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**HOUSE BILL 1679**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Representatives Barnard and Stearns

1 AN ACT Relating to encouraging electric utility investments in  
2 advanced nuclear reactor projects for clean energy transformation act  
3 compliance; amending RCW 19.405.040, 19.405.020, and 19.405.100; and  
4 creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that nuclear energy  
7 is a safe and reliable source of nonemitting energy and that all  
8 electricity provided to Washington retail electric customers must be  
9 from nonemitting or renewable resources by January 1, 2045. The  
10 legislature finds that advanced nuclear reactors hold great promise  
11 for delivering significant amounts of nonemitting energy to the grid  
12 with enhanced safety and increased efficiency. Nuclear energy is a  
13 clean, firm complement to renewable resources, has low land-use  
14 requirements, and provides high-paying jobs and regional economic  
15 benefits. Therefore, the legislature finds value in encouraging  
16 electric utilities to invest now in new advanced nuclear reactor  
17 projects as these utilities work to comply with clean energy  
18 transformation act requirements by 2045.

19 **Sec. 2.** RCW 19.405.040 and 2019 c 288 s 4 are each amended to  
20 read as follows:

1 (1) It is the policy of the state that all retail sales of  
2 electricity to Washington retail electric customers be greenhouse gas  
3 neutral by January 1, 2030.

4 (a) For the four-year compliance period beginning January 1,  
5 2030, and for each multiyear compliance period thereafter through  
6 December 31, 2044, an electric utility must demonstrate its  
7 compliance with this standard using a combination of nonemitting  
8 electric generation and electricity from renewable resources, or  
9 alternative compliance options, as provided in this section. To  
10 achieve compliance with this standard, an electric utility must: (i)  
11 Pursue all cost-effective, reliable, and feasible conservation and  
12 efficiency resources to reduce or manage retail electric load, using  
13 the methodology established in RCW 19.285.040, if applicable; and  
14 (ii) use electricity from renewable resources and nonemitting  
15 electric generation in an amount equal to one hundred percent of the  
16 utility's retail electric loads over each multiyear compliance  
17 period. An electric utility must achieve compliance with this  
18 standard for the following compliance periods: January 1, 2030,  
19 through December 31, 2033; January 1, 2034, through December 31,  
20 2037; January 1, 2038, through December 31, 2041; and January 1,  
21 2042, through December 31, 2044.

22 (b) Through December 31, 2044, an electric utility may satisfy up  
23 to twenty percent of its compliance obligation under (a) of this  
24 subsection with an alternative compliance option consistent with this  
25 section. An alternative compliance option may include any combination  
26 of the following:

27 (i) Making an alternative compliance payment under RCW  
28 19.405.090(2);

29 (ii) Using unbundled renewable energy credits, provided that  
30 there is no double counting of any nonpower attributes associated  
31 with renewable energy credits within Washington or programs in other  
32 jurisdictions, as follows:

33 (A) Unbundled renewable energy credits produced from eligible  
34 renewable resources, as defined under RCW 19.285.030, which may be  
35 used by the electric utility for compliance with RCW 19.285.040 and  
36 this section as provided under RCW 19.285.040(2)(e); and

37 (B) Unbundled renewable energy credits, other than those included  
38 in (b)(ii)(A) of this subsection, that represent electricity  
39 generated within the compliance period;

1 (iii) Investing in energy transformation projects, including  
2 additional conservation and efficiency resources beyond what is  
3 otherwise required under this section, provided the projects meet the  
4 requirements of subsection (2) of this section and are not credited  
5 as resources used to meet the standard under (a) of this subsection;  
6 (~~or~~)

7 (iv) Using electricity from an energy recovery facility using  
8 municipal solid waste as the principal fuel source, where the  
9 facility was constructed prior to 1992, and the facility is operated  
10 in compliance with federal laws and regulations and meets state air  
11 quality standards. An electric utility may only use electricity from  
12 such an energy recovery facility if the department and the department  
13 of ecology determine that electricity generation at the facility  
14 provides a net reduction in greenhouse gas emissions compared to any  
15 other available waste management best practice. The determination  
16 must be based on a life-cycle analysis comparing the energy recovery  
17 facility to other technologies available in the jurisdiction in which  
18 the facility is located for the waste management best practices of  
19 waste reduction, recycling, composting, and minimizing the use of a  
20 landfill; or

21 (v) Investing in an advanced nuclear reactor project.

