S-3297.1			

SENATE BILL 6019

62nd Legislature

2011 2nd Special Session

By Senator Ranker

State of Washington

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

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- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 4
- 5 Sec. 1. RCW 19.29A.010 and 2000 c 213 s 2 are each amended to read as follows: 6
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise. 8
 - (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-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 direct service industrial customers, as defined in section 3(8) of the 17 18 Pacific Northwest electric power planning and conservation act (16 U.S.C. Sec. 839(a)(8)). 19

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

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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.
- (13) "Electricity" means electric energy measured in kilowatt 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.
- (19) "Investor-owned utility" means a company owned by investors that meets the definition of RCW 80.04.010 and is engaged in distributing electricity to more than one retail electric customer in 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.
- (21) "Natural gas generation" means electricity produced by a generating facility that burns natural gas as the primary fuel source.
- (22) "Northwest power pool" means the generating resources included

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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.
- 10 (24) "Oil generation" means electricity produced by a generating 11 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.
- 35 (31) "Solar generation" means electricity derived from radiation 36 from the sun that is directly or indirectly converted to electrical 37 energy.
 - (32) "State" means the state of Washington.

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

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- (34) "Wind generation" means electricity created by movement of air that is converted to electrical energy.
- (35) "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, including but not limited to the facility's fuel type, geographic location, vintage, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.
- (36) "Null power" means electricity that has been separated from 13 its nonpower attributes; it is not renewable and cannot be represented 14 15 as such.
- 16 Sec. 2. RCW 19.29A.060 and 2000 c 213 s 4 are each amended to read as follows: 17
 - (1) Each retail supplier shall disclose the fuel mix of each electricity product it offers to retail electric customers as follows:
 - (a) For an electricity product comprised entirely of declared resources, a retail supplier shall disclose the fuel mix for the electricity product based on the quantity of electric generation from those declared resources for the previous calendar year and any adjustment, if taken, available under subsection (6) of this section.
 - (b) For an electricity product comprised of no declared resources, a retail supplier shall report the fuel mix for the electricity product as the fuel mix of net system power for the previous calendar year, as determined and in the manner provided by the electricity information coordinator under RCW 19.29A.080.
 - (c) For an electricity product comprised of a combination of declared resources and the net system power, a retail supplier shall disclose the fuel mix for the electricity product as a weighted average of the megawatt-hours from declared resources and the megawatt-hours from the net system power mix for the previous calendar year according to the proportion of declared resources and net system power contained in the electricity product.

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- 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:
 - (a) Coal generation;
 - (b) Hydroelectric generation;
 - (c) Natural gas generation;
 - (d) Nuclear generation; ((and))
 - (e) Null power; and

- (f) Other generation, except that when a component of the other generation category meets or exceeds two percent of the total electricity product sold by a retail supplier during the previous calendar year, the retail supplier shall identify the component or components and display the fuel mix percentages for these component sources, which may include, but are not limited to: (i) Biomass generation; (ii) geothermal generation; (iii) landfill gas generation; (iv) oil generation; (v) solar generation; (vi) waste incineration; or (vii) wind generation. A retail supplier may voluntarily identify any component or components within the other generation category that comprises two percent or less of annual sales.
- (3) Retail suppliers may separately report a subcategory of natural gas generation to identify high efficiency cogeneration, and shall report null power when applicable as provided in subsection (2) of this section.
- (4) Except as provided in subsection (3) of this section, a retail supplier cannot include in the disclosure label any environmental quality or environmental impact qualifier related to any of the generation categories disclosed.
- (5) For the portion of an electricity product purchased from the Bonneville power administration, retail suppliers may disclose the Bonneville power administration system mix.
- (6) A retail supplier may adjust its reported fuel mix for known changes in its declared resources for the current year based on any changes in its sources of electricity supply from either generation or contracts. If a retail supplier changes its fuel mix during a calendar year, it shall report those changes to the electricity information coordinator.

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

(b) Each disclosure label must include a footnote stating "Null power is a designation given to electricity from generation sources whose environmentally related characteristics have been sold separately for compliance with laws that require utilities to meet renewable energy standards."

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