SUBSTITUTE SENATE BILL 5359

State of Washington 69th Legislature 2025 Regular Session

By Senate Environment, Energy & Technology (originally sponsored by Senators Shewmake, Hasegawa, Nobles, Salomon, and Stanford; by request of Department of Commerce)

READ FIRST TIME 02/19/25.

- 1 AN ACT Relating to accelerating the development of clean energy;
- 2 amending RCW 43.330.120; adding new sections to chapter 43.330 RCW;
- 3 and creating a new section.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that Washington must 5 6 accelerate the pace of development for clean energy projects. The 7 2021 state energy strategy projects that Washington state will nearly double electricity consumption by 2050 to meet the state's greenhouse 8 9 gas emissions limits to achieve the targets set by chapter 19.405 10 RCW, the Washington clean energy transformation act. According to a 11 zero northwest study by the clean energy transition 12 institute, meeting Washington's 2050 electricity needs through the 13 most economically and technically efficient pathway will require 14 building approximately 2/3 of this additional electricity generation 15 in-state while also importing approximately 1/3 from out-of-state 16 sources. Developing clean energy generation projects and additional 17 electrical transmission capacity is essential to: Meeting the state's climate goals; growing family-wage clean energy jobs and innovative 18 clean energy businesses and manufacturing that provide economic 19 20 benefits across the state; and ensuring adequate, reliable, and

affordable clean energy for residents and businesses.

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The legislature further finds that recent legislatively mandated studies identified significant concerns that impede the development of clean energy projects, unrelated to the regulatory process. These impediments include a lack of information related to clean energy projects, uncertainty over clean energy project impacts and benefits, inadequate engagement with tribes and local communities, uncertainty regarding clean energy development under local zoning codes and growth management requirements, and insufficient statewide planning to guide development of clean energy projects and electrical transmission facilities.

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Therefore, the legislature intends for this act to establish a framework for the state to provide the information, planning, and support needed to accelerate the pace of development for clean energy projects, while also protecting the environment, overburdened communities, and tribal rights, interests, and resources, including cultural resources, and bringing benefits to the communities that host clean energy projects.

- NEW SECTION. Sec. 2. (1) Clean energy siting and development is established as a priority for the department. To that end, the department shall:
- 21 (a) Assemble and share information to guide and support siting of clean energy projects;
- 23 (b) Conduct planning and development functions to help achieve 24 adequate, reliable, and affordable clean energy generation, and 25 manufacturing; and
- 26 (c) Support tribes, local governments, and communities to enhance 27 local and equitable benefits associated with clean energy projects.
- 28 (2) For the purposes of this section, "clean energy project" has 29 the same meaning as defined in RCW 43.158.010.
- NEW SECTION. Sec. 3. (1) Subject to the availability of amounts appropriated for this specific purpose, the department may:
- 32 (a) Provide information on clean energy technologies to enhance 33 public understanding of commonly utilized and emerging technologies 34 and to clarify the state of knowledge regarding best practices, 35 environmental impacts, risks, mitigation, and other relevant aspects 36 of these technologies;
- 37 (b) Work within the interagency clean energy siting coordinating 38 council established under RCW 43.394.010 and collaborate with other

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state agencies as appropriate to identify best practices to support local governments in siting and permitting emerging clean energy technologies. The department may consider and analyze issues and concerns regarding emerging clean energy technologies including, but not limited to, safety, emergency response, zoning, siting, and permitting;

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- (c) Support tribally led clean energy development and provide appropriate liaison support, technical assistance, and assistance in accessing federal and state funding to tribes or tribally owned enterprises who may want to develop their own clean energy projects;
- (d) Develop guidance and templates for community benefits agreements and project labor agreements to enhance the benefits from clean energy projects to communities and workers. The guidance and template must reflect input from tribes, clean energy developers, community representatives, and interested parties;
- (e) Provide technical assistance for communities and developers to create community benefits agreements and project labor agreements specific to their needs;
- (f) Support deployment of dual-use clean energy technologies and colocation with agricultural uses through investments in research and development, pilot projects, and integration into local planning and zoning;
 - (g) Assess the efficiency and effectiveness of state and local tax provisions relating to development and operation of clean energy projects; and
- (h) Conduct or participate in such other initiatives, studies, or investigations as may be directed by the legislature, the governor, or the director.
- 29 (2) For the purposes of this section, "clean energy project" has 30 the same meaning as defined in RCW 43.158.010.
- 31 NEW SECTION. Sec. 4. (1) Subject to the availability of amounts appropriated for this specific purpose, the department may identify 32 best practices for siting and permitting large-scale battery energy 33 storage systems. To develop these best practices, the department may 34 convene a work group to identify best practice policy language and 35 develop other tools to support local governments and state regulatory 36 authorities. Work group members may include, but are not limited to, 37 38 tribal representatives, city and county representatives, battery energy storage developers and experts, state regulatory authorities, 39

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emergency responders, environmental justice interests, and other relevant stakeholders with expertise on the topic.

- (2) If a work group is convened under subsection (1) of this section, the work group shall address the range of issues and concerns related to battery energy storage, including safety, emergency response, zoning, siting, and permitting. The work group shall incorporate information from nonproject environmental impact statements developed under RCW 43.21C.535 addressing colocated battery energy storage. The work group shall develop a menu of options or templates for policies and regulations related to battery energy storage facilities that local jurisdictions can tailor to their needs. The department shall submit a report to the governor and legislature summarizing the findings and recommendations of the work group by July 1, 2026.
- **Sec. 5.** RCW 43.330.120 and 1993 c 280 s 15 are each amended to 16 read as follows:
 - (1) The department shall serve as the central coordinator for state government in the implementation of the growth management act, chapter 36.70A RCW. The department shall work closely with all Washington communities planning for future growth and responding to the pressures of urban sprawl. The department shall ensure coordinated implementation of the growth management act by state agencies.
 - (2) The department shall offer technical and financial assistance to cities and counties planning under the growth management act. The department shall help local officials interpret and implement the different requirements of the act through workshops, model ordinances, and information materials.
 - (3) The department shall provide alternative dispute resolution to jurisdictions and organizations to mediate disputes and to facilitate consistent implementation of the growth management act. The department shall review local governments compliance with the requirements of the growth management act and make recommendations to the governor.
- 35 (4) The department may support local governments to integrate clean energy development, including dual-use clean energy technologies and colocation with agricultural uses, into planning and zoning requirements to ensure this does not create the conversion of designated resources and agricultural land. The department shall

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provide technical assistance and ongoing liaison support to local governments, including methods and best practices for siting clean energy projects and transmission facilities, and for colocation of energy facilities with agricultural operations, environmental conservation, and other uses.

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- 6 (5) The department may provide alternative dispute resolution services including, but not limited to, mediation services, to help 7 resolve disputes between any combination of local governments, 8 tribes, and project applicants attempting to site clean energy 9 10 projects or electrical transmission facilities. Alternative dispute resolution processes involving tribes may require unique provisions, 11 including for confidentiality of tribal information. Information 12 provided by the federally recognized Indian tribe must be kept 13 confidential and exempt from public disclosure under chapter 42.56 14 15 RCW.
- NEW SECTION. Sec. 6. Sections 2 through 4 of this act are each added to chapter 43.330 RCW.
- NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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