
SUBSTITUTE SENATE BILL 5510

State of Washington

62nd Legislature

2012 Regular Session

By Senate Environment (originally sponsored by Senators Rockefeller and Nelson)

READ FIRST TIME 01/23/12.

1 AN ACT Relating to defining null power for fuel mix disclosures
2 prepared by electric utilities; and amending RCW 19.29A.010 and
3 19.29A.060.

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

5 **Sec. 1.** RCW 19.29A.010 and 2000 c 213 s 2 are each amended to read
6 as follows:

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

9 (1) "Biomass generation" means electricity derived from burning
10 solid organic fuels from wood, forest, or field residue, or dedicated
11 energy crops that do not include wood pieces that have been treated
12 with chemical preservatives such as creosote, pentachlorophenol, or
13 copper-chrome-arsenic.

14 (2) "Bonneville power administration system mix" means a generation
15 mix sold by the Bonneville power administration that is net of any
16 resource specific sales and that is net of any electricity sold to
17 direct service industrial customers, as defined in section 3(8) of the
18 Pacific Northwest electric power planning and conservation act (16
19 U.S.C. Sec. 839(a)(8)).

1 (3) "Coal generation" means the electricity produced by a
2 generating facility that burns coal as the primary fuel source.

3 (4) "Commission" means the utilities and transportation commission.

4 (5) "Conservation" means an increase in efficiency in the use of
5 energy use that yields a decrease in energy consumption while providing
6 the same or higher levels of service. Conservation includes low-income
7 weatherization programs.

8 (6) "Consumer-owned utility" means a municipal electric utility
9 formed under Title 35 RCW, a public utility district formed under Title
10 54 RCW, an irrigation district formed under chapter 87.03 RCW, a
11 cooperative formed under chapter 23.86 RCW, or a mutual corporation or
12 association formed under chapter 24.06 RCW, that is engaged in the
13 business of distributing electricity to more than one retail electric
14 customer in the state.

15 (7) "Declared resource" means an electricity source specifically
16 identified by a retail supplier to serve retail electric customers. A
17 declared resource includes a stated quantity of electricity tied
18 directly to a specified generation facility or set of facilities either
19 through ownership or contract purchase, or a contractual right to a
20 stated quantity of electricity from a specified generation facility or
21 set of facilities.

22 (8) "Department" means the department of (~~community, trade, and~~
23 ~~economic development~~) commerce.

24 (9) "Electricity information coordinator" means the organization
25 selected by the department under RCW 19.29A.080 to: (a) Compile
26 generation data in the Northwest power pool by generating project and
27 by resource category; (b) compare the quantity of electricity from
28 declared resources reported by retail suppliers with available
29 generation from such resources; (c) calculate the net system power mix;
30 and (d) coordinate with other comparable organizations in the western
31 interconnection.

32 (10) "Electric meters in service" means those meters that record in
33 at least nine of twelve calendar months in any calendar year not less
34 than two hundred fifty kilowatt hours per month.

35 (11) "Electricity product" means the electrical energy produced by
36 a generating facility or facilities that a retail supplier sells or
37 offers to sell to retail electric customers in the state of Washington,
38 provided that nothing in this title shall be construed to mean that

1 electricity is a good or product for the purposes of Title 62A RCW, or
2 any other purpose. It does not include electrical energy generated on-
3 site at a retail electric customer's premises.

4 (12) "Electric utility" means a consumer-owned or investor-owned
5 utility as defined in this section.

6 (13) "Electricity" means electric energy measured in kilowatt
7 hours, or electric capacity measured in kilowatts, or both.

8 (14) "Fuel mix" means the actual or imputed sources of electricity
9 sold to retail electric customers, expressed in terms of percentage
10 contribution by resource category. The total fuel mix included in each
11 disclosure shall total one hundred percent.

12 (15) "Geothermal generation" means electricity derived from thermal
13 energy naturally produced within the earth.

14 (16) "Governing body" means the council of a city or town, the
15 commissioners of an irrigation district, municipal electric utility, or
16 public utility district, or the board of directors of an electric
17 cooperative or mutual association that has the authority to set and
18 approve rates.

19 (17) "High efficiency cogeneration" means electricity produced by
20 equipment, such as heat or steam used for industrial, commercial,
21 heating, or cooling purposes, that meets the federal energy regulatory
22 commission standards for qualifying facilities under the public utility
23 regulatory policies act of 1978.

24 (18) "Hydroelectric generation" means a power source created when
25 water flows from a higher elevation to a lower elevation and the flow
26 is converted to electricity in one or more generators at a single
27 facility.

28 (19) "Investor-owned utility" means a company owned by investors
29 that meets the definition of RCW 80.04.010 and is engaged in
30 distributing electricity to more than one retail electric customer in
31 the state.

32 (20) "Landfill gas generation" means electricity produced by a
33 generating facility that uses waste gases produced by the decomposition
34 of organic materials in landfills.

35 (21) "Natural gas generation" means electricity produced by a
36 generating facility that burns natural gas as the primary fuel source.

37 (22) "Northwest power pool" means the generating resources included

1 in the United States portion of the Northwest power pool area as
2 defined by the western systems coordinating council.

3 (23) "Net system power mix" means the fuel mix in the Northwest
4 power pool, net of: (a) Any declared resources in the Northwest power
5 pool identified by in-state retail suppliers or out-of-state entities
6 that offer electricity for sale to retail electric customers; (b) any
7 electricity sold by the Bonneville power administration to direct
8 service industrial customers; and (c) any resource specific sales made
9 by the Bonneville power administration.

10 (24) "Oil generation" means electricity produced by a generating
11 facility that burns oil as the primary fuel source.

