H-2645.1

## SECOND SUBSTITUTE HOUSE BILL 1812

State of Washington 67th Legislature 2022 Regular Session

**By** House Appropriations (originally sponsored by Representatives Fitzgibbon, Wylie, Berry, Valdez, Pollet, and Harris-Talley; by request of Office of the Governor)

READ FIRST TIME 02/07/22.

ACT Relating to modernizing the energy facility site 1 AN 2 evaluation council to meet the state's clean energy goals; amending 3 RCW 80.50.010, 80.50.020, 80.50.040, 80.50.060, 80.50.071, 80.50.100, 4 80.50.175, 80.50.340, and 80.50.075; reenacting and amending RCW 80.50.030, 80.50.090, and 43.79A.040; adding new sections to chapter 5 80.50 RCW; adding a new section to chapter 41.06 RCW; creating a new 6 7 section; repealing RCW 80.50.190 and 80.50.904; and providing an 8 effective date.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 Sec. 1. RCW 80.50.010 and 2001 c 214 s 1 are each amended to 11 read as follows:

12 The legislature finds that the present and predicted growth in 13 energy demands in the state of Washington requires ((the development 14 of)) a procedure for the selection and ((utilization)) use of sites 15 for energy facilities and the identification of a state position with 16 respect to each proposed site. The legislature recognizes that the 17 selection of sites will have a significant impact upon the welfare of 18 the population, the location and growth of industry and the use of 19 the natural resources of the state.

20 <u>It is the policy of the state of Washington to reduce dependence</u> 21 <u>on fossil fuels by recognizing the need for clean energy in order to</u> 1 strengthen the state's economy, meet the state's greenhouse gas 2 reduction obligations, and mitigate the significant near-term and 3 long-term impacts from climate change while conducting a public 4 process that is transparent and inclusive to all with particular 5 attention to overburdened communities.

6 <u>The legislature finds that the in-state manufacture of industrial</u> 7 products that enable a clean energy economy is critical to advancing 8 the state's objectives in providing affordable electricity, promoting 9 renewable energy, strengthening the state's economy, and reducing 10 greenhouse gas emissions. Therefore, the legislature intends to 11 provide the council with additional authority regarding the siting of 12 clean energy product manufacturing facilities.

13 It is the policy of the state of Washington to recognize the 14 pressing need for increased energy facilities, and to ensure through 15 available and reasonable methods( $(\tau)$ ) that the location and operation 16 of ((such)) <u>all energy</u> facilities <u>and certain clean energy product</u> 17 <u>manufacturing facilities</u> will produce minimal adverse effects on the 18 environment, ecology of the land and its wildlife, and the ecology of 19 state waters and their aquatic life.

It is the intent to seek courses of action that will balance the increasing demands for energy facility location and operation in conjunction with the broad interests of the public. <u>In addition, it</u> is the intent of the legislature to streamline application review for energy facilities to meet the state's energy goals and to authorize applications for review of certain clean energy product manufacturing facilities to be considered under the provisions of this chapter.

27

Such action will be based on these premises:

(1) To assure Washington state citizens that, where applicable,
 operational safeguards are at least as stringent as the criteria
 established by the federal government and are technically sufficient
 for their welfare and protection.

32 (2) To preserve and protect the quality of the environment; to 33 enhance the public's opportunity to enjoy the esthetic and 34 recreational benefits of the air, water and land resources; to 35 promote air cleanliness; ((and)) to pursue beneficial changes in the 36 environment; and to promote environmental justice for overburdened 37 <u>communities</u>.

38 (3) <u>To encourage the development and integration of clean energy</u>
 <u>sources.</u>

40 <u>(4)</u> To provide abundant <u>clean</u> energy at reasonable cost.

1 (((4))) (5) To avoid costs of complete site restoration and 2 demolition of improvements and infrastructure at unfinished nuclear 3 energy sites, and to use unfinished nuclear energy facilities for 4 public uses, including economic development, under the regulatory and 5 management control of local governments and port districts.

6 (((5))) (6) To avoid costly duplication in the siting process and 7 ensure that decisions are made timely and without unnecessary delay 8 while also encouraging meaningful public comment and participation in 9 energy facility decisions.

10 Sec. 2. RCW 80.50.020 and 2021 c 317 s 17 are each amended to 11 read as follows:

12 The definitions in this section apply throughout this chapter 13 unless the context clearly requires otherwise.

(1) "Alternative energy resource" includes energy facilities of 14 15 the following types: (a) Wind; (b) solar energy; (c) geothermal 16 energy; (d) ((<del>landfill</del>)) <u>renewable natural</u> gas; (e) wave or tidal 17 action; ((or)) (f) biomass energy based on solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do 18 not include wood pieces that have been treated with chemical 19 20 preservatives such as creosote, pentachlorophenol, or copper-chromearsenic; or (g) renewable or green electrolytic hydrogen. 21

(2) "Applicant" means any person who makes application for a sitecertification pursuant to the provisions of this chapter.

(3) "Application" means any request for approval of a particular
site or sites filed in accordance with the procedures established
pursuant to this chapter, unless the context otherwise requires.

27 (4) "Associated facilities" means storage, transmission, handling, or other related and supporting facilities connecting an 28 energy plant with the existing energy supply, processing, or 29 30 distribution system, including, but not limited to, communications, 31 controls, mobilizing or maintenance equipment, instrumentation, and other types of ancillary transmission equipment, off-line storage or 32 venting required for efficient operation or safety of the 33 transmission system and overhead, and surface or subsurface lines of 34 physical access for the inspection, maintenance, and safe operations 35 of the transmission facility and new transmission lines constructed 36 to operate at nominal voltages of at least 115,000 volts to connect a 37 38 thermal power plant or alternative energy facilities to the northwest

р. З

1 power grid. However, common carrier railroads or motor vehicles shall 2 not be included.

3 (5) "Biofuel" means a liquid or gaseous fuel derived from organic 4 matter ((intended for use as a transportation fuel)) including, but 5 not limited to, biodiesel, renewable diesel, ethanol, renewable 6 natural gas, and renewable propane.

7 (6) "Certification" means a binding agreement between an 8 applicant and the state which shall embody compliance to the siting 9 guidelines, in effect as of the date of certification, which have 10 been adopted pursuant to RCW 80.50.040 as now or hereafter amended as 11 conditions to be met prior to or concurrent with the construction or 12 operation of any energy facility.

13 (7) "Construction" means on-site improvements, excluding 14 exploratory work, which cost in excess of two hundred fifty thousand 15 dollars.

16 (8) "Council" means the energy facility site evaluation council 17 created by RCW 80.50.030.

(9) "Counsel for the environment" means an assistant attorney general or a special assistant attorney general who shall represent the public in accordance with RCW 80.50.080.

21 (10) "Electrical transmission facilities" means electrical power 22 lines and related equipment.