22 (c) Electricity from renewable resources used to meet the  
23 standard under (a) of this subsection must be verified by the  
24 retirement of renewable energy credits. Renewable energy credits must  
25 be tracked and retired in the tracking system selected by the  
26 department.

27 (d) Hydroelectric generation used by an electric utility in  
28 meeting the standard under (a) of this subsection may not include new  
29 diversions, new impoundments, new bypass reaches, or expansion of  
30 existing reservoirs constructed after May 7, 2019, unless the  
31 diversions, bypass reaches, or reservoir expansions are necessary for  
32 the operation of a pumped storage facility that: (i) Does not  
33 conflict with existing state or federal fish recovery plans; and (ii)  
34 complies with all local, state, and federal laws and regulations.

35 (e) Nothing in (d) of this subsection precludes an electric  
36 utility that owns and operates hydroelectric generating facilities,  
37 or the owner of a hydroelectric generating facility whose energy  
38 output is marketed by the Bonneville power administration, from  
39 making efficiency or other improvements to its hydroelectric  
40 generating facilities existing as of May 7, 2019, or from installing

1 hydroelectric generation in pipes, culverts, irrigation canals, and  
2 other man-made waterways, as long as those changes do not create  
3 conflicts with existing state or federal fish recovery plans and  
4 comply with all local, state, and federal laws and regulations.

5 (f) Nonemitting electric generation used to meet the standard  
6 under (a) of this subsection must be generated during the compliance  
7 period and must be verified by documentation that the electric  
8 utility owns the nonpower attributes of the electricity generated by  
9 the nonemitting electric generation resource.

10 (g) Nothing in this section prohibits an electric utility from  
11 purchasing or exchanging power from the Bonneville power  
12 administration.

13 (2) Investments in energy transformation projects used to satisfy  
14 an alternative compliance option provided under subsection (1)(b) of  
15 this section must use criteria developed by the department of  
16 ecology, in consultation with the department and the commission. For  
17 the purpose of crediting an energy transformation project toward the  
18 standard in subsection (1)(a) of this section, the department of  
19 ecology must establish a conversion factor of emissions reductions  
20 resulting from energy transformation projects to megawatt-hours of  
21 electricity from nonemitting electric generation that is consistent  
22 with the emission factors for unspecified electricity, or for energy  
23 transformation projects in the transportation sector, consistent with  
24 default emissions or conversion factors established by other  
25 jurisdictions for clean alternative fuels. Emissions reductions from  
26 energy transformation projects must be:

27 (a) Real, specific, identifiable, and quantifiable;

28 (b) Permanent: The department of ecology must look to other  
29 jurisdictions in setting this standard and make a reasonable  
30 determination on length of time;

31 (c) Enforceable by the state of Washington;

32 (d) Verifiable;

33 (e) Not required by another statute, rule, or other legal  
34 requirement; and

35 (f) Not reasonably assumed to occur absent investment, or if an  
36 investment has already been made, not reasonably assumed to occur  
37 absent additional funding in the near future.

38 (3) Energy transformation projects or advanced nuclear reactor  
39 projects must be associated with the consumption of energy in

1 Washington and must not create a new use of fossil fuels that results  
2 in a net increase of fossil fuel usage.

3 (4) The compliance eligibility of energy transformation projects  
4 may be scaled or prorated by an approved protocol in order to  
5 distinguish effects related to reductions in electricity usage from  
6 reductions in fossil fuel usage.

7 (5) Any compliance obligation fulfilled through an investment in  
8 an energy transformation project or advanced nuclear reactor project  
9 is eligible for use only: (a) By the electric utility that makes the  
10 investment; (b) if the investment is made by the Bonneville power  
11 administration, by electric utilities that are preference customers  
12 of the Bonneville power administration; or (c) if the investment is  
13 made by a joint operating agency organized under chapter 43.52 RCW,  
14 (~~by a member of the joint operating agency~~) by a utility  
15 participating in the project investment. An electric utility making  
16 an investment in partnership with another electric utility or entity  
17 may claim credit proportional to its share invested in the total  
18 project cost.

