

# WASHINGTON CLEAN TECH ALLIANCE

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Weekly Report

Friday, February 1, 2013

Governor Inslee made it clear during his breakfast on Thursday morning with various Senators and Representatives that energy was a top priority on his list. The House Environment Committee discussed new energy technologies, storage innovations, a need for change in capacity and development, and research funding. In the end, Representatives seemed interested in change but concerned with costs tied to unpredictable and unknown outcomes. Senator Ericksen made it clear on Thursday that the Senate's Energy, Environment and Telecommunications Committee's three goals were matched by Governor Inslee. These three goals are to "keep energy cost affordable for the people of WA, create energy sector jobs and utilize new energy technologies to accomplish the top two goals." It is still unknown how much money will be spent in this area with the Education and Health Care Reforms still at the top of the legislative list, but it is a step in the right direction.

## BILL TRACKING SUMMARY

### MEDIUM PRIORITY BILLS

|   | <u>Sponsor</u> | <u>Position</u> | <u>Status</u>      |
|---|----------------|-----------------|--------------------|
| <a href="#">1017</a> Creating new efficiency standards.   | Morris         | Monitor         | H, Exec Action     |
| <a href="#">1030</a> Adopting the electric transmission line siting compact.  | Morris         | Monitor         | H, Environment     |
| <a href="#">1154</a> Modifying the definition of nonpower attributes in the energy independence act.  | Upthegrove     | Monitor         | H, Environment     |
| <a href="#">1347</a> Allowing incremental electricity produced as a result of efficiency improvements to hydroelectric generation projects whose energy output is marketed by the Bonneville power administration to qualify as an eligible renewable resource under the energy independence act. | Short          | Monitor         | H, Environment     |
| <a href="#">1443</a> Providing for property tax exemption for the value of new construction of industrial/manufacturing facilities in targeted urban areas.   | Sells          | Monitor         | H, Tech & Econ De  |
| <a href="#">4200</a> Amending the state Constitution to require that hydroelectric generation be recognized as a renewable resource.  | Haler          | Monitor         | H, Environment     |
| <a href="#">5032</a> Extending the tax credit expiration date for certain contributions made to electric utility rural economic development revolving funds.  | Ericksen       | Monitor         | S, Ways & Means    |
| <a href="#">5041</a> Implementing recommendations related to the tax preference review process conducted by the joint legislative audit and review committee and the citizen commission for performance measurement of tax preferences.   | Hasegawa       | Monitor         | S, Ways & Means    |
| <a href="#">5189</a> Concerning photovoltaic electrical systems.  | Smith          | Monitor         | S, Commerce and La |
| <a href="#">5294</a> Recognizing hydroelectricity as an eligible renewable resource in the energy independence act.   | Ericksen       | Monitor         | S, Energy, Enviro  |
| <a href="#">5369</a> Concerning the use of geothermal resources.  | Kline          | Monitor         | S, Energy, Enviro  |
| <a href="#">5382</a> Promoting economic development through tax relief for start-up firms.  | Benton         | Monitor         | S, Trade & Econom  |
| <a href="#">5400</a> Allowing utilities serving customers in Washington and in other states to use eligible renewable resources located within the western electricity coordinating council area to comply with chapter 19.285 RCW, the energy independence act.                                  | Honeyford      | Monitor         | S, Energy, Enviro  |
| <a href="#">5408</a> Modifying the definition of nonpower attributes in the energy independence act.  | Ericksen       | Monitor         | S, Energy, Environ |
| <a href="#">5409</a> Extending the sales and use tax exemption of machinery and equipment that generate electricity from specified sources.   | Ericksen       | Monitor         | S, Ways & Means    |
| <a href="#">5412</a> Adding incremental hydroelectricity that is marketed by the  | Ericksen       | Monitor         | S, Energy, Enviro  |

Bonneville power administration to the definition of an eligible renewable resource for the purposes of chapter 19.285 RCW.