(11) "Energy facility" means an energy plant or transmission facilities: PROVIDED, That the following are excluded from the provisions of this chapter:

(a) Facilities for the extraction, conversion, transmission or
 storage of water, other than water specifically consumed or
 discharged by energy production or conversion for energy purposes;
 and

30 (b) Facilities operated by and for the armed services for 31 military purposes or by other federal authority for the national 32 defense.

33 (12) "Energy plant" means the following facilities together with 34 their associated facilities:

35 (a) Any nuclear power facility where the primary purpose is to 36 produce and sell electricity;

37 (b) Any nonnuclear stationary thermal power plant with generating 38 capacity of three hundred fifty thousand kilowatts or more, measured 39 using maximum continuous electric generating capacity, less minimum 40 auxiliary load, at average ambient temperature and pressure, and

1 floating thermal power plants of one hundred thousand kilowatts or 2 more suspended on the surface of water by means of a barge, vessel, 3 or other floating platform;

4 (c) Facilities which will have the capacity to receive liquefied 5 natural gas in the equivalent of more than one hundred million 6 standard cubic feet of natural gas per day, which has been 7 transported over marine waters;

8 (d) Facilities which will have the capacity to receive more than 9 an average of fifty thousand barrels per day of crude or refined 10 petroleum or liquefied petroleum gas which has been or will be 11 transported over marine waters, except that the provisions of this 12 chapter shall not apply to storage facilities unless occasioned by 13 such new facility construction;

14 (e) Any underground reservoir for receipt and storage of natural 15 gas as defined in RCW 80.40.010 capable of delivering an average of 16 more than one hundred million standard cubic feet of natural gas per 17 day;

18 (f) Facilities capable of processing more than twenty-five 19 thousand barrels per day of petroleum or biofuel into refined 20 products except where such biofuel production is undertaken at 21 existing industrial facilities; and

(g) Facilities capable of producing more than one thousand five hundred barrels per day of refined biofuel but less than twenty-five thousand barrels of refined biofuel.

(13) "Independent consultants" means those persons who have no financial interest in the applicant's proposals and who are retained by the council to evaluate the applicant's proposals, supporting studies, or to conduct additional studies.

(14) "Land use plan" means a comprehensive plan or land use element thereof adopted by a unit of local government pursuant to chapter 35.63, 35A.63, 36.70, or 36.70A RCW, or as otherwise designated by chapter 325, Laws of 2007.

(15) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, political subdivision, municipal corporation, government agency, public utility district, or any other entity, public or private, however organized.

(16) "Preapplicant" means a person considering applying for a
 site certificate agreement for any ((transmission)) facility.

2SHB 1812

1 (17) "Preapplication process" means the process which is 2 initiated by written correspondence from the preapplicant to the 3 council, and includes the process adopted by the council for 4 consulting with the preapplicant and with <u>federally recognized</u> 5 <u>tribes</u>, cities, towns, and counties prior to accepting applications 6 for ((<u>all transmission facilities</u>)) any facility.

7 (18) "Secretary" means the secretary of the United States8 department of energy.

9 (19) "Site" means any proposed or approved location of an energy 10 facility, alternative energy resource, <u>clean energy product</u> 11 <u>manufacturing facility</u>, or electrical transmission facility.

12 (20) "Thermal power plant" means, for the purpose of 13 certification, any electrical generating facility using any fuel for 14 distribution of electricity by electric utilities.

15 (21) "Transmission facility" means any of the following together 16 with their associated facilities:

(a) Crude or refined petroleum or liquid petroleum product transmission pipeline of the following dimensions: A pipeline larger than six inches minimum inside diameter between valves for the transmission of these products with a total length of at least fifteen miles;

(b) Natural gas, synthetic fuel gas, or liquefied petroleum gas transmission pipeline of the following dimensions: A pipeline larger than fourteen inches minimum inside diameter between valves, for the transmission of these products, with a total length of at least fifteen miles for the purpose of delivering gas to a distribution facility, except an interstate natural gas pipeline regulated by the United States federal ((power)) <u>energy regulatory</u> commission.

(22) "Zoning ordinance" means an ordinance of a unit of local government regulating the use of land and adopted pursuant to chapter 31 35.63, 35A.63, 36.70, or 36.70A RCW or Article XI of the state Constitution, or as otherwise designated by chapter 325, Laws of 2007.

34 <u>(23) "Clean energy product manufacturing facility" means a</u> 35 <u>facility that exclusively or primarily manufactures the following</u> 36 <u>products or components primarily used by such products:</u>

37 <u>(a) Vehicles, vessels, and other modes of transportation that</u> 38 <u>emit no exhaust gas from the onboard source of power, other than</u> 39 <u>water vapor;</u>

1	(b) Charging and fueling infrastructure for electric, hydrogen,
2	or other types of vehicles that emit no exhaust gas from the onboard
3	source of power, other than water vapor;
4	(c) Renewable or green electrolytic hydrogen, including preparing
5	renewable or green electrolytic hydrogen for distribution as an
6	energy carrier or manufacturing feedstock;
7	(d) Clean fuel that is:
8	(i) Reasonably anticipated to be determined under chapter 70A.535
9	RCW to have life-cycle greenhouse gas emissions not exceeding 80
10	percent of the 2017 levels established under RCW 70A.535.020;
11	(ii) Used for purposes other than transportation purposes, but
12	which has greenhouse gas emissions that would be reasonably
13	anticipated not to exceed 80 percent of the carbon intensity of
14	fossil fuel types for which the fuel would typically be used as a
15	substitute;
16	(e) Equipment and products used to produce energy from
17	alternative energy resources; and
18	(f) Equipment and products used at storage facilities.
19	(24) "Director" means the director of the energy facility site
20	evaluation council appointed by the chair of the council in
21	accordance with section 4 of this act.
22	<u>(25)(a) "Green electrolytic hydrogen" means hydrogen produced</u>
23	through electrolysis.
24	(b) "Green electrolytic hydrogen" does not include hydrogen
25	manufactured using steam reforming or any other conversion technology
26	that produces hydrogen from a fossil fuel feedstock.
27	(26) "Renewable hydrogen" means hydrogen produced using renewable
28	resources both as the source for the hydrogen and the source for the
29	energy input into the production process.
30	(27) "Renewable natural gas" means a gas consisting largely of
31	methane and other hydrocarbons derived from the decomposition of
32	organic material in landfills, wastewater treatment facilities, and
33	anaerobic digesters.
34	(28) "Renewable resource" means: (a) Water; (b) wind; (c) solar
35	<pre>energy; (d) geothermal energy; (e) renewable natural gas; (f)</pre>
36	renewable hydrogen; (g) wave, ocean, or tidal power; (h) biodiesel
37	fuel that is not derived from crops raised on land cleared from old
38	growth or first growth forests; or (i) biomass energy.
39	(29) "Storage facility" means a plant that: (a) Accepts
40	electricity as an energy source and uses a chemical, thermal,

1 mechanical, or other process to store energy for subsequent delivery 2 or consumption in the form of electricity; or (b) stores renewable 3 hydrogen or green electrolytic hydrogen for subsequent delivery or 4 consumption.