19 (6)(a) In meeting the standard under subsection (1) of this  
20 section, an electric utility must, consistent with the requirements  
21 of RCW 19.285.040, if applicable, pursue all cost-effective,  
22 reliable, and feasible conservation and efficiency resources, and  
23 demand response. In making new investments, an electric utility must,  
24 to the maximum extent feasible:

25 (i) Achieve targets at the lowest reasonable cost, considering  
26 risk;

27 (ii) Consider acquisition of existing renewable resources; and

28 (iii) In the acquisition of new resources constructed after May  
29 7, 2019, rely on renewable resources (~~and~~), energy storage, and  
30 nuclear energy resources insofar as doing so is consistent with  
31 (a)(i) of this subsection.

32 (b) Electric utilities subject to RCW 19.285.040 must demonstrate  
33 pursuit of all conservation and efficiency resources through  
34 compliance with the requirements in RCW 19.285.040.

35 (7) An electric utility that fails to meet the requirements of  
36 this section must pay the administrative penalty established under  
37 RCW 19.405.090(1), except as otherwise provided in this chapter.

38 (8) In complying with this section, an electric utility must,  
39 consistent with the requirements of RCW 19.280.030 and 19.405.140,  
40 ensure that all customers are benefiting from the transition to clean

1 energy: Through the equitable distribution of energy and nonenergy  
2 benefits and reduction of burdens to vulnerable populations and  
3 highly impacted communities; long-term and short-term public health  
4 and environmental benefits and reduction of costs and risks; and  
5 energy security and resiliency.

6 (9) Affected market customers must comply with the standard  
7 established under subsection (1) of this section.

8 (10) A market customer that purchases electricity exclusively  
9 from carbon-free resources and eligible renewable resources, as  
10 defined in RCW 19.285.030 as of January 1, 2019, pursuant to a  
11 special contract with an investor-owned utility approved, prior to  
12 May 7, 2019, by order of the commission is subject to the  
13 requirements of such an order and not to the standard established in  
14 this section. For purposes of interpreting any such special contract,  
15 chapter 19.285 RCW, as in effect on January 1, 2019, is not, either  
16 directly or indirectly, amended or supplemented.

17 (11) To reduce costs for utility customers or avoid exceeding the  
18 cost impact limit in RCW 19.405.060(3)(a), a multistate electric  
19 utility with fewer than two hundred fifty thousand customers in  
20 Washington may apply the total amount of megawatt-hours of coal-fired  
21 resources eliminated from the utility's allocation of electricity  
22 before December 31, 2025, as an equivalent amount of megawatt-hours  
23 of nonemitting electric generation or electricity from renewable  
24 resources required to comply with subsection (1)(a) of this section.  
25 The utility must demonstrate that for every megawatt-hour of early  
26 action compliance credit there is a real, permanent reduction in  
27 greenhouse gas emissions in the western interconnection directly  
28 associated with that credit. A multistate electric utility must  
29 request to use early action compliance credit in its clean energy  
30 implementation plan that is submitted under RCW 19.405.060. The  
31 multistate electric utility must specify in its clean energy  
32 implementation plan the compliance years to which the early action  
33 compliance credit will apply, but in no event may the multistate  
34 electric utility use the early action compliance credits beyond 2035.  
35 The commission must establish conditions for use of early action  
36 compliance credits, including a determination of whether action  
37 constitutes early action, before the multistate electric utility's  
38 use of early action compliance credits in a clean energy  
39 implementation plan.

1       **Sec. 3.** RCW 19.405.020 and 2024 c 83 s 2 are each amended to  
2 read as follows:

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

5       (1) "Advanced nuclear reactor" means a nuclear fission reactor  
6 with significant improvements, including additional inherent safety  
7 features, compared to reactors operating on December 27, 2020, in the  
8 United States.

9       (2) "Allocation of electricity" means, for the purposes of  
10 setting electricity rates, the costs and benefits associated with the  
11 resources used to provide electricity to an electric utility's retail  
12 electricity consumers that are located in this state.

13       ~~((2))~~ (3) "Alternative compliance payment" means the payment  
14 established in RCW 19.405.090(2).