|                      |   |          |         |                   |
|----------------------|---|----------|---------|-------------------|
| <a href="#">5429</a> | Increasing accountability for the tax preferences for manufacturing machinery and equipment by requiring a net benefit to the state and deferring sales and use tax.            | Chase    | Monitor | S, Trade & Econom |
| <a href="#">5431</a> | Recognizing hydroelectricity as an eligible renewable resource in the energy independence act.  | Ericksen | Monitor | S, Energy, Enviro |
| <a href="#">5438</a> | Using conservation achieved by a qualifying utility in excess of its biennial acquisition target under the energy independence act.   | Ericksen | Monitor | S, Energy, Enviro |
| <a href="#">5448</a> | Narrowing the requirement that utilities purchase electricity, renewable energy credits, or electric generating facilities that are not needed to serve their customers' loads. | Ericksen | Monitor | S, Energy, Enviro |

### CALENDAR ITEMS

|                 |      |                              |  |     |          |       |
|-----------------|------|------------------------------|--|-----|----------|-------|
| <b>2/5/2013</b> | 1154 | Nonpower attributes          | Environment                              |     | 8:00 AM  | HHR C |
| <b>2/5/2013</b> | 1347 | Hydroelectric generation/BPA | Environment                              |     | 8:00 AM  | HHR C |
| <b>2/5/2013</b> | 5382 | Start-up firms tax relief    | Trade & Economic Development             |     | 8:00 AM  | SHR 3 |
| <b>2/5/2013</b> | 1443 | Industrial/manuf. facilities | Technology & Economic Development        |     | 10:00 AM | HHR C |
| <b>2/6/2013</b> | 5400 | Utilities/energy indep. act  | Energy, Environment & Telecommunications | TVW | 8:00 AM  | SHR 4 |
| <b>2/6/2013</b> | 5408 | Nonpower attributes          | Energy, Environment & Telecommunications | TVW | 8:00 AM  | SHR 4 |
| <b>2/6/2013</b> | 5412 | Incremental hydroelectricity | Energy, Environment & Telecommunications | TVW | 8:00 AM  | SHR 4 |
| <b>2/6/2013</b> | 5189 | Photovoltaic electr. systems | Commerce & Labor                         |     | 1:30 PM  | SHR 2 |

### BILL TRACKING DETAILS

**1017**

#### EFFICIENCY STANDARDS

**MORRIS**

Representative Morris

Creates new efficiency standards for battery charger systems, water closets, and urinals.  
 Authorizes a city or county to enact an ordinance authorizing the sale and installation of nonlow consumption water closets or urinals.

Full Text URL: <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/1017.pdf>

**1030**

#### ELECTRIC TRANSMISSION LINES

**MORRIS**

Representative Morris

Adopts the electric transmission line siting compact.

Full Text URL: <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/1030.pdf>

**1154**

#### NONPOWER ATTRIBUTES

**UPTHEGROVE**

Representatives Upthegrove and Ryu

Provides exclusions to the definition of "nonpower attributes" for purposes of the energy independence act.

Full Text URL: <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/1154.pdf>

**1347**

#### HYDROELECTRIC GENERATION/BPA

**SHORT**

Representatives Short, Takko, Kretz, Kristiansen, Klippert, Pike, Haler, Angel, Harris, Smith, Hayes, Magendanz, Vick, Buys, Schmick, Holy, Warnick, Dahlquist, Shea, Condotta, Fagan, and Parker

Authorizes a qualifying utility, under the energy independence act, to use certain eligible renewable resources to meet its compliance obligation with regard to annual targets.  
Prohibits a qualifying utility from transferring or selling these eligible renewable resources to another utility for compliance purposes.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/1347.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House%20Bills/1347.pdf)

**1443** INDUSTRIAL/MANUF. FACILITIES **SELLS**  
Representatives Sells and Hope

Provides property tax exemptions to encourage new manufacturing and industrial uses on undeveloped or underutilized lands zoned for industrial and manufacturing uses in targeted urban areas.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/1443.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House%20Bills/1443.pdf)

**4200** HYDROELECTRIC GENERATION **HALER**  
Representative Haler

Proposes an amendment to the state Constitution to require that hydroelectric generation be recognized as a renewable resource.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/4200.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House%20Bills/4200.pdf)

**5032** ELECTRIC UTILITY FUNDS **ERICKSEN**  
Senator Ericksen

Extends the expiration date, from June 30, 2011, to June 30, 2018, on the tax credit for certain contributions made to electric utility rural economic development revolving funds.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5032.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5032.pdf)

**5041** TAX PREFERENCES **HASEGAWA**  
Senators Hasegawa and Conway

Implements recommendations related to the tax preference review process conducted by the joint legislative audit and review committee and the citizen commission for performance measurement of tax preferences.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5041.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5041.pdf)

