ESHB 1589 - S AMD 872 By Senator MacEwen

Strike everything after the enacting clause and insert the following:

3 "<u>NEW SECTION.</u> Sec. 1. (1) The utilities and transportation 4 commission must study the cost to convert large combination utility 5 customers from natural gas to nonemitting energy including, but not 6 limited to, renewable natural gas, green hydrogen, thermal energy 7 networks, electricity, or other sources.

8 (2) The study required in subsection (1) of this section must 9 identify and consider:

10 (a) The cost to residential, commercial, and industrial natural 11 gas customers as a result of converting from natural gas to 12 nonemitting resources;

(b) The cost to convert state-owned buildings, public K-12 school buildings, public buildings of institutions of higher education, and buildings owned by local governments from natural gas to electricity or other nonemitting resources;

17 (c) The impacts of increased electrification on a large 18 combination utility and other electric utilities to procure and 19 deliver electric power to reliably meet that load; and

20 (d) The impact on regional system resource adequacy and the 21 transmission and distribution infrastructure requirements for a 22 conversion from natural gas to nonemitting resources.

(3) The utilities and transportation commission may require data and analysis from a large combination utility to inform the study. The utilities and transportation commission's findings must be reported to the appropriate committees of the legislature by December 1, 2024.

(4) For the purposes of this section, "large combination utility" means a public service company that is both an electrical company and a gas company that serves more than 800,000 retail electric customers and 500,000 retail gas customers in the state of Washington as of June 30, 2024."

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1 On page 1, line 2 of the title, after "future;" strike the 2 remainder of the title and insert "and creating a new section."

<u>EFFECT:</u> Directs the utilities and transportation commission (UTC) to study the cost to convert large combination utility customers from natural gas to nonemitting energy and report to the legislature by December 1, 2024. The study must identify and consider:

(1) The cost to residential, commercial, and industrial customers;

(2) The cost to convert state-owned buildings, public school buildings, higher education buildings, and buildings owned by local governments;

(3) The impacts of increased electrification on a large combination utility and other electric utilities to produce and deliver electric power and reliably meet that load; and

(4) The impact on regional system resource adequacy and transmission and distribution infrastructure requirements.

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Code Rev/ML:jlb