15       ~~((3))~~ (4) "Attorney general" means the Washington state office  
16 of the attorney general.

17       ~~((4))~~ (5) "Auditor" means: (a) The Washington state auditor's  
18 office or its designee for utilities under its jurisdiction under  
19 this chapter that are consumer-owned utilities; or (b) an independent  
20 auditor selected by a utility that is not under the jurisdiction of  
21 the state auditor and is not an investor-owned utility.

22       ~~((5))~~ (6)(a) "Biomass energy" includes: (i) Organic by-products  
23 of pulping and the wood manufacturing process; (ii) animal manure;  
24 (iii) solid organic fuels from wood; (iv) forest or field residues;  
25 (v) untreated wooden demolition or construction debris; (vi) food  
26 waste and food processing residuals; (vii) liquors derived from  
27 algae; (viii) dedicated energy crops; and (ix) yard waste.

28       (b) "Biomass energy" does not include: (i) Wood pieces that have  
29 been treated with chemical preservatives such as creosote,  
30 pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old  
31 growth forests; or (iii) municipal solid waste.

32       ~~((6))~~ (7) "Carbon dioxide equivalent" has the same meaning as  
33 defined in RCW 70A.45.010.

34       ~~((7))~~ (8)(a) "Coal-fired resource" means a facility that uses  
35 coal-fired generating units, or that uses units fired in whole or in  
36 part by coal as feedstock, to generate electricity.

37       (b)(i) "Coal-fired resource" does not include an electric  
38 generating facility that is included as part of a limited duration  
39 wholesale power purchase, not to exceed one month, made by an  
40 electric utility for delivery to retail electric customers that are

1 located in this state for which the source of the power is not known  
2 at the time of entry into the transaction to procure the electricity.

3 (ii) "Coal-fired resource" does not include an electric  
4 generating facility that is subject to an obligation to meet the  
5 standards contained in RCW 80.80.040(3)(c).

6 ~~((8))~~ (9) "Commission" means the Washington utilities and  
7 transportation commission.

8 ~~((9))~~ (10) "Conservation and efficiency resources" means any  
9 reduction in electric power consumption that results from increases  
10 in the efficiency of energy use, production, transmission, or  
11 distribution.

12 ~~((10))~~ (11) "Consumer-owned utility" means a municipal electric  
13 utility formed under Title 35 RCW, a public utility district formed  
14 under Title 54 RCW, an irrigation district formed under chapter 87.03  
15 RCW, a cooperative formed under chapter 23.86 RCW, or a mutual  
16 corporation or association formed under chapter 24.06 RCW, that is  
17 engaged in the business of distributing electricity to more than one  
18 retail electric customer in the state.

19 ~~((11))~~ (12) "Demand response" means changes in electric usage  
20 by demand-side resources from their normal consumption patterns in  
21 response to changes in the price of electricity, or to incentive  
22 payments designed to induce lower electricity use, at times of high  
23 wholesale market prices or when system reliability is jeopardized.  
24 "Demand response" may include measures to increase or decrease  
25 electricity production on the customer's side of the meter in  
26 response to incentive payments.

27 ~~((12))~~ (13) "Department" means the department of commerce.

28 ~~((13))~~ (14) "Distributed energy resource" means a nonemitting  
29 electric generation or renewable resource or program that reduces  
30 electric demand, manages the level or timing of electricity  
31 consumption, or provides storage, electric energy, capacity, or  
32 ancillary services to an electric utility and that is located on the  
33 distribution system, any subsystem of the distribution system, or  
34 behind the customer meter, including conservation and energy  
35 efficiency.

36 ~~((14))~~ (15) "Electric utility" or "utility" means a consumer-  
37 owned utility or an investor-owned utility.

38 ~~((15))~~ (16) "Energy assistance" means a program undertaken by a  
39 utility to reduce the household energy burden of its customers.



1 (a) Energy assistance includes, but is not limited to,  
2 weatherization, conservation and efficiency services, and monetary  
3 assistance, such as a grant program or discounts for lower income  
4 households, intended to lower a household's energy burden.

5 (b) Energy assistance may include direct customer ownership in  
6 distributed energy resources or other strategies if such strategies  
7 achieve a reduction in energy burden for the customer above other  
8 available conservation and demand-side measures.