5 Sec. 3. RCW 80.50.030 and 2010 c 271 s 601 and 2010 c 152 s 2 6 are each reenacted and amended to read as follows:

7 (1) ((There is created and established the)) The energy facility
8 site evaluation council is created and established.

9 (2)((-(a))) The chair of the council shall be appointed by the governor with the advice and consent of the senate, shall have a vote 10 on matters before the council, shall serve for a term coextensive 11 with the term of the governor, and is removable for cause. The chair 12 may designate a member of the council to serve as acting chair in the 13 14 event of the chair's absence. The salary of the chair shall be determined under RCW 43.03.040. The chair is a "state employee" for 15 16 the purposes of chapter 42.52 RCW. As applicable, when attending meetings of the council, members may receive reimbursement for travel 17 expenses in accordance with RCW 43.03.050 and 43.03.060, and are 18 eligible for compensation under RCW 43.03.250. 19

((<del>(b) The chair or a designee shall execute all official</del> 20 documents, contracts, and other materials on behalf of the council. 21 22 The Washington utilities and transportation commission shall provide 23 all administrative and staff support for the council. The commission 24 has supervisory authority over the staff of the council and shall 25 employ such personnel as are necessary to implement this chapter. Not 26 more than three such employees may be exempt from chapter 41.06 RCW. 27 The council shall otherwise retain its independence in exercising its powers, functions, and duties and its supervisory control over 28 29 nonadministrative staff support. Membership, powers, functions, and 30 duties of the Washington state utilities and transportation 31 commission and the council shall otherwise remain as provided by 32  $\frac{1}{aw}$ ))

- 33 (3) (a) The council shall consist of the ((directors, administrators, or their designees, of the following departments, agencies, commissions, and committees or their statutory successors:
- 36 (i) Department of ecology;
- 37 (ii) Department of fish and wildlife;
- 38 (iii) Department of commerce;
- 39 (iv) Utilities and transportation commission; and

1	(v) Department of natural resources)) chair of the council and:
2	(i) The director of the department of ecology or the director's
3	designee;
4	(ii) The director of the department of fish and wildlife or the
5	<u>director's designee;</u>
6	(iii) The director of the department of commerce or the
7	<u>director's designee;</u>
8	(iv) The chair of the utilities and transportation commission or
9	the chair's designee; and
10	(v) The commissioner of public lands or the commissioner's
11	designee.
12	(b) The directors, administrators, or their designees, of the
13	following departments, agencies, and commissions, or their statutory
14	successors, may participate as councilmembers at their own discretion
15	provided they elect to participate no later than sixty days after an
16	application is filed:
17	(i) Department of agriculture;
18	(ii) Department of health;
19	(iii) Military department; and
20	(iv) Department of transportation.
21	(( <del>(c) Council membership is discretionary for agencies that</del>
22	choose to participate under (b) of this subsection only for
23	applications that are filed with the council on or after May 8, 2001.
24	For applications filed before May 8, 2001, council membership is
25	mandatory for those agencies listed in (b) of this subsection.))
26	
~ 7	(4) The appropriate county legislative authority of every county
27	(4) The appropriate county legislative authority of every county wherein an application for a proposed site is filed shall appoint a
27	
	wherein an application for a proposed site is filed shall appoint a
28	wherein an application for a proposed site is filed shall appoint a member or designee as a voting member to the council. The member or
28 29	wherein an application for a proposed site is filed shall appoint a member or designee as a voting member to the council. The member or designee so appointed shall sit with the council only at such times
28 29 30	wherein an application for a proposed site is filed shall appoint a member or designee as a voting member to the council. The member or designee so appointed shall sit with the council only at such times as the council considers the proposed site for the county which he or

(5) The city legislative authority of every city within whose 33 34 corporate limits an energy facility is proposed to be located shall 35 appoint a member or designee as a voting member to the council. The member or designee so appointed shall sit with the council only at 36 37 such times as the council considers the proposed site for the city 38 which he or she represents, and such member or designee shall serve 39 until there has been a final acceptance or rejection of the proposed 40 site.

1 (6) For any port district wherein an application for a proposed port facility is filed subject to this chapter, the port district 2 shall appoint a member or designee as a nonvoting member to the 3 council. The member or designee so appointed shall sit with the 4 council only at such times as the council considers the proposed site 5 6 for the port district which he or she represents, and such member or 7 designee shall serve until there has been a final acceptance or rejection of the proposed site. The provisions of this subsection 8 shall not apply if the port district is the applicant, either singly 9 or in partnership or association with any other person. 10

11 (7) The appropriate elected governing body or executive official 12 of up to two federally recognized tribes that possess resources, rights, or interests reserved or protected by federal treaty, 13 statute, or executive order in the area where an energy facility is 14 proposed to be located may each appoint a member or designee as a 15 voting member of the council. The members or designees so appointed 16 17 may sit with the council only at such times as the council considers the proposed site that prompted their appointment and the members or 18 19 designees serve until there has been a final acceptance or rejection of the proposed site. 20

21 <u>(8) A quorum of the council consists of a majority of members</u>
22 appointed for business to be conducted.

23 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 80.50 24 RCW to read as follows:

(1) The chair of the council or the chair's designee shall execute all official documents, contracts, and other materials on behalf of the council.

(2) The chair of the council shall appoint a director to oversee the operations of the council and carry out the duties of this chapter as delegated by the chair. The chair of the council may delegate to the director its status as appointing authority for the council.

(3) The director shall employ such administrative and professional personnel as may be necessary to perform the administrative work of the council and implement this chapter. The director has supervisory authority over all staff of the council. Not more than four employees may be exempt from chapter 41.06 RCW.

