HOUSE BILL 1924

State of Washington 68th Legislature 2024 Regular Session

By Representative Shavers

Prefiled 12/11/23.

- 1 AN ACT Relating to promoting the integration of fusion technology
- 2 within state clean energy policies; amending RCW 43.394.020 and
- 3 43.157.010; and adding a new section to chapter 43.21F RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.21F 6 RCW to read as follows:
- 7 (1) In addition to the principles guiding the development and 8 implementation of the state energy strategy described in RCW 9 43.21F.088, the state must ensure that the pursuit of cleaner energy sources actively includes and supports innovative, emerging, and promising clean energy technologies, such as fusion energy.
- 12 (2) For the purposes of this section, "fusion energy" means 13 energy production derived directly or indirectly from the merger of 14 atomic nuclei.
- 15 (3) The legislature finds that fusion energy is a rapidly 16 advancing clean energy technology and that Washington is poised to 17 become a world leader in fusion energy development.
- 18 **Sec. 2.** RCW 43.394.020 and 2023 c 230 s 102 are each amended to 19 read as follows:

p. 1 HB 1924

1 (1) The responsibilities of the coordinating council include, but 2 are not limited to:

- (a) Identifying actions to improve siting and permitting of clean energy projects as defined in RCW 43.158.010, including through review of the recommendations of the department of ecology and department of commerce's 2022 Low Carbon Energy Facility Siting Improvement Report, creating implementation plans and timelines, and making recommendations for needed funding or policy changes;
- (b) Tracking federal government efforts to improve clean energy project siting and permitting, including potential federal funding sources, and identifying state agency actions to improve coordination across state, local, and federal processes or to pursue supportive funding;
- (c) Conducting outreach to parties with interests in clean energy siting and permitting for ongoing input on how to improve state agency processes and actions;
- (d) Establishing work groups as needed to focus on specific energy types such as solar, wind, battery storage, or emerging technologies, or specific geographies for clean energy project siting;
- (e) The creation of advisory committees deemed necessary to inform the development of items identified in (a) through (d) of this subsection;
- (f) Supporting the governor's office of Indian affairs in creating and updating annually, or when requested by a federally recognized Indian tribe, a list of contacts at federally recognized Indian tribes, applicable tribal laws on consultation from federally recognized Indian tribes, and tribal preferences regarding outreach about clean energy project siting and permitting, such as outreach by developers directly, by state government in the government-to-government relationship, or both;
- (g) Supporting the department of archaeology and historic preservation, the governor's office of Indian affairs, the department of commerce, and the energy facility site evaluation council in developing and providing to clean energy project developers a training on consultation and engagement processes for federally recognized Indian tribes. The governor's office of Indian affairs must collaborate with federally recognized Indian tribes in the development of the training;

p. 2 HB 1924

- (h) Supporting the department of archaeology and historic preservation in updating the statewide predictive archaeological model to provide clean energy project developers information about where archaeological resources are likely to be found and the potential need for archaeological investigations; and
- (i) Supporting and promptly providing information to the department of ecology in support of the nonproject reviews required under RCW 43.21C.538.
- (2) The coordinating council shall provide an annual report beginning October 1, 2024, to the governor and the appropriate committees of the legislature summarizing: Progress on efficient, effective, and responsible siting and permitting of clean energy projects; areas of additional work, including where clean energy project siting and permitting outcomes are not broadly recognized as efficient, effective, or responsible; resource needs; recommendations for future nonproject environmental impact statements for categories of clean energy projects, which must include a recommendation of whether and when fusion energy, as defined in section 1 of this act, could be expected to be an appropriate category on which to carry out a nonproject environmental impact statement; and any needed policy changes to help achieve the deployment of clean energy necessary to meet the state's statutory greenhouse gas emissions limits, chapter 70A.45 RCW, and the clean energy transformation act requirements, chapter 19.405 RCW, and to support achieving the state energy strategy adopted by the department of commerce.
 - (3) The coordinating council shall:

1

2

3

4

5

7

8

9

10 11

12

1314

1516

17

18 19

20

2122

23

2425

26

27

28

29

30 31

32

33

34

35

36

37

- (a) Advise the department of commerce in:
- (i) Contracting with an external, independent third party to:
- (A) Carry out an evaluation of state agency siting and permitting processes for clean energy projects and related federal and state regulatory requirements, including the energy facility site evaluation council permitting process authorized in chapter 80.50 RCW;
- (B) Identify successful models used in other states for the siting and permitting of projects similar to clean energy projects, including local and state government programs to prepare build ready clean energy sites; and
- 38 (C) Develop recommendations for improving these processes, 39 including potential policy changes and funding, with the goal of more 40 efficient, effective siting of clean energy projects; and

p. 3 HB 1924

(ii) Reporting on the evaluation and recommendations in (a)(i) of this subsection to the governor and the legislature by July 1, 2024;

