



## Washington State Legislature

### Joint Committee on Energy Supply & Energy Conservation Member Policy Recommendations

#### **Representative Norma Smith:**

1. On capital budget and at several of our hearings and meetings, we've learned about the significant and game-changing impact of efficiency efforts. We need a path forward to update the decade old data used to draft I-937 so that we recognize the overwhelming success of the region in acquiring energy efficiency by providing flexibility and energy efficiency incentives to qualifying utilities to prioritize efficiency. What are the best policies to align the acquisition of resources with load growth projections to reward good utility planning, prioritize energy efficiency, and avoid the overbuilding and overinvestment in renewable energy resources until they are needed to serve load or replace retiring generation. I am particularly concerned that as we move forward we do so with a keen attentiveness to the impact on all rate payers across Washington State and the production sector of our economy.
2. Research and opportunity to determine alternative compliance paths that recognize updated data and still meet the goals of 937 - conservation and new renewables.
3. True-cost assessments of cycling and ramping of baseline supply need to be determined and used as a factor, as does as assessment of energy storage and how best to recognize our current challenges (critical materials and supply chains). New policy proposals will need a great deal of flexibility to allow for the innovative developments in storage, efficiency and technology, without picking winners and losers.
4. Fostering innovation in the Washington state clean energy economy and the more widespread deployment of renewable resources by identifying as an eligible renewable resource in the Energy Independence Act acquisition of qualifying next generation battery storage (defined to drive national security, broader and more affordable deployment, energy independence and sustainability goals). Also, contributions to qualifying Washington-state based clean energy research facilities, contributions to a new scholarship account for Washington State students majoring in STEM fields at in-state universities, or contributions to workforce training centers should be considered as eligible investments.

**Representative Cindy Ryu** is interested in pursuing a WA PACE (Property Assessed Clean Energy) program to fund energy efficiencies and clean energy improvements on commercial properties. Similar programs exist in 31 states and D.C. The PACE enabling legislation would result in a state approach to increasing financing opportunities for solar as well as other energy efficiency improvements for commercial developments or retrofits. The WA PACE program would be a tool to assist utilities and the state in meeting future I-937 goals.

Visit [www.pacenow.org](http://www.pacenow.org) to learn more about the existing programs.

**Senator John Braun:** See attached letter.



## Washington State Senate

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20th Legislative District

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October 22, 2014

Dear Representatives Morris and Smith,

Please consider the following items for discussion at the October 27, 2014, work session of the Joint Committee on Energy Supply and Energy Conservation (JCESEC).

### **(1) Cost-Effective Conservation**

ESHB 1643 (2014) amended the Energy Independence Act (EIA) to provide greater flexibility for qualifying utilities to meet their biennial acquisition targets for cost-effective conservation. RCW 19.285.040. The JCESEC should explore whether more must be done to afford even greater flexibility for the purpose of encouraging conservation.

### **(2) Hydroelectric Generation**

EHB 2733 (2014) broadened the EIA definition of "eligible renewable resource" to include hydroelectric generation from facilities located in irrigation pipes, irrigation canals, municipal water pipes, and wastewater pipes. RCW 19.285.030. Each year, the legislature entertains multiple bills addressing the need to include hydroelectric generation as an eligible renewable resource under the EIA. The JCESEC should consider whether more expansive inclusion of hydroelectric generation will help qualifying utilities meet statutory targets. A wide range of ideas should be on the table, including but not limited to full inclusion of all hydroelectric generation, new hydroelectric facilities in small streams, and incremental electricity produced as a result of efficiency improvements at hydroelectric facilities whose energy output is marketed by the Bonneville Power Administration.

### **(3) Coal Transition Power**

The EIA includes the use of coal transition power in the achievement of statutory targets. RCW 19.285.040. The JCESEC should discuss whether policies can be adopted to make coal transition power a more useful part of qualifying utilities' efforts to comply with the EIA.

Sincerely,

A handwritten signature in black ink, appearing to read "John Braun", written over a horizontal line.

Senator John Braun  
20th Legislative District