1 Sec. 5. RCW 80.50.040 and 2001 c 214 s 6 are each amended to 2 read as follows:

3

The council shall have the following powers:

4 (1) To adopt, promulgate, amend, or rescind suitable rules and
5 regulations, pursuant to chapter 34.05 RCW, to carry out the
6 provisions of this chapter, and the policies and practices of the
7 council in connection therewith;

8 (2) To develop and apply environmental and ecological guidelines 9 in relation to the type, design, location, construction, ((and)) 10 <u>initial</u> operational conditions of certification, and ongoing 11 <u>regulatory oversight under the regulatory authority established in</u> 12 <u>this chapter</u> of energy facilities subject to this chapter;

13 (3) To establish rules of practice for the conduct of public 14 hearings pursuant to the provisions of the Administrative Procedure 15 Act, as found in chapter 34.05 RCW;

16 (4) To prescribe the form, content, and necessary supporting 17 documentation for site certification;

18 (5) To receive applications for energy facility locations and to 19 investigate the sufficiency thereof;

20 (6) To ((make and contract, when applicable, for independent 21 studies of sites proposed by the applicant)) enter into contracts to 22 carry out the provisions of this chapter;

23 (7) To conduct hearings on the proposed location <u>and operational</u> 24 <u>conditions</u> of the energy facilities <u>under the regulatory authority</u> 25 <u>established in this chapter;</u>

(8) To prepare written reports to the governor which shall include: (a) A statement indicating whether the application is in compliance with the council's guidelines, (b) criteria specific to the site and transmission line routing, (c) a council recommendation as to the disposition of the application, and (d) a draft certification agreement when the council recommends approval of the application;

(9) To prescribe the means for monitoring of the effects arising from the construction and the operation of energy facilities to assure continued compliance with terms of certification and/or permits issued by the council pursuant to chapter 90.48 RCW or subsection (12) of this section: PROVIDED, That any on-site inspection required by the council shall be performed by other state agencies pursuant to interagency agreement: PROVIDED FURTHER, That

1 the council may retain authority for determining compliance relative 2 to monitoring;

3 (10) To integrate its site evaluation activity with activities of 4 federal agencies having jurisdiction in such matters to avoid 5 unnecessary duplication;

6 (11) To present state concerns and interests to other states, 7 regional organizations, and the federal government on the location, 8 construction, and operation of any energy facility which may affect 9 the environment, health, or safety of the citizens of the state of 10 Washington;

(12) To issue permits in compliance with applicable provisions of 11 12 the federally approved state implementation plan adopted in accordance with the Federal Clean Air Act, as now existing 13 or hereafter amended, for the new construction, reconstruction, 14 or 15 enlargement or operation of energy facilities: PROVIDED, That such permits shall become effective only if the governor approves an 16 17 application for certification and executes a certification agreement pursuant to this chapter: AND PROVIDED FURTHER, That all such permits 18 be conditioned upon compliance with all provisions of the federally 19 approved state implementation plan which apply to energy facilities 20 covered within the provisions of this chapter; and 21

22 (13) To serve as an interagency coordinating body for energy-23 related issues.

24 Sec. 6. RCW 80.50.060 and 2021 c 317 s 18 are each amended to 25 read as follows:

((Except for biofuel refineries specified in RCW 26 (1)27 80.50.020(12)(g), the)) (a) The provisions of this chapter apply to the construction of energy facilities which includes the new 28 29 construction of energy facilities and the reconstruction or 30 enlargement of existing energy facilities where the net increase in 31 physical capacity or dimensions resulting from such reconstruction or enlargement meets or exceeds those capacities or dimensions set forth 32 33 in RCW 80.50.020 (12) and (21). No construction or reconstruction of such energy facilities may be undertaken, except as otherwise 34 provided in this chapter, ((after July 15, 1977,)) without first 35 obtaining certification in the manner provided in this chapter. 36

37 ((<del>(2)</del> The provisions of this chapter apply to the construction, 38 reconstruction, or enlargement of a new or existing biofuel refinery 39 specified in RCW 80.50.020(12)(g) or a new or existing energy

1 facility that exclusively uses alternative energy resources and 2 chooses to receive certification under this chapter, regardless of 3 the generating capacity of the project.

(3)) (b) If applicants proposing the following types of
facilities choose to receive certification under this chapter, the
provisions of this chapter apply to the construction, reconstruction,
or enlargement of these new or existing facilities:

8

(i) Biofuel refineries specified in RCW 80.50.020(12)(g);

9

<u>(ii) Alternative energy resource facilities;</u>

10 <u>(iii) Electrical transmission facilities: (A) Of a nominal</u> 11 <u>voltage of at least 150,000 volts; and (B) located in more than one</u> 12 <u>jurisdiction that has promulgated land use plans or zoning</u> 13 <u>ordinances;</u>

14 (iv) Clean energy product manufacturing facilities; and

15 <u>(v) Storage facilities.</u>

16 (2)(a) The provisions of this chapter <u>must</u> apply to the 17 construction, reconstruction, or modification of electrical 18 transmission facilities when(( $\div$ 

19 (i) The)) the facilities are located in a national interest
20 electric transmission corridor as specified in RCW 80.50.045((;

21 (ii) An applicant chooses to receive certification under this chapter, and the facilities are: (A) Of a nominal voltage of at least 22 one hundred fifteen thousand volts and are located in a completely 23 24 new corridor, except for the terminus of the new facility or 25 interconnection of the new facility with the existing grid, and the corridor is not otherwise used for electrical transmission 26 27 facilities; and (B) located in more than one jurisdiction that has 28 promulgated land use plans or zoning ordinances; or

29 (iii) An applicant chooses to receive certification under this 30 chapter, and the facilities are: (A) Of a nominal voltage in excess 31 of one hundred fifteen thousand volts; and (B) located outside an 32 electrical transmission corridor identified in (a)(i) and (ii) of 33 this subsection (3))).

34 For the purposes of this subsection, (("modify")) (b) "modification" means a significant change to an electrical 35 transmission facility and does not include the following: (i) Minor 36 37 improvements such as the replacement of existing transmission line facilities or supporting structures with equivalent facilities or 38 39 structures; (ii) the relocation of existing electrical transmission 40 line facilities; (iii) the conversion of existing overhead lines to 1 underground; or (iv) the placing of new or additional conductors, 2 supporting structures, insulators, or their accessories on or 3 replacement of supporting structures already built.

4 ((<del>(4)</del>)) <u>(3)</u> The provisions of this chapter shall not apply to 5 normal maintenance and repairs which do not increase the capacity or 6 dimensions beyond those set forth in RCW 80.50.020 (12) and (21).

7 ((<del>(5)</del>)) <u>(4)</u> Applications for certification of energy facilities 8 made prior to July 15, 1977, shall continue to be governed by the 9 applicable provisions of law in effect on the day immediately 10 preceding July 15, 1977, with the exceptions of RCW ((<del>80.50.190 and</del>)) 11 80.50.071 which shall apply to such prior applications and to site 12 certifications prospectively from July 15, 1977.

13 ((<del>(6)</del>)) <u>(5)</u> Applications for certification shall be upon forms 14 prescribed by the council and shall be supported by such information 15 and technical studies as the council may require.

16 (6) Upon receipt of an application for certification under this 17 chapter, the chair of the council shall notify:

18 (a) The appropriate county legislative authority or authorities
19 where the proposed facility is located;

20 (b) The appropriate city legislative authority or authorities
21 where the proposed facility is located; and

22 (c) The appropriate federally recognized tribal governments that 23 may be affected by the proposed facility.