9 ~~((16))~~ (17) "Energy assistance need" means the amount of  
10 assistance necessary to achieve a level of household energy burden  
11 established by the department or commission.

12 ~~((17))~~ (18) "Energy burden" means the share of annual household  
13 income used to pay annual home energy bills.

14 ~~((18))~~ (19)(a) "Energy transformation project" means a project  
15 or program that: Provides energy-related goods or services, other  
16 than the generation of electricity; results in a reduction of fossil  
17 fuel consumption and in a reduction of the emission of greenhouse  
18 gases attributable to that consumption; and provides benefits to the  
19 customers of an electric utility.

20 (b) "Energy transformation project" may include but is not  
21 limited to:

22 (i) Home weatherization or other energy efficiency measures,  
23 including market transformation for energy efficiency products, in  
24 excess of: The target established under RCW 19.285.040(1), if  
25 applicable; other state obligations; or other obligations in effect  
26 on May 7, 2019;

27 (ii) Support for electrification of the transportation sector  
28 including, but not limited to:

29 (A) Equipment on an electric utility's transmission and  
30 distribution system to accommodate electric vehicle connections, as  
31 well as smart grid systems that enable electronic interaction between  
32 the electric utility and charging systems, and facilitate the  
33 utilization of vehicle batteries for system needs;

34 (B) Incentives for the sale or purchase of electric vehicles,  
35 both battery and fuel cell powered, as authorized under state or  
36 federal law;

37 (C) Incentives for the installation of charging equipment for  
38 electric vehicles;

39 (D) Incentives for the electrification of vehicle fleets  
40 utilizing a battery or fuel cell for electric supply;

1 (E) Incentives to install and operate equipment to produce or  
2 distribute renewable hydrogen; and

3 (F) Incentives for renewable hydrogen fueling stations;

4 (iii) Investment in distributed energy resources and grid  
5 modernization to facilitate distributed energy resources and improved  
6 grid resilience;

7 (iv) Investments in equipment for renewable natural gas  
8 processing, conditioning, and production, or equipment or  
9 infrastructure used solely for the purpose of delivering renewable  
10 natural gas for consumption or distribution;

11 (v) Contributions to self-directed investments in the following  
12 measures to serve the sites of large industrial gas and electrical  
13 customers: (A) Conservation; (B) new renewable resources; (C) behind-  
14 the-meter technology that facilitates demand response cooperation to  
15 reduce peak loads; (D) infrastructure to support electrification of  
16 transportation needs, including battery and fuel cell  
17 electrification; or (E) renewable natural gas processing,  
18 conditioning, or production; and

19 (vi) Projects and programs that achieve energy efficiency and  
20 emission reductions in the agricultural sector, including bioenergy  
21 and renewable natural gas projects.

22 ~~((19))~~ (20) "Fossil fuel" means natural gas, petroleum, coal,  
23 or any form of solid, liquid, or gaseous fuel derived from such a  
24 material.

25 ~~((20))~~ (21) "Governing body" means: The council of a city or  
26 town; the commissioners of an irrigation district, municipal electric  
27 utility, or public utility district; or the board of directors of an  
28 electric cooperative or mutual association that has the authority to  
29 set and approve rates.

30 ~~((21))~~ (22) "Greenhouse gas" includes carbon dioxide, methane,  
31 nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur  
32 hexafluoride, and any other gas or gases designated by the department  
33 of ecology by rule under RCW 70A.45.010.

34 ~~((22))~~ (23) "Highly impacted community" means a community  
35 designated by the department of health based on cumulative impact  
36 analyses in RCW 19.405.140 or a community located in census tracts  
37 that are fully or partially on "Indian country" as defined in 18  
38 U.S.C. Sec. 1151.

39 ~~((23))~~ (24) "Investor-owned utility" means a company owned by  
40 investors that meets the definition of "corporation" in RCW 80.04.010

1 and is engaged in distributing electricity to more than one retail  
2 electric customer in the state.

3 ~~((24))~~ (25) "Low-income" means household incomes as defined by  
4 the department or commission, provided that the definition may not  
5 exceed the higher of eighty percent of area median household income  
6 or two hundred percent of the federal poverty level, adjusted for  
7 household size.

