

Weekly Legislative Update: Climate Change & Energy

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As always, some victories, some defeats. The following summarizes bills that passed and those that did not, with status as of March 15. Potentially, the governor could veto or line-item veto any of those passed but not yet signed by him. He has until March 30 to act on most of these.

Bills That Passed

<u>HB 1280</u> - Greenhouse gas emissions reductions in the design of public facilities. According to the <u>2021 State Energy strategy</u>, buildings now account for over 20% of greenhouse gas releases in our state. Taking positive and deliberate steps to transition toward clean energy sources is important to reach our legislated limits for greenhouse gas emissions. This bill makes two important updates: 1) including greenhouse gas emissions in new building life-cycle analysis, and 2) assuring renewable energy systems are considered in building design options. It awaits the governor's signature.

<u>HB 1619</u> - Appliance efficiency standards. Appliance standards experience adjustments to incorporate new technology and opportunities. This bill establishes new energy efficiency standards for air purifiers, commercial ovens, and electric vehicle supply equipment; and updated efficiency standards for commercial hot food holding cabinets, portable electric spas and residential ventilating fans. Energy saved through improved efficiency is equivalent to green energy generated, and saves money so we must continue to invest in improved appliances. We cannot depend on federal policy to take action, so the states must act and work to align regulations with other states. The bill passed the legislature and was signed by the governor.

<u>HB 1623</u> – Risk assessment of power supply inadequacy events. Requires the Department of Commerce and the Utilities and Transportation Commission to conduct additional meetings to assess energy resource adequacy plus an additional stakeholder meeting in 2022. An amendment increased emphasis on transmission adequacy, not just supply adequacy, and that version passed both chambers unanimously, and awaits the governor's signature.

<u>HB 1663</u> - **Reducing methane emissions from landfills.** Methane releases are an increasing concern due to their 25 times greater greenhouse gas effect than CO2. The most significant source is leakage from drilling and transport, including right up to the building of use, so the most effective way to reduce releases is to phase out using methane. A smaller but significant

source is from bio material decay in landfills. This bill requires monitoring landfill leakage and encourages elimination through capture and redirection or even flame-off because the carbon dioxide created is less harmful than the release of methane. An amended bill (substitute) proposed by one of the bill sponsors specified several exemptions and refined the required efficiency for diversion of the methane. Senate amendments specified more details in requirements and allowed more flexibility by landfill operators. It awaits the governor's signature.

HB 1799 – Organic materials management to reduce methane. Requires waste management systems to direct more organic matter toward composting facilities, reduces legal liability in the donation of edible food, encourages development of more applications for compost products, improves standards for the labeling and color coding of compostable food-ware products, and applies additional requirements on non-compostable items. During the legislative process amendments specified waivers, exemptions, and technical clarifications, mostly to accommodate the constraints of smaller jurisdictions, removed a requirement for non-plastic stickers on produce, and made changes in color identification for serviceware. Adjustments to definitions excluded human sewage biosolids from the affected materials. The House and Senate concurred on the amendments and it now awaits the governor's signature.

<u>HB 1814</u> – Community solar projects. Enables residents, whose housing is not easily or efficiently retrofitted for solar panels, to join a <u>community solar project</u> installation and enjoy the benefits. Amendments increased the caps on the allowed size of the community solar projects eligible for incentives, and increased the caps on the available funding. This version passed both chambers and awaits the governor's signature.

<u>HB 1988</u> – Tax deferrals for investment projects in clean technology manufacturing, clean alternative fuels production, and renewable energy storage. Defers state and local sales and use taxes for investment projects in either qualified buildings or qualified machinery and equipment, for new, renovated, or expanded manufacturing operations, including zero-emission vehicles and electricity from renewable resources; facilities that produce clean fuels; and facilities that store electricity from renewable resources. It passed the House then passed the Senate on the final day of the session, so it awaits the governor's signature.

SB 5722 - Reducing greenhouse gas emissions in buildings. Greenhouse gas release from buildings, primarily in heating systems, is second only to transportation in Washington. A Municipal Research and Services Center <u>summary</u> shows that building electrification improves indoor air quality, plus often reduces lifecycle costs as well. This bill is a continuation of the clean buildings bill from 2019, and is a step toward designing new buildings larger than 20,000 sq ft—including multifamily housing—to incorporate more carbon-free energy sources. It initially requires a bench-marking period to determine opportunities and costs. It awaits the governor's signature.

SB 5842 – State laws that address climate change. This large (41 pages) and technical bill contains clarifications, refinements, and additional elements for the Cap and Invest program, the core of the Climate Commitment Act of 2021. It sets schedules for creating and assigning allowances to energy users, and further specifies business-market competitive sensitive information that cannot be disclosed. We have no time to lose in doing our part to limit climate change. Economic reactions will change, and technologies will emerge, so we should expect annual revisions of the Climate Commitment Act and other climate programs to guide implementation toward the performance required. It passed the Senate, then was amended in the House Environment & Energy Committee to define more specifically the policies for spending revenue from the act, for oversight, for greenhouse gas emission reductions that are real, permanent, quantifiable, verifiable. It passed the full house and the amendments were approved in both chambers. It awaits the governor's signature.

SB 5910 - Accelerating the availability and use of renewable hydrogen in Washington state. Creates a statewide Office of Renewable Fuels under the Department of Commerce to focus development of new fuels based on renewable green hydrogen production, and to enable the distribution and use of the fuels. Hydrogen gas may have a significant role to play in energy storage, alternative fuels for bridging generation service gaps, and for uses difficult to electrify with current technology such as aviation, long-haul trucking. and industrial processes. Most hydrogen today is produced with methane, and the process releases carbon dioxide, unless that is captured. The Office of Renewable Fuels will coordinate efforts of government, private entities, and institutions of higher education, and will report to the Legislature on opportunities and progress. Funding is planned primarily from the Federal Infrastructure Investment and Jobs Act. Washington is in a good position to secure this funding due to the commitment toward transitioning to all clean electricity. It awaits the