24 <u>(7) The council must work with local governments where a project</u> 25 <u>is proposed to be sited in order to provide for meaningful</u> 26 <u>participation and input during siting review and compliance</u> 27 <u>monitoring.</u>

28 (8) The council must consult with all federally recognized tribes that possess resources, rights, or interests reserved or protected by 29 30 federal treaty, statute, or executive order in the area where an 31 energy facility is proposed to be located to provide for meaningful participation and input during siting review and compliance 32 monitoring. Consistent with RCW 43.376.020, the chair and designated 33 34 staff must offer to conduct government-to-government consultation to address issues of concern raised by such a tribe. The chair must 35 provide regular updates on the consultation to the council throughout 36 37 the application review process. The report required in RCW 80.50.100 must include a summary of the government-to-government consultation 38 39 process that complies with RCW 42.56.300, including the issues and 40 proposed resolutions.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 80.50
 RCW to read as follows:

3 (1) A person proposing to construct, reconstruct, or enlarge a
4 clean energy product manufacturing facility may choose to receive
5 certification under this chapter.

6 (2) All of the council's powers with regard to energy facilities 7 apply to clean energy product manufacturing facilities, and such a 8 facility is subject to all provisions of this chapter that apply to 9 an energy facility.

10 Sec. 8. RCW 80.50.071 and 2016 sp.s. c 10 s 1 are each amended 11 to read as follows:

(1) The council shall receive all applications for energy facility site certification. Each applicant shall pay actual costs incurred by the council ((and the utilities and transportation commission)) in processing an application.

16 (a) Each applicant shall, at the time of application submission, ((deposit with the utilities and transportation commission)) pay to 17 the council for deposit into the energy facility site evaluation 18 council account created in section 15 of this act an amount up to 19 fifty thousand dollars, or such greater amount as specified by the 20 council after consultation with the applicant. The council ((and the 21 22 utilities and transportation commission)) shall charge costs against the deposit if the applicant withdraws its application and has not 23 24 reimbursed ((the commission, on behalf of)) the council( $(\tau)$ ) for all 25 actual expenditures incurred in considering the application.

(b) The council may commission its own independent consultant study to measure the consequences of the proposed energy facility on the environment or any matter that it deems essential to an adequate appraisal of the site. The council(( $_{\tau}$  after consultation with the utilities and transportation commission $_{\tau}$ )) shall provide an estimate of the cost of the study to the applicant and consider applicant comments.

(c) In addition to the deposit required under (a) of this 33 34 subsection, applicants must reimburse ((the utilities and transportation commission, on behalf of)) the council( $(\tau)$ ) for actual 35 expenditures that arise in considering the application, including the 36 any independent consultant study. The ((utilities and 37 cost of 38 transportation commission, on behalf of the)) council( $(\tau)$ ) shall submit to each applicant an invoice of actual expenditures made 39

1 during the preceding calendar quarter in sufficient detail to explain 2 the expenditures. The applicant shall pay the ((utilities and 3 transportation commission)) council the amount of the invoice by the 4 due date.

5 (2) Each certificate holder shall pay ((to the utilities and 6 transportation commission)) the actual costs incurred by the council 7 for inspection and determination of compliance by the certificate 8 holder with the terms of the certification relative to monitoring the 9 effects of construction, operation, and site restoration of the 10 facility.

(a) Each certificate holder shall, within thirty days 11 of 12 execution of the site certification agreement, ((deposit with the utilities and transportation commission)) pay to the council for 13 deposit into the energy facility site evaluation council account 14 15 created in section 15 of this act an amount up to fifty thousand dollars, or such greater amount as specified by the council after 16 17 consultation with the certificate holder. The council ((and the utilities and transportation commission)) shall charge costs against 18 19 the deposit if the certificate holder ceases operations and has not reimbursed ((the commission, on behalf of)) the council( $(\tau)$ ) for all 20 21 actual expenditures incurred in conducting inspections and determining compliance with the terms of the certification. 22

23 In addition to the deposit required under (a) of this (b) subsection, certificate holders must reimburse ((the utilities and 24 25 transportation commission, on behalf of)) the council( $(\tau)$ ) for actual expenditures that arise in administering this chapter and determining 26 compliance. The council((, after consultation with the utilities and 27 28 transportation commission,)) shall submit to each certificate holder an invoice of the expenditures actually made during the preceding 29 calendar quarter in sufficient detail to explain the expenditures. 30 31 The certificate holder shall pay ((the utilities and transportation 32 commission)) the amount of the invoice by the due date.

(3) If an applicant or certificate holder fails to provide the initial deposit, or if subsequently required payments are not received within thirty days following receipt of the invoice from the council, the council may (a) in the case of the applicant, suspend processing of the application until payment is received; or (b) in the case of a certificate holder, suspend the certification.

39 (4) All payments required of the applicant or certificate holder 40 under this section are to be made to the ((utilities and

1 transportation commission who shall make payments as instructed by the council from the funds submitted)) council for deposit into the 2 energy facility site evaluation council account created in section 15 3 of this act. All such funds shall be subject to state auditing 4 procedures. Any unexpended portions of the deposit shall be returned 5 6 to the applicant within sixty days following the conclusion of the application process or to the certificate holder within sixty days 7 after a determination by the council that the certificate is no 8 longer required and there is no continuing need for compliance with 9 its terms. For purposes of this section, "conclusion of the 10 application process" means after the governor's decision granting or 11 12 denying a certificate and the expiration of any opportunities for judicial review. 13

(5) (a) Upon receipt of an application for an energy facility site certification proposing an energy plant or alternative energy resource that is connected to electrical transmission facilities of a nominal voltage of at least one hundred fifteen thousand volts, the council shall notify in writing the United States department of defense. The notification shall include, but not be limited to, the following:

(i) A description of the proposed energy plant, clean energy
 product manufacturing facility, or alternative energy resource;

23

(ii) The location of the site;

24 (iii) The placement of the energy plant or alternative energy 25 resource on the site;

26 (iv) The date and time by which comments must be received by the 27 council; and

28

(v) Contact information of the council and the applicant.

(b) The purpose of the written notification is to provide an 29 opportunity for the United States department of defense to comment 30 31 upon the application, and to identify potential issues relating to 32 the placement and operations of the energy plant or alternative energy resource, before a site certification application is approved. 33 The time period set forth by the council for receipt of such comments 34 shall not extend the time period for the council's processing of the 35 36 application.

37 (c) In order to assist local governments required to notify the 38 United States department of defense under RCW 35.63.270, 35A.63.290, 39 and 36.01.320, the council shall post on its website the appropriate 40 information for contacting the United States department of defense.

Sec. 9. RCW 80.50.090 and 2006 c 205 s 3 and 2006 c 196 s 6 are 1 each reenacted and amended to read as follows: 2

(1) The council shall conduct an informational public hearing in 3 the county of the proposed site as soon as practicable but not later 4 than sixty days after receipt of an application for 5 site 6 certification. However, the place of such public hearing shall be as 7 close as practical to the proposed site.