8 ~~((25))~~ (26)(a) "Market customer" means a nonresidential  
9 customer of an electric utility that: (i) Purchases electricity from  
10 an entity or entities other than the utility with which it is  
11 directly interconnected; or (ii) generates electricity to meet one  
12 hundred percent of its own needs.

13 (b) An "affected market customer" is a customer of a utility who  
14 becomes a market customer after May 7, 2019.

15 ~~((26))~~ (27)(a) "Natural gas" means naturally occurring mixtures  
16 of hydrocarbon gases and vapors consisting principally of methane,  
17 whether in gaseous or liquid form, including methane clathrate.

18 (b) "Natural gas" does not include renewable natural gas or the  
19 portion of renewable natural gas when blended into other fuels.

20 ~~((27))~~ (28)(a) "Nonemitting electric generation" means  
21 electricity from a generating facility or a resource that provides  
22 electric energy, capacity, or ancillary services to an electric  
23 utility and that does not emit greenhouse gases as a by-product of  
24 energy generation.

25 (b) "Nonemitting electric generation" does not include renewable  
26 resources.

27 ~~((28))~~ (29)(a) "Nonpower attributes" means all environmentally  
28 related characteristics, exclusive of energy, capacity reliability,  
29 and other electrical power service attributes, that are associated  
30 with the generation of electricity, including but not limited to the  
31 facility's fuel type, geographic location, vintage, qualification as  
32 a renewable resource, and avoided emissions of pollutants to the air,  
33 soil, or water, and avoided emissions of carbon dioxide and other  
34 greenhouse gases.

35 (b) "Nonpower attributes" does not include any aspects, claims,  
36 characteristics, and benefits associated with the on-site capture and  
37 destruction of methane or other greenhouse gases at a facility  
38 through a digester system, landfill gas collection system, or other  
39 mechanism, which may be separately marketable as greenhouse gas  
40 emission reduction credits, offsets, or similar tradable commodities.

1 However, these separate avoided emissions may not result in or  
2 otherwise have the effect of attributing greenhouse gas emissions to  
3 the electricity.

4 ~~((29))~~ (30) "Qualified transmission line" means an overhead  
5 transmission line that is: (a) Designed to carry a voltage in excess  
6 of one hundred thousand volts; (b) owned in whole or in part by an  
7 investor-owned utility; and (c) primarily or exclusively used by such  
8 an investor-owned utility as of May 7, 2019, to transmit electricity  
9 generated by a coal-fired resource.

10 ~~((30))~~ (31) "Renewable energy credit" means a tradable  
11 certificate of proof of one megawatt-hour of a renewable resource.  
12 The certificate includes all of the nonpower attributes associated  
13 with that one megawatt-hour of electricity and the certificate is  
14 verified by a renewable energy credit tracking system selected by the  
15 department.

16 ~~((31))~~ (32) "Renewable hydrogen" means hydrogen produced using  
17 renewable resources both as the source for the hydrogen and the  
18 source for the energy input into the production process.

19 ~~((32))~~ (33) "Renewable natural gas" means a gas consisting  
20 largely of methane and other hydrocarbons derived from the  
21 decomposition of organic material in landfills, wastewater treatment  
22 facilities, and anaerobic digesters.

23 ~~((33))~~ (34) "Renewable resource" means: (a) Water; (b) wind;  
24 (c) solar energy; (d) geothermal energy; (e) renewable natural gas;  
25 (f) renewable hydrogen; (g) wave, ocean, or tidal power; (h)  
26 biodiesel fuel that is not derived from crops raised on land cleared  
27 from old growth or first growth forests; or (i) biomass energy.

28 ~~((34))~~ (35)(a) "Retail electric customer" means a person or  
29 entity that purchases electricity from any electric utility for  
30 ultimate consumption and not for resale.

31 (b) "Retail electric customer" does not include, in the case of  
32 any electric utility, any person or entity that purchases electricity  
33 exclusively from carbon-free and eligible renewable resources, as  
34 defined in RCW 19.285.030 as of January 1, 2019, pursuant to a  
35 special contract with an investor-owned utility approved by an order  
36 of the commission prior to May 7, 2019.