**5189** PHOTOVOLTAIC ELECTR. SYSTEMS **SMITH**  
Senators Smith, Benton, Braun, Becker, Padden, Hill, Bailey, Sheldon, Dammeier, Honeyford, and Roach

Allows a person with a valid limited energy system electrician certificate or a valid telecommunications electrician certificate to obtain an endorsement from the department of labor and industries allowing the person to install, maintain, replace, or repair photovoltaic electrical systems.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5189.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5189.pdf)

**5294** HYDROELECTRICITY **ERICKSEN**  
Senators Ericksen, Holmquist Newbry, Roach, Sheldon, Becker, Rivers, Bailey, Padden, Delvin, Smith, Honeyford, Pearson, King, Braun, Parlette, Schoesler, Hewitt, and Carrell

Revises the energy independence act by recognizing hydroelectricity as an eligible renewable resource.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5294.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5294.pdf)

**5369**

**GEOTHERMAL RESOURCES**

**KLINE**

Senators Kline, King, Honeyford, and Mullet

Clarifies that ownership of geothermal resources resides with the surface owner unless the interest is otherwise reserved or conveyed. Provides that no water uses associated with a geothermal well impair any water use authorized through appropriation under Title 90 RCW (water rights--environment). Creates the geothermal account.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5369.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5369.pdf)

**5382**

**START-UP FIRMS TAX RELIEF**

**BENTON**

Senators Benton, Holmquist Newbry, Rivers, Carrell, Padden, and Shin

Provides businesses with a fifty percent credit against business and occupation tax owed for the first five years of their operation.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5382.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5382.pdf)

**5400**

**UTILITIES/ENERGY INDEP. ACT**

**HONEYFORD**

Senators Honeyford, Ericksen, and Hewitt

Authorizes qualifying utilities serving retail customers to use eligible renewable resources located within the western electricity coordinating council area to comply with the energy independence act.

**Companion Bill:** 1426 Utilities/energy indep. act H, Environment

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5400.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5400.pdf)

**5408**

**NONPOWER ATTRIBUTES**

**ERICKSEN**

Senator Ericksen

Provides exclusions for the definition of "nonpower attributes" for purposes of the energy independence act.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5408.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5408.pdf)

**5409**

**MACHINERY & EQUIP TAX EXEMP**

**ERICKSEN**

Senators Ericksen, Ranker, Litzow, Cleveland, Fain, Carrell, and Holmquist Newbry

Delays, until June 30, 2015, the expiration of the sales and use tax exemption on machinery and equipment that generate electricity from specified sources.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5409.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5409.pdf)

**5412**

**INCREMENTAL HYDROELECTRICITY**

**ERICKSEN**

Senators Ericksen, Smith, Sheldon, and Carrell

Revises the definition of "eligible renewable resource" for purposes of the energy independence act.

**Full Text URL:** [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5412.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5412.pdf)

**5429**

**TAX PREFS/MANUFACTURING**

**CHASE**

Senators Chase, Hasegawa, Conway, Nelson, Kohl-Welles, Keiser, and Kline

Requires an applicant to show a net benefit to the state in order to claim certain manufacturing machinery and equipment tax preferences.

Requires the department of revenue to issue a sales and use tax deferral certificate for certain sales and use taxes.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5429.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5429.pdf)

**5431**

**HYDROELECTRICITY**

**ERICKSEN**

Senators Ericksen, Carrell, Pearson, Benton, Padden, Smith, and Bailey

Revises the energy independence act by recognizing hydroelectricity as an eligible renewable resource.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5431.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5431.pdf)

**5438**

**CONSERVATION BY UTILITY**

**ERICKSEN**

Senators Ericksen and Chase

Revises the energy independence act to allow conservation achieved by a qualifying utility in excess of its biennial acquisition target to be used to meet its subsequent biennial target.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5438.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5438.pdf)

**5448**

**UTILITY PURCHASES**

**ERICKSEN**

Senators Ericksen, Hewitt, Carrell, Schoesler, Honeyford, Delvin, Sheldon, Hatfield, Smith, Benton, Padden, and Chase

Revises the energy independence act to narrow the requirement that utilities purchase electricity, renewable energy credits, or electric generating facilities that are not needed to serve their customers' loads.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/5448.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/5448.pdf)