(2) Subsequent to the informational public hearing, the council 8 shall conduct a public hearing to determine whether or not the 9 proposed site is consistent and in compliance with city, county, or 10 regional land use plans or zoning ordinances((. If it is determined 11 12 that the proposed site does conform with existing land use plans or zoning ordinances in effect as of the date of the application, the 13 city, county, or regional planning authority shall not thereafter 14 15 change such land use plans or zoning ordinances so as to affect the 16 proposed site)) on the date of the application.

17 (3) (a) After the submission of an environmental checklist and prior to issuing a threshold determination that a facility is likely 18 19 to cause a significant adverse environmental impact under chapter 43.21C RCW, the director must notify the project applicant and 20 explain in writing the basis for its anticipated determination of 21 significance. Prior to issuing the threshold determination of 22 23 significance, the director must give the project applicant the option 24 of withdrawing and revising its application and the associated 25 environmental checklist to clarify or make changes to features of the proposal that are designed to mitigate the impacts that were the 26 27 basis of the director's anticipated determination of significance. 28 The director shall make the threshold determination based upon the changed or clarified proposal following the applicant's submittal. 29 30 The director must provide an opportunity for public comment on a project for which a project applicant has withdrawn and revised the 31 32 application and environmental checklist and subsequently received a threshold determination of nonsignificance or mitigated determination 33 34 of nonsignificance.

(b) The notification required under (a) of this subsection is not 35 an official determination by the director and is not subject to 36 37 appeal under chapter 43.21C RCW.

(((-3))) (4) Prior to the issuance of a council recommendation to 38 39 the governor under RCW 80.50.100 a public hearing, conducted as an adjudicative proceeding under chapter 34.05 RCW, the administrative
 procedure act, shall be held.

3 (a) At such public hearing any person shall be entitled to be 4 heard in support of or in opposition to the application for 5 certification by raising one or more specific issues, provided that 6 the person has raised the issue or issues in writing with specificity 7 during the application review process or during the public comment 8 period that will be held prior to the start of the adjudicative 9 hearing.

(b) If the environmental impact of the proposed facility in an 10 application for certification is not significant or will be mitigated 11 12 to a nonsignificant level under RCW 43.21C.031, the council may limit the topic of the public hearing conducted as an adjudicative 13 proceeding under this section to whether any land use plans or zoning 14 ordinances with which the proposed site is determined to be 15 inconsistent under subsection (2) of this section should be 16 17 preempted.

18 (5) After expedited processing is granted under RCW 80.50.075, 19 the council must hold a public meeting to take comments on the 20 proposed application prior to issuing a council recommendation to the 21 governor.

22 (((++))) (6) Additional public hearings shall be held as deemed 23 appropriate by the council in the exercise of its functions under 24 this chapter.

25 Sec. 10. RCW 80.50.100 and 2011 c 180 s 109 are each amended to 26 read as follows:

(1) (a) The council shall report to the governor its recommendations as to the approval or rejection of an application for certification within twelve months of receipt by the council of ((such)) an application <u>deemed complete by the director</u>, or such later time as is mutually agreed by the council and the applicant.

32 (b) <u>The council shall review and consider comments received</u>
 33 <u>during the application process in making its recommendation.</u>

<u>(c)</u> In the case of an application filed prior to December 31, 2025, for certification of an energy facility proposed for construction, modification, or expansion for the purpose of providing generating facilities that meet the requirements of RCW 80.80.040 and are located in a county with a coal-fired electric ((generating [generation])) generation facility subject to RCW 80.80.040(3)(c),

the council shall expedite the processing of the application pursuant RCW 80.50.075 and shall report its recommendations to the governor within one hundred eighty days of receipt by the council of such an application, or a later time as is mutually agreed by the council and the applicant.

(2) If the council recommends approval of an application for 6 certification, it shall also submit a draft certification agreement 7 with the report. The council shall include conditions in the draft 8 certification agreement to implement the provisions 9 of this chapter( $(\tau)$ ) including, but not limited to, conditions to protect 10 11 state or local governmental or community interests affected by the 12 construction or operation of the ((energy)) facility, and conditions designed to recognize the purpose of laws or ordinances, or rules or 13 regulations promulgated thereunder, that are preempted or superseded 14 pursuant to RCW 80.50.110 as now or hereafter amended. 15

16 (3)(a) Within ((sixty)) <u>60</u> days of receipt of the council's 17 report the governor shall take one of the following actions:

18 (i) Approve the application and execute the draft certification 19 agreement; or

20

(ii) Reject the application; or

21 (iii) Direct the council to reconsider certain aspects of the 22 draft certification agreement.

23 (b) The council shall reconsider such aspects of the draft certification agreement by reviewing the existing record of the 24 25 application or, as necessary, by reopening the adjudicative proceeding for the purposes of receiving additional evidence. Such 26 reconsideration shall be conducted expeditiously. The council shall 27 28 resubmit the draft certification to the governor incorporating any 29 amendments deemed necessary upon reconsideration. Within ((sixty)) 60 days of receipt of such draft certification agreement, the governor 30 31 shall either approve the application and execute the certification 32 agreement or reject the application. The certification agreement shall be binding upon execution by the governor and the applicant. 33

34 (4) The rejection of an application for certification by the 35 governor shall be final as to that application but shall not preclude 36 submission of a subsequent application for the same site on the basis 37 of changed conditions or new information.

38 Sec. 11. RCW 80.50.175 and 1983 c 3 s 205 are each amended to 39 read as follows: 1 (1) In addition to all other powers conferred on the council 2 under this chapter, the council shall have the powers set forth in 3 this section.

(2) ((The council, upon request of any potential applicant, is 4 authorized, as provided in this section, to conduct a preliminary 5 6 study of any potential site prior to receipt of an application for site certification. A fee of ten thousand dollars for each potential 7 site, to be applied toward the cost of any study agreed upon pursuant 8 to subsection (3) of this section, shall accompany the request and 9 10 shall be a condition precedent to any action on the request by the 11 council.

(3) After receiving a request to study a potential site, the 12 13 council shall commission its own independent consultant to study 14 matters relative to the potential site. The study shall include, but 15 need not be limited to, the preparation and analysis of environmental impact information for the proposed potential site and any other 16 matter the council and the potential applicant deem essential to an 17 adequate appraisal of the potential site. In conducting the study, 18 the council is authorized to cooperate and work jointly with the 19 20 county or counties in which the potential site is located, any 21 federal, state, or local governmental agency that might be requested to comment upon the potential site, and any municipal or public 22 corporation having an interest in the matter. The full cost of the 23 study shall be paid by the potential applicant: PROVIDED, That such 24 25 costs exceeding a total of ten thousand dollars shall be payable 26 subject to the potential applicant giving prior approval to such 27 excess amount.