37 ~~((35))~~ (36) "Retail electric load" means the amount of  
38 megawatt-hours of electricity delivered in a given calendar year by  
39 an electric utility to its Washington retail electric customers.  
40 "Retail electric load" does not include:

1 (a) Megawatt-hours delivered from qualifying facilities under the  
2 federal public utility regulatory policies act of 1978, P.L. 95-617,  
3 in operation prior to May 7, 2019, provided that no entity other than  
4 the electric utility can make a claim on delivery of the megawatt-  
5 hours from those resources; or

6 (b) Megawatt-hours delivered to an electric utility's system from  
7 a renewable resource through a voluntary renewable energy purchase by  
8 a retail electric customer of the utility in which the renewable  
9 energy credits associated with the megawatt-hours delivered are  
10 retired on behalf of the retail electric customer.

11 (~~(36)~~) (37) "Thermal renewable energy credit" means, with  
12 respect to a facility that generates electricity using biomass energy  
13 that also generates thermal energy for a secondary purpose, a  
14 renewable energy credit that is equivalent to three million four  
15 hundred twelve thousand British thermal units of energy used for such  
16 secondary purpose.

17 (~~(37)~~) (38) "Unbundled renewable energy credit" means a  
18 renewable energy credit that is sold, delivered, or purchased  
19 separately from electricity. All thermal renewable energy credits are  
20 considered unbundled renewable energy credits.

21 (~~(38)~~) (39) "Unspecified electricity" means an electricity  
22 source for which the fuel attribute is unknown or has been separated  
23 from the energy delivered to retail electric customers.

24 (~~(39)~~) (40) "Vulnerable populations" means communities that  
25 experience a disproportionate cumulative risk from environmental  
26 burdens due to:

27 (a) Adverse socioeconomic factors, including unemployment, high  
28 housing and transportation costs relative to income, access to food  
29 and health care, and linguistic isolation; and

30 (b) Sensitivity factors, such as low birth weight and higher  
31 rates of hospitalization.

32 **Sec. 4.** RCW 19.405.100 and 2019 c 288 s 10 are each amended to  
33 read as follows:

34 (1) It is the intent of this chapter that the commission and  
35 department adopt rules to streamline the implementation of chapter  
36 288, Laws of 2019 with chapter 19.285 RCW to simplify compliance and  
37 avoid duplicative processes. It is the intent of the legislature that  
38 the commission and the department coordinate in developing rules

1 related to process, timelines, and documentation that are necessary  
2 for the implementation of this chapter.

3 (2) The commission may adopt rules to ensure the proper  
4 implementation and enforcement of this chapter as it applies to  
5 investor-owned utilities.

6 (3) The department may adopt rules to ensure the proper  
7 implementation and enforcement of this chapter as it applies to  
8 consumer-owned utilities. Nothing in this subsection may be construed  
9 to restrict the rate-making authority of the governing body of a  
10 consumer-owned utility as otherwise provided by law.

11 (4) The department must adopt rules establishing reporting  
12 requirements for electric utilities to demonstrate compliance with  
13 this chapter. The requirements must, to the extent practicable, be  
14 consistent with the disclosures required under chapter 19.29A RCW.

15 (5) An investor-owned utility must also report all information  
16 required in subsection (4) of this section to the commission.

17 (6) An electric utility must also make reports required in this  
18 section available to its retail electric customers.

19 (7) The department of ecology must adopt rules, in consultation  
20 with the commission and the department of commerce, to establish  
21 requirements for energy transformation project investments including,  
22 but not limited to, verification procedures, reporting standards, and  
23 other logistical issues as necessary.

24 (8) The department must adopt rules providing for the measuring  
25 and tracking of thermal renewable energy credits that may be used for  
26 compliance under RCW 19.405.040.

27 (9) Pursuant to the administrative procedure act, chapter 34.05  
28 RCW, rules needed for the implementation of this chapter must be  
29 adopted by January 1, 2021, unless specified otherwise elsewhere in  
30 this chapter. These rules may be revised as needed to carry out the  
31 intent and purposes of this chapter.

32 (10) The department must adopt rules to verify how a project may  
33 qualify as an advanced nuclear reactor project and to set the method  
34 for determining how investments in advanced nuclear reactor projects  
35 are measured for compliance with RCW 19.405.040(1)(b).

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