- (b) Pursue development of a consolidated clean energy application similar to the joint aquatic resources permit application for, at a minimum, state permits needed for clean energy projects. The department of ecology shall lead this effort and engage with federal agencies and local governments to explore inclusion of federal and local permit applications as part of the consolidated application. The department may design a single consolidated application for multiple clean energy project types, may design separate applications individual clean energy technologies, or may design application for related resources. The department of ecology shall provide an update on its development of consolidated permit applications for clean energy projects to the governor and legislature by December 31, 2024. The consolidated permit application process must be available, but not required, for clean energy projects;
 - (c) Explore development of a consolidated permit for clean energy projects. The department of ecology shall lead this effort and, in consultation with federally recognized Indian tribes, explore options including a clean energy project permit that consolidates department of ecology permits only, or that consolidates permits from multiple state and local agencies. The permit structure must identify criteria or conditions that must be met for projects to use the consolidated permit. The department of ecology may analyze criteria or conditions as part of a nonproject review under chapter 43.21C RCW. The department of ecology shall update the legislature on its evaluation of consolidated permit options and make recommendations by October 1, 2024;
 - (d) Determine priorities for categories of clean energy projects to be the focus of new nonproject environmental impact statements under chapter 43.21C RCW for the legislature to fund subsequent to the nonproject environmental impact statements specified in RCW 43.21C.535; and
 - (e) Consider and provide recommendations to the legislature on additional benefits that could be provided to projects designated as clean energy projects of statewide significance under RCW 43.158.030.
- **Sec. 3.** RCW 43.157.010 and 2020 c 46 s 2 are each amended to 39 read as follows:

p. 4 HB 1924

- The definitions in this section apply throughout this chapter and RCW 28A.525.166, 43.21A.350, and 90.58.100, unless the context requires otherwise:
 - (1) "Applicant" means a person applying to the department for designation of a development project as a project of statewide significance.
 - (2) "Aviation biofuels production facility" means a facility primarily for the processing of nonfossil biogenic feedstocks to produce aviation fuels that meet the fuel quality technical standards of the American society for testing materials for aviation fuels and coproducts.
 - (3) "Department" means the department of commerce.

4

5

7

8

9

10 11

12

15

25

34

- 13 (4) "Manufacturing" shall have the meaning assigned it in RCW 82.62.010.
 - (5) (a) "Project of statewide significance" means:
- 16 (i) A border crossing project that involves both private and 17 public investments carried out in conjunction with adjacent states or 18 provinces;
- 19 (ii) A development project that will provide a net environmental 20 benefit;
- 21 (iii) A development project in furtherance of the 22 commercialization of innovations;
- 23 (iv) A private industrial development with private capital investment in manufacturing or research and development;
 - (v) An aviation biofuels production facility;
- 26 (vi) A pumped storage project using water rights approved by the legislature for that purpose; ((ox))
- 28 (vii) A fusion energy facility or facility manufacturing or 29 assembling component parts for fusion energy facilities; or
- 30 <u>(viii)</u> A project designated by the legislature and codified under this chapter.
- 32 (b) To qualify for designation under RCW 43.157.030 as a project 33 of statewide significance:
 - (i) The project must be completed after January 1, 2009;
- 35 (ii) The applicant must submit an application to the department 36 for designation as a project of statewide significance to the 37 department of commerce; and
- 38 (iii) Except for an aviation biofuels production facility, the 39 project must have:

p. 5 HB 1924

1 (A) In counties with a population less than or equal to ((twenty thousand)) 20,000, a capital investment of ((five million dollars)) \$5,000,000;

4

5

7

8

9

26

2728

33

34

3536

3738

- (B) In counties with a population greater than (($\frac{\text{twenty}}{\text{thousand}}$)) 20,000 but no more than (($\frac{\text{fifty thousand}}{\text{thousand}}$)) 50,000, a capital investment of (($\frac{\text{ten million dollars}}{\text{thousand}}$)) $\frac{$10,000,000}{\text{thousand}}$;
- (C) In counties with a population greater than ((fifty thousand)) 50,000 but no more than ((one hundred thousand)) 100,000, a capital investment of ((fifteen million dollars)) \$15,000,000;
- 10 (D) In counties with a population greater than ((one hundred thousand)) 100,000 but no more than ((two hundred thousand)) 200,000, a capital investment of ((twenty million dollars)) \$20,000,000;
- (E) In counties with a population greater than ((two hundred thousand)) 200,000 but no more than ((four hundred thousand))

 400,000, a capital investment of ((thirty million dollars))

 \$30,000,000;
- (F) In counties with a population greater than ((four hundred thousand)) 400,000 but no more than ((one million)) 1,000,000, a capital investment of ((forty million dollars)) \$40,000,000;
- 20 (G) In counties with a population greater than ((one million))
 21 <u>1,000,000</u>, a capital investment of ((fifty million dollars))
 22 \$50,000,000;
- 23 (H) In rural counties as defined by RCW 82.14.370, projected 24 full-time employment positions after completion of construction of 25 ((fifty)) 50 or greater;
 - (I) In counties other than rural counties as defined by RCW 82.14.370, projected full-time employment positions after completion of construction of ((one hundred)) 100 or greater; or
- 29 (J) Been qualified by the director of the department as a project 30 of statewide significance either because:
- 31 (I) The economic circumstances of the county merit the additional assistance such designation will bring;
 - (II) The impact on a region due to the size and complexity of the project merits such designation;
 - (III) The project resulted from or is in furtherance of innovation activities at a public research institution in the state or is in or resulted from innovation activities within an innovation partnership zone; or
- 39 (IV) The project will provide a net environmental benefit as 40 evidenced by plans for design and construction under green building

p. 6 HB 1924

standards or for the creation of renewable energy technology or components or under other environmental criteria established by the director in consultation with the director of the department of ecology.

5

7

A project may be qualified under this subsection (5)(b)(iii)(J) only after consultation on the availability of staff resources of the office of regulatory assistance.

8 (6) "Research and development" shall have the meaning assigned it 9 in RCW 82.62.010.

--- END ---

p. 7 HB 1924