with jurisdiction over environment 10 and energy laws by December 1, 2024. Recommendations of the committee 11 may be made by a simple majority of committee members. In the event 12 that the committee does not reach majority-supported recommendations, 13 the committee may report minority findings supported by at least two 14 members of the committee. 15

16 (5) The definitions in this subsection apply throughout this 17 section unless the context clearly requires otherwise.

(a) "Alternative energy" means energy derived from an alternativeenergy resource specified in RCW 80.50.020(1).

(b) "Committee" means the joint committee on energy supply,
energy conservation, and energy resilience created in RCW 44.39.010.
(6) This section expires June 30, 2025.

PART 4

MISCELLANEOUS PROVISIONS

25 <u>NEW SECTION.</u> Sec. 401. Sections 101 and 102 of this act 26 constitute a new chapter in Title 43 RCW.

27 <u>NEW SECTION.</u> Sec. 402. Sections 201 through 210 of this act 28 constitute a new chapter in Title 43 RCW.

29 <u>NEW SECTION.</u> Sec. 403. If any provision of this act or its 30 application to any person or circumstance is held invalid, the 31 remainder of the act or the application of the provision to other 32 persons or circumstances is not affected."

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E2SHB 1216 - S COMM AMD

By Committee on Ways & Means

ADOPTED AS AMENDED 04/08/2023

1 On page 1, line 1 of the title, after "siting;" strike the 2 remainder of the title and insert "amending RCW 80.50.140, 3 36.70C.030, 90.58.180, 43.21B.110, 44.39.010, and 44.39.012; adding a 4 new section to chapter 80.50 RCW; adding new sections to chapter 43.21C RCW; adding a new section to chapter 36.70B RCW; adding a new 5 6 section to chapter 36.01 RCW; adding new chapters to Title 43 RCW; 7 creating new sections; prescribing penalties; and providing an 8 expiration date."

EFFECT: Adds staff from the environmental justice council as participating members of the interagency coordinating council. Directs the council to make recommendations on future nonproject environmental impact statements for categories of clean energy projects as part of its annual report. Requires the council to consider and provide recommendations on additional benefits that could be provided to projects designated as clean energy projects of statewide significance (CEPSS). Requires applications for а designation as a CEPSS to include a plan for engagement with federally recognized Indian tribes and community engagement, rather than a plan for meaningful engagement with federally recognized Indian tribes and meaningful community engagement. Directs the department of commerce to provide a written determination that an application for a CEPSS designation is complete within 14 business days of receiving the application, or if the application is incomplete, an opportunity to meet with commerce to determine what is necessary to make the application complete. Requires commerce to notify the applicant whether the application is complete or what additional information is necessary within seven business days after the applicant submits additional information. Provides that when an application is complete, the director of commerce must determine within 60 business days whether to designate a project as a CEPSS. Specifies that a determination of completeness does not preclude the department of commerce from requesting additional information if new information is required or substantial changes in the proposed project occur.

Specifies that the legislature intends to make biennial appropriations to support tribal review of clean energy project proposals, permit applications, and environmental reviews, as well as tribal participation in up-front planning of clean energy projects. Excludes hydroelectric generation associated with facilities or persons that have been the subject of an enforcement action or settlement that resulted in a penalty or mitigation of at least \$100,000 under state hydraulic project approval laws, from the clean energy projects eligible for designation as a clean energy project of statewide significance, participation in the fully coordinated permit process, and the state environmental policy act changes. Specifies that permitting decisions made by state and local jurisdictions under

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the fully coordinated permitting process must be considered final, subject to any available appeals process, and that applicants utilizing the coordinated permitting process are not eligible for permitting under the energy facility site evaluation council (EFSEC) certification process for that project, unless a substantial change is made to the proposed project, as determined by EFSEC. Allows a project proponent to enter into a cost-reimbursement agreement to reimburse the costs of a federally recognized Indian tribe for reviewing and providing input on the siting and permitting of a clean energy project. Requires the department of ecology to engage in a preapplication process with all affected federally recognized Indian tribes potentially impacted by the project after initiation of the fully coordinated permitting process and requires any discussions to include the project's impact to tribal rights, interests, and resources.

Specifies that a land use decision as defined in the land use petition act, a final decision on a permit or other similar approval required under the shoreline management act, or any decision that would otherwise have been subject to the jurisdiction of the pollution control hearings board, and which is necessary for a clean energy project, shall be subject to the expedited process for judicial review established for energy facility site evaluation council certifications.

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