28 (4) Any study prepared by the council pursuant to subsection (3) 29 of this section may be used in place of the "detailed statement" 30 required by RCW 43.21C.030(2)(c) by any branch of government except 31 the council created pursuant to chapter 80.50 RCW.

32 (5) All payments required of the potential applicant under this 33 section are to be made to the state treasurer, who in turn shall pay 34 the consultant as instructed by the council. All such funds shall be 35 subject to state auditing procedures. Any unexpended portions thereof 36 shall be returned to the potential applicant.

37 (6) Nothing in this section shall change the requirements for an 38 application for site certification or the requirement of payment of a 39 fee as provided in RCW 80.50.071, or change the time for disposition 40 of an application for certification as provided in RCW 80.50.100.

1 (7) Nothing in this section shall be construed as preventing a city or county from requiring any information it deems appropriate to 2 make a decision approving a particular location.)) (a) The council, 3 upon agreement with any potential applicant, is authorized as 4 provided in this section to conduct a preliminary study of any 5 6 potential project prior to receipt of an application for site certification. This preliminary study must be completed before any 7 environmental review or process under RCW 43.21C.031 is initiated. A 8 fee of \$10,000 for each potential project, to be applied toward the 9 10 cost of any study agreed upon pursuant to (b) of this subsection, must accompany the agreement and is a condition precedent to any 11 12 action on the agreement by the council.

(b) Upon agreement with the potential applicant, the council may 13 commission its own independent consultant to study matters relative 14 15 to the potential project. In conducting the study, the council is authorized to cooperate and work jointly with the county or counties 16 17 in which the potential project is located, any federal, state, local, or tribal governmental agency that might be requested to comment on 18 19 the potential project, and any municipal or public corporation having an interest in the matter. The full cost of the study must be paid by 20 the potential applicant. However, costs exceeding a total of \$10,000 21 are payable subject to the potential applicant giving prior approval 22 23 to such an excess amount.

24 (3) All payments required of the potential applicant under this 25 section must be deposited into the energy facility site evaluation 26 council account created in section 15 of this act. All of these funds 27 are subject to state auditing procedures. Any unexpended portions of 28 the funds must be returned to the potential applicant.

29 <u>(4) If a potential applicant subsequently submits a formal</u> 30 <u>application for site certification to the council for a site where a</u> 31 <u>preliminary study was conducted, payments made under this section for</u> 32 <u>that study may be considered as payment towards the application fee</u> 33 <u>provided in RCW 80.50.071.</u>

34 <u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 80.50 35 RCW to read as follows:

36 (1) Except for the siting of electrical transmission facilities, 37 any potential applicant may request a preapplication review of a 38 proposed project. Council staff must review the preapplicant's draft 39 application materials and provide comments on either additional studies or stakeholder and tribal input, or both, that should be included in the formal application for site certification. Council staff must inform affected federally recognized tribes under RCW 80.50.060 of the preapplication review.

5 (2) After initial review, the director and the applicant may 6 agree on fees to be paid by the applicant so that council staff may 7 conduct further review and consultation, including contracting for 8 review by other parties.

9 Sec. 13. RCW 80.50.340 and 2007 c 325 s 4 are each amended to 10 read as follows:

(1) A preapplicant <u>applying under RCW 80.50.330</u> shall pay to the council a fee of ten thousand dollars to be applied to the cost of the preapplication process as a condition precedent to any action by the council, provided that costs in excess of this amount shall be paid only upon prior approval by the preapplicant, and provided further that any unexpended portions thereof shall be returned to the preapplicant.

(2) The council shall consult with the preapplicant and prepare a plan for the preapplication process which shall commence with an informational public hearing within ((sixty)) <u>60</u> days after the receipt of the preapplication fee as provided in RCW 80.50.090.

(3) The preapplication plan shall include but need not be limitedto:

(a) An initial consultation to explain the proposal and request
input from council staff, federal and state agencies, cities, towns,
counties, port districts, tribal governments, property owners, and
interested individuals;

(b) Where applicable, a process to guide negotiations between the preapplicant and cities, towns, and counties within the corridor proposed pursuant to RCW 80.50.330.

31 <u>(4) Fees paid under this section must be deposited in the energy</u> 32 <u>facility site evaluation council account created in section 15 of</u> 33 <u>this act.</u>

34 <u>NEW SECTION.</u> Sec. 14. A new section is added to chapter 41.06 35 RCW to read as follows:

In addition to the exemptions provided under RCW 41.06.070, the provisions of this chapter do not apply to the following positions at the energy facility site evaluation council: The director; the 1 personal secretary to the director and the council chair; and up to 2 two professional staff members.

3 <u>NEW SECTION.</u> Sec. 15. A new section is added to chapter 80.50 4 RCW to read as follows:

5 The energy facility site evaluation council account is created in the custody of the state treasurer. All receipts from funds received 6 by the council for all payments, including fees, deposits, and 7 reimbursements received under this chapter must be deposited into the 8 account. Expenditures from the account may be used for purposes set 9 10 forth in this chapter. Only the chair of the council or the chair's designee may authorize expenditures from the account. The account is 11 subject to allotment procedures under chapter 43.88 RCW, but an 12 appropriation is not required for expenditures. 13

14 Sec. 16. RCW 43.79A.040 and 2021 c 175 s 10 and 2021 c 108 s 5 15 are each reenacted and amended to read as follows:

16 (1) Money in the treasurer's trust fund may be deposited, 17 invested, and reinvested by the state treasurer in accordance with 18 RCW 43.84.080 in the same manner and to the same extent as if the 19 money were in the state treasury, and may be commingled with moneys 20 in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

24 (3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds 25 26 including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state 27 agencies. The investment income account is subject in all respects to 28 29 chapter 43.88 RCW, but no appropriation is required for payments to 30 financial institutions. Payments must occur prior to distribution of 31 earnings set forth in subsection (4) of this section.

32 (4) (a) Monthly, the state treasurer must distribute the earnings 33 credited to the investment income account to the state general fund 34 except under (b), (c), and (d) of this subsection.

