SENATE BILL 5809

State of Washington

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62nd Legislature

2011 Regular Session

By Senator Rockefeller

Read first time 02/16/11. Referred to Committee on Environment, Water & Energy.

AN ACT Relating to prohibiting the use of tradable evidence of nonpower attributes as a declared resource for electric utility fuel mix disclosures; and amending RCW 19.29A.010.

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:

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

- (1) "Biomass generation" means electricity derived from burning solid organic fuels from wood, forest, or field residue, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chroma-arsenic.
- (2) "Bonneville power administration system mix" means a generation mix sold by the Bonneville power administration that is net of any resource specific sales and that is net of any electricity sold to direct service industrial customers, as defined in section 3(8) of the Pacific Northwest electric power planning and conservation act (16 U.S.C. Sec. 839(a)(8)).

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

- (4) "Commission" means the utilities and transportation commission.
- (5) "Conservation" means an increase in efficiency in the use of energy use that yields a decrease in energy consumption while providing the same or higher levels of service. Conservation includes low-income weatherization programs.
- (6) "Consumer-owned utility" means a municipal electric utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, or a mutual corporation or association formed under chapter 24.06 RCW, that is engaged in the business of distributing electricity to more than one retail electric customer in the state.
- (7) "Declared resource" means an electricity source specifically identified by a retail supplier to serve retail electric customers, regardless of the disposition of any nonpower attributes. A declared resource includes a stated quantity of electricity tied directly to a specified generation facility or set of facilities either through ownership or contract purchase, or a contractual right to a stated quantity of electricity from a specified generation facility or set of facilities. A renewable energy credit or other tradable evidence of nonpower attributes may not be used as a declared resource.
- (8) "Department" means the department of ((community, trade, and economic development)) commerce.
- (9) "Electricity information coordinator" means the organization selected by the department under RCW 19.29A.080 to: (a) Compile generation data in the Northwest power pool by generating project and by resource category; (b) compare the quantity of electricity from declared resources reported by retail suppliers with available generation from such resources; (c) calculate the net system power mix; and (d) coordinate with other comparable organizations in the western interconnection.
- (10) "Electric meters in service" means those meters that record in at least nine of twelve calendar months in any calendar year not less than two hundred fifty kilowatt hours per month.
- 37 (11) "Electricity product" means the electrical energy produced by 38 a generating facility or facilities that a retail supplier sells or

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- offers to sell to retail electric customers in the state of Washington, provided that nothing in this title shall be construed to mean that electricity is a good or product for the purposes of Title 62A RCW, or any other purpose. It does not include electrical energy generated onsite at a retail electric customer's premises.
 - (12) "Electric utility" means a consumer-owned or investor-owned utility as defined in this section.

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- 8 (13) "Electricity" means electric energy measured in kilowatt 9 hours, or electric capacity measured in kilowatts, or both.
 - (14) "Fuel mix" means the actual or imputed sources of electricity sold to retail electric customers, expressed in terms of percentage contribution by resource category. The total fuel mix included in each disclosure shall total one hundred percent.
 - (15) "Geothermal generation" means electricity derived from thermal energy naturally produced within the earth.
 - (16) "Governing body" means the council of a city or town, the commissioners of an irrigation district, municipal electric utility, or public utility district, or the board of directors of an electric cooperative or mutual association that has the authority to set and approve rates.
 - (17) "High efficiency cogeneration" means electricity produced by equipment, such as heat or steam used for industrial, commercial, heating, or cooling purposes, that meets the federal energy regulatory commission standards for qualifying facilities under the public utility regulatory policies act of 1978.
 - (18) "Hydroelectric generation" means a power source created when water flows from a higher elevation to a lower elevation and the flow is converted to electricity in one or more generators at a single facility.
- 30 (19) "Investor-owned utility" means a company owned by investors 31 that meets the definition of RCW 80.04.010 and is engaged in 32 distributing electricity to more than one retail electric customer in 33 the state.
 - (20) "Landfill gas generation" means electricity produced by a generating facility that uses waste gases produced by the decomposition of organic materials in landfills.
- 37 (21) "Natural gas generation" means electricity produced by a 38 generating facility that burns natural gas as the primary fuel source.

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(22) "Northwest power pool" means the generating resources included in the United States portion of the Northwest power pool area as defined by the western systems coordinating council.

- (23) "Net system power mix" means the fuel mix in the Northwest power pool, net of: (a) Any declared resources in the Northwest power pool identified by in-state retail suppliers or out-of-state entities that offer electricity for sale to retail electric customers; (b) any electricity sold by the Bonneville power administration to direct service industrial customers; and (c) any resource specific sales made by the Bonneville power administration.
- (24) "Oil generation" means electricity produced by a generating facility that burns oil as the primary fuel source.
 - (25) "Proprietary customer information" means: (a) Information that relates to the source and amount of electricity used by a retail electric customer, a retail electric customer's payment history, and household data that is made available by the customer solely by virtue of the utility-customer relationship; and (b) information contained in a retail electric customer's bill.
 - (26) "Renewable resources" means electricity generation facilities fueled by: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; or (f) biomass energy based on solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chromearsenic.
 - (27) "Resale" means the purchase and subsequent sale of electricity for profit, but does not include the purchase and the subsequent sale of electricity at the same rate at which the electricity was purchased.
 - (28) "Retail electric customer" means a person or entity that purchases electricity for ultimate consumption and not for resale.
 - (29) "Retail supplier" means an electric utility that offers an electricity product for sale to retail electric customers in the state.
 - (30) "Small utility" means any consumer-owned utility with twenty-five thousand or fewer electric meters in service, or that has an average of seven or fewer customers per mile of distribution line.
- 36 (31) "Solar generation" means electricity derived from radiation 37 from the sun that is directly or indirectly converted to electrical 38 energy.

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- 1 (32) "State" means the state of Washington.
 2 (33) "Waste incineration generation" means electricity derived from
 3 burning solid or liquid wastes from businesses, households,
 4 municipalities, or waste treatment operations.
- 5 (34) "Wind generation" means electricity created by movement of air 6 that is converted to electrical energy.

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