SENATE BILL 5467

State of Washington65th Legislature2017 Regular SessionBy Senators Brown, Baumgartner, Rivers, King, Takko, Miloscia,

Bailey, Ericksen, Angel, Honeyford, Becker, Braun, Padden, and Hobbs

1 AN ACT Relating to including nuclear energy in the definition of 2 a "qualified alternative energy resource" for the purposes of RCW 3 19.29A.090; and amending RCW 19.29A.090.

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

5 Sec. 1. RCW 19.29A.090 and 2014 c 129 s 1 are each amended to 6 read as follows:

7 (1) Beginning January 1, 2002, each electric utility must provide 8 to its retail electricity customers a voluntary option to purchase 9 qualified alternative energy resources in accordance with this 10 section.

11 (2) Each electric utility must include with its retail electric 12 customer's regular billing statements, at least quarterly, а 13 voluntary option to purchase qualified alternative energy resources. 14 The option may allow customers to purchase qualified alternative energy resources at fixed or variable rates and for fixed or variable 15 16 periods of time, including but not limited to monthly, quarterly, or 17 annual purchase agreements. For residential customers, the option must specify the percentage of electricity fueled by subsection 18 (3)(a) through (g) and (i) of this section, and the percentage of 19 electricity fueled by nuclear energy. A utility may provide qualified 20 21 alternative energy resource options through either: (a) Resources it

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1 owns or contracts for; or (b) the purchase of credits issued by a 2 clearinghouse or other system by which the utility may secure, for 3 trade or other consideration, verifiable evidence that a second party 4 has a qualified alternative energy resource and that the second party 5 agrees to transfer such evidence exclusively to the benefit of the 6 utility.

7 (3) For the purposes of this section, a "qualified alternative energy resource" means the electricity or thermal energy produced 8 from generation facilities that are fueled by: (a) Wind; (b) solar 9 10 energy; (c) geothermal energy; (d) landfill gas; (e) wave or tidal 11 action; (f) gas produced during the treatment of wastewater; (g) 12 qualified hydropower; ((or)) (h) <u>nuclear energy; or (i)</u> biomass energy based on animal waste or solid or liquid organic fuels from 13 wood, forest, or field residues, or dedicated energy crops that do 14 not include wood pieces that have been treated with chemical 15 16 preservatives such as creosote, pentachlorophenol, or 17 copper-chrome-arsenic.

18 (4) For the purposes of this section, "qualified hydropower" 19 means the energy produced either: (a) As a result of modernizations 20 or upgrades made after June 1, 1998, to hydropower facilities 21 operating on May 8, 2001, that have been demonstrated to reduce the 22 mortality of anadromous fish; or (b) by run of the river or run of 23 the canal hydropower facilities that are not responsible for 24 obstructing the passage of anadromous fish.

25 (5) The rates, terms, conditions, and customer notification of each utility's option or options offered in accordance with this 26 section must be approved by the governing body of the consumer-owned 27 28 utility or by the commission for investor-owned utilities. All costs 29 and benefits associated with any option offered by an electric utility under this section must be allocated to the customers who 30 31 voluntarily choose that option and may not be shifted to any 32 customers who have not chosen such option. Utilities may pursue known, lawful aggregated purchasing of qualified alternative energy 33 resources with other utilities to the extent aggregated purchasing 34 can reduce the unit cost of qualified alternative energy resources, 35 36 and are encouraged to investigate opportunities to aggregate the purchase of alternative energy resources by their customers. 37 Aggregated purchases by investor-owned utilities must comply with any 38 39 applicable rules or policies adopted by the commission related to 40 least-cost planning or the acquisition of renewable resources.

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1 (6) Each consumer-owned utility must maintain and make available upon request of the department and each investor-owned utility must 2 maintain and make available upon request of the commission 3 information describing the option or options it is offering its 4 customers under the requirements of this section, the rate of 5 6 customer participation, the amount of qualified alternative energy resources purchased by customers, the amount of utility investments 7 in qualified alternative energy resources, and the results of 8 pursuing aggregated purchasing opportunities. The department and the 9 commission shall report the information to the appropriate committees 10 11 of the legislature upon request.

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