35 (b) The following accounts and funds must receive their 36 proportionate share of earnings based upon each account's or fund's 37 average daily balance for the period: The 24/7 sobriety account, the 38 Washington promise scholarship account, the Gina Grant Bull memorial

1 legislative page scholarship account, the Rosa Franklin legislative internship program scholarship ((<del>[account]</del>)) <u>account</u>, the Washington 2 advanced college tuition payment program account, the Washington 3 college savings program account, the accessible communities account, 4 the Washington achieving a better life experience program account, 5 6 the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment 7 fund, the foster care scholarship endowment fund, the foster care 8 endowed scholarship trust fund, the contract harvesting revolving 9 account, the Washington state combined fund drive account, the 10 commemorative works account, the county enhanced 911 excise tax 11 12 account, the county road administration board emergency loan account, the toll collection account, the developmental disabilities endowment 13 trust fund, the energy account, the energy facility site evaluation 14 council account, the fair fund, the family and medical leave 15 insurance account, the fish and wildlife federal lands revolving 16 17 account, the natural resources federal lands revolving account, the food animal veterinarian conditional scholarship account, the forest 18 health revolving account, the fruit and vegetable inspection account, 19 the educator conditional scholarship account, the game 20 farm 21 alternative account, the GET ready for math and science scholarship 22 account, the Washington global health technologies and product 23 development account, the grain inspection revolving fund, the Washington history day account, the industrial insurance rainy day 24 25 fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the 26 local tourism promotion account, the low-income home rehabilitation 27 28 revolving loan program account, the multiagency permitting team account, the northeast Washington wolf-livestock management account, 29 the produce railcar pool account, the public use general aviation 30 31 airport loan revolving account, the regional transportation 32 investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition 33 center account, the youth athletic facility account, the self-34 insurance revolving fund, the children's trust fund, the Washington 35 horse racing commission Washington bred owners' bonus fund and 36 breeder awards account, the Washington horse racing commission class 37 C purse fund account, the individual development account program 38 39 account, the Washington horse racing commission operating account, 40 the life sciences discovery fund, the Washington state library-

archives building account, the reduced cigarette ignition propensity 1 account, the center for deaf and hard of hearing youth account, the 2 school for the blind account, the Millersylvania park trust fund, the 3 public employees' and retirees' insurance reserve fund, the school 4 employees' benefits board insurance reserve fund, the public 5 6 employees' and retirees' insurance account, the school employees' 7 insurance account, the long-term services and supports trust account, the radiation perpetual maintenance fund, the Indian health 8 improvement reinvestment account, the department of licensing tuition 9 recovery trust fund, the student achievement council tuition recovery 10 11 trust fund, the tuition recovery trust fund, the industrial insurance 12 premium refund account, the mobile home park relocation fund, the natural resources deposit fund, the Washington state health insurance 13 pool account, the federal forest revolving account, and the library 14 15 operations account.

(c) The following accounts and funds must receive ((eighty)) <u>80</u> percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advance right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

30 (5) In conformance with Article II, section 37 of the state 31 Constitution, no trust accounts or funds shall be allocated earnings 32 without the specific affirmative directive of this section.

33 <u>NEW SECTION.</u> Sec. 17. A new section is added to chapter 80.50 34 RCW to read as follows:

35 (1) Those administrative powers, duties, and functions of the 36 utilities and transportation commission that were performed under the 37 provisions of this chapter for the council prior to the effective 38 date of this section are transferred to the council as set forth in 39 this act.

1 (2) (a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the utilities and 2 transportation commission pertaining to the powers, duties, and 3 functions transferred must be delivered to the custody of the 4 council. All cabinets, furniture, office equipment, motor vehicles, 5 6 and other tangible property under the inventory of the utilities and transportation commission for the council must be transferred to the 7 council. All funds, credits, or other assets held by the utilities 8 and transportation commission for the benefit of the council, of 9 which were paid to the utilities and transportation commission 10 11 pursuant to this chapter must be assigned to the council and 12 transferred to the energy facility site evaluation council account created in section 15 of this act. 13

(b) Any appropriations made to the utilities and transportation commission for the council to carrying out its powers, functions, and duties transferred must, on the effective date of this section, be transferred and credited to the council. Any funds received pursuant to payment made under this chapter must be credited to the council and deposited in the energy facility site evaluation council account created in section 15 of this act.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall decide as to the proper allocation and certify the same to the state agencies concerned.

(3) All pending business before the utilities and transportation commission pertaining to the powers, duties, and functions transferred must be continued and acted upon by the council. All existing contracts and obligations remain in full force and must be performed by the council.

32 (4) The transfer of the powers, duties, functions, and personnel 33 of the utilities and transportation commission does not affect the 34 validity of any act performed before the effective date of this 35 section.

36 (5) If apportionments of budgeted or nonbudgeted funds are 37 required because of the transfers directed by this section, the 38 director of financial management shall certify the apportionments to 39 the agencies affected, the state auditor, and the state treasurer. 40 Each of these shall make the appropriate transfer and adjustments in

1 funds and appropriation accounts and equipment records in accordance 2 with the certification.

(6) All employees of the utilities and transportation commission 3 that are engaged in performing the powers, functions, and duties of 4 the council, are transferred to the council. All employees classified 5 6 under chapter 41.06 RCW, the state civil service law, assigned to the council shall continue to perform their usual duties upon the same 7 terms as formerly, without any loss of rights, subject to any action 8 that may be appropriate thereafter in accordance with the laws and 9 rules governing state civil service law. 10

11 Sec. 18. RCW 80.50.075 and 2006 c 205 s 2 are each amended to 12 read as follows:

(1) Any person filing an application for certification of ((an 13 energy facility or an alternative energy resource)) any facility 14 15 pursuant to this chapter may apply to the council for an expedited 16 processing of such an application. The application for expedited processing shall be submitted to the council in such form and manner 17 18 and accompanied by such information as may be prescribed by council rule. The council may grant an applicant expedited processing of an 19 20 application for certification upon finding that the environmental 21 impact of the proposed ((energy)) facility is not significant or will 22 be mitigated to a nonsignificant level under RCW 43.21C.031 and the project is found under RCW 80.50.090(2) to be consistent and in 23 24 compliance with city, county, or regional land use plans or zoning 25 ordinances.

26 (2) Upon granting an applicant expedited processing of an 27 application for certification, the council shall not be required to:

(a) Commission an independent study to further measure the
 consequences of the proposed ((energy facility or alternative energy
 resource)) facility on the environment, notwithstanding the other
 provisions of RCW 80.50.071; nor

32 (b) Hold an adjudicative proceeding under chapter 34.05 RCW, the 33 administrative procedure act, on the application.

34 (3) The council shall adopt rules governing the expedited 35 processing of an application for certification pursuant to this 36 section.

37 <u>NEW SECTION.</u> Sec. 19. If specific funding for the purposes of 38 this act, referencing this act by bill or chapter number, is not

2SHB 1812

1 provided by June 30, 2022, in the omnibus appropriations act, this 2 act is null and void.

3 <u>NEW SECTION.</u> Sec. 20. This act takes effect June 30, 2022.

## 4 <u>NEW SECTION.</u> Sec. 21. The following acts or parts of acts are 5 each repealed:

6 (1) RCW 80.50.190 (Disposition of receipts from applicants) and 7 1977 ex.s. c 371 s 15; and

8 (2)

(2) RCW 80.50.904 (Effective date—1996 c 4) and 1996 c 4 s 6.

--- END ---