S-2888.1			

SENATE BILL 5951

State of Washington

62nd Legislature

2011 Regular Session

By Senator Hatfield

Read first time 04/18/11. Referred to Committee on Ways & Means.

- AN ACT Relating to distributed generation; amending RCW 19.285.030;
- 2 and creating a new section.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that distributing
- 5 generation from new solar energy systems broadly throughout the state
- 6 advances state energy policy.
- 7 **Sec. 2.** RCW 19.285.030 and 2009 c 565 s 20 are each amended to
- 8 read as follows:
- 9 The definitions in this section apply throughout this chapter
- 10 unless the context clearly requires otherwise.
- 11 (1) "Attorney general" means the Washington state office of the
- 12 attorney general.
- 13 (2) "Auditor" means: (a) The Washington state auditor's office or
- 14 its designee for qualifying utilities under its jurisdiction that are
- 15 not investor-owned utilities; or (b) an independent auditor selected by
- 16 a qualifying utility that is not under the jurisdiction of the state
- 17 auditor and is not an investor-owned utility.

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1 (3) "Biomass energy system" means a generation facility that 2 produces biomass energy and the system:

- (a) Commenced commercial operation before March 31, 1999; and
- (b) Is located in a county in Washington: (i) That has a three-year average unemployment rate that is equal to or greater than one hundred twenty percent of the state's unemployment rate; or (ii) adjacent to a county identified in (b)(i) of this subsection.
- $\underline{(4)}$ "Commission" means the Washington state utilities and 9 transportation commission.
- $((\frac{4}{}))$ (5) "Conservation" means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.
- $((\frac{5}{}))$ (6) "Cost-effective" has the same meaning as defined in RCW 80.52.030.
- $((\frac{(6)}{(6)}))$ "Council" means the Washington state apprenticeship and training council within the department of labor and industries.
- $((\frac{7}{}))$ (8) "Customer" means a person or entity that purchases electricity for ultimate consumption and not for resale.
- $((\frac{(8)}{(8)}))$ "Department" means the department of commerce or its 20 successor.
 - (((9))) <u>(10)</u> "Distributed generation" means: <u>(a)</u> An eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts; <u>(b)</u> no more than twenty average megawatts in any calendar year from a solar energy system; or <u>(c)</u> no more than ten average megawatts in any calendar year from a biomass energy system.
 - $((\frac{10}{10}))$ (11) "Eligible renewable resource" means:
 - (a) Electricity from a generation facility powered by a renewable resource other than fresh water that commences operation after March 31, 1999, where: (i) The facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services; ((or))
- 34 (b) Incremental electricity produced as a result of efficiency 35 improvements completed after March 31, 1999, to hydroelectric 36 generation projects owned by a qualifying utility and located in the 37 Pacific Northwest or to hydroelectric generation in irrigation pipes

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and canals located in the Pacific Northwest, where the additional generation in either case does not result in new water diversions or impoundments; or

- (c) Electricity from distributed generation that produces biomass energy.
- $((\frac{11}{11}))$ <u>(12)</u> "Investor-owned utility" has the same meaning as defined in RCW 19.29A.010.
- $((\frac{12}{12}))$ <u>(13)</u> "Load" means the amount of kilowatt-hours of electricity delivered in the most recently completed year by a qualifying utility to its Washington retail customers.
- (((13))) (14) "Nonpower attributes" means all environmentally related characteristics, exclusive of energy, capacity reliability, and other electrical power service attributes, that are associated with the generation of electricity from a renewable resource, including but not limited to the facility's fuel type, geographic location, vintage, qualification as an eligible renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.
- 19 (((14))) <u>(15)</u> "Pacific Northwest" has the same meaning as defined 20 for the Bonneville power administration in section 3 of the Pacific 21 Northwest electric power planning and conservation act (94 Stat. 2698; 22 16 U.S.C. Sec. 839a).
- $((\frac{(15)}{)})$ $\underline{(16)}$ "Public facility" has the same meaning as defined in 24 RCW 39.35C.010.
- ((\(\frac{(16)}{)}\)) (17) "Qualifying utility" means an electric utility, as the term "electric utility" is defined in RCW 19.29A.010, that serves more than twenty-five thousand customers in the state of Washington.

 The number of customers served may be based on data reported by a utility in form 861, "annual electric utility report," filed with the energy information administration, United States department of energy.
 - (((17))) <u>(18)</u> "Renewable energy credit" means a tradable certificate of proof of at least one megawatt-hour of an eligible renewable resource where the generation facility is not powered by fresh water, the certificate includes all of the nonpower attributes associated with that one megawatt-hour of electricity, and the certificate is verified by a renewable energy credit tracking system selected by the department.

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 $((\frac{18}{18}))$ (19) "Renewable resource" means: (a) Water; (b) wind; (c) 1 2 solar energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or tidal power; (q) gas from sewage treatment facilities; (h) biodiesel 3 fuel as defined in RCW 82.29A.135 that is not derived from crops raised 4 on land cleared from old growth or first-growth forests where the 5 clearing occurred after December 7, 2006; and (i) biomass energy based 6 on animal waste or solid organic fuels from wood, forest, or field 7 8 residues, food waste, yard waste, organic by-products of pulping and the wood manufacturing process, or dedicated energy crops that do not 9 wood pieces that have been treated with chemical 10 (i) preservatives such as creosote, pentachlorophenol, or copper-chrome-11 12 arsenic; (ii) ((black liquor by product from paper production; (iii))) 13 wood from old growth forests; or $((\frac{iv}{iv}))$ (iii) municipal solid waste.

 $((\frac{(19)}{(19)}))$ "Rule" means rules adopted by an agency or other entity of Washington state government to carry out the intent and purposes of this chapter.

17 $((\frac{(20)}{(20)}))$ "Year" means the twelve-month period commencing 18 January 1st and ending December 31st.

- (22) "Solar energy system" means any device or combination of devices or elements that rely upon direct sunlight as an energy source for use in the generation of electricity and at least one-half of the system is manufactured in Washington and the system:
 - (a) Is located in Washington; and
- (b) Has by July 31, 2012, either:

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- 25 <u>(i) A site certification from the energy facility site evaluation</u> 26 council; or
- 27 <u>(ii) A land use permit from a local government.</u>

NEW SECTION. Sec. 3. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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