12 (25) "Proprietary customer information" means: (a) Information
13 that relates to the source and amount of electricity used by a retail
14 electric customer, a retail electric customer's payment history, and
15 household data that is made available by the customer solely by virtue
16 of the utility-customer relationship; and (b) information contained in
17 a retail electric customer's bill.

18 (26) "Renewable resources" means electricity generation facilities
19 fueled by: (a) Water; (b) wind; (c) solar energy; (d) geothermal
20 energy; (e) landfill gas; or (f) biomass energy based on solid organic
21 fuels from wood, forest, or field residues, or dedicated energy crops
22 that do not include wood pieces that have been treated with chemical
23 preservatives such as creosote, pentachlorophenol, or copper-chrome-
24 arsenic.

25 (27) "Resale" means the purchase and subsequent sale of electricity
26 for profit, but does not include the purchase and the subsequent sale
27 of electricity at the same rate at which the electricity was purchased.

28 (28) "Retail electric customer" means a person or entity that
29 purchases electricity for ultimate consumption and not for resale.

30 (29) "Retail supplier" means an electric utility that offers an
31 electricity product for sale to retail electric customers in the state.

32 (30) "Small utility" means any consumer-owned utility with twenty-
33 five thousand or fewer electric meters in service, or that has an
34 average of seven or fewer customers per mile of distribution line.

35 (31) "Solar generation" means electricity derived from radiation
36 from the sun that is directly or indirectly converted to electrical
37 energy.

38 (32) "State" means the state of Washington.

1 (33) "Waste incineration generation" means electricity derived from
2 burning solid or liquid wastes from businesses, households,
3 municipalities, or waste treatment operations.

4 (34) "Wind generation" means electricity created by movement of air
5 that is converted to electrical energy.

6 (35) "Nonpower attributes" means all environmentally related
7 characteristics, exclusive of energy, capacity, reliability, and other
8 electrical power service attributes, that are associated with the
9 generation of electricity, including but not limited to the facility's
10 fuel type, geographic location, vintage, and avoided emissions of
11 pollutants to the air, soil, or water, and avoided emissions of carbon
12 dioxide and other greenhouse gases.

13 (36) "Null power" means electricity, measured in megawatt hours,
14 that has been separated from its nonpower attributes; a megawatt hour
15 of null power is not renewable and cannot be represented as such.

16 **Sec. 2.** RCW 19.29A.060 and 2000 c 213 s 4 are each amended to read
17 as follows:

18 (1) Each retail supplier shall disclose the fuel mix of each
19 electricity product it offers to retail electric customers as follows:

20 (a) For an electricity product comprised entirely of declared
21 resources, a retail supplier shall disclose the fuel mix for the
22 electricity product based on the quantity of electric generation from
23 those declared resources for the previous calendar year and any
24 adjustment, if taken, available under subsection (6) of this section.

25 (b) For an electricity product comprised of no declared resources,
26 a retail supplier shall report the fuel mix for the electricity product
27 as the fuel mix of net system power for the previous calendar year, as
28 determined and in the manner provided by the electricity information
29 coordinator under RCW 19.29A.080.

30 (c) For an electricity product comprised of a combination of
31 declared resources and the net system power, a retail supplier shall
32 disclose the fuel mix for the electricity product as a weighted average
33 of the megawatt-hours from declared resources and the megawatt-hours
34 from the net system power mix for the previous calendar year according
35 to the proportion of declared resources and net system power contained
36 in the electricity product.

1 (2) The disclosures required by (~~this section~~) subsection (1)(a)
2 and (c) of this section shall identify the percentage of the total
3 electricity product sold by a retail supplier during the previous
4 calendar year from each of the following categories:

5 (a) Coal generation;

6 (b) Hydroelectric generation;

7 (c) Natural gas generation;

8 (d) Nuclear generation; (~~and~~)

9 (e) Null power; and

10 (f) Other generation, except that when a component of the other
11 generation category meets or exceeds two percent of the total
12 electricity product sold by a retail supplier during the previous
13 calendar year, the retail supplier shall identify the component or
14 components and display the fuel mix percentages for these component
15 sources, which may include, but are not limited to: (i) Biomass
16 generation; (ii) geothermal generation; (iii) landfill gas generation;
17 (iv) oil generation; (v) solar generation; (vi) waste incineration; or
18 (vii) wind generation. A retail supplier may voluntarily identify any
19 component or components within the other generation category that
20 comprises two percent or less of annual sales.

21 (3) Retail suppliers may separately report a subcategory of natural
22 gas generation to identify high efficiency cogeneration, and shall
23 report null power when applicable as provided in subsection (2) of this
24 section.

25 (4) Except as provided in subsection (3) of this section, a retail
26 supplier cannot include in the disclosure label any environmental
27 quality or environmental impact qualifier related to any of the
28 generation categories disclosed.

29 (5) For the portion of an electricity product purchased from the
30 Bonneville power administration, retail suppliers may disclose the
31 Bonneville power administration system mix.

32 (6) A retail supplier may adjust its reported fuel mix for known
33 changes in its declared resources for the current year based on any
34 changes in its sources of electricity supply from either generation or
35 contracts. If a retail supplier changes its fuel mix during a calendar
36 year, it shall report those changes to the electricity information
37 coordinator.

1 (7)(a) Disclosure of the fuel mix information required in this
2 section shall be made in the following uniform format: A tabular
3 format with two columns, where the first column shall alphabetically
4 list each category and the second column shall display the
5 corresponding percentage of the total that each category represents.
6 The percentage shall be reported as a numeric value rounded to the
7 nearest one percent. The percentages listed for the categories
8 identified must sum to one hundred percent with the table displaying
9 such a total.

10 (b) Each disclosure label must include a footnote stating "Null
11 power is electricity where the environmentally related characteristics
12 have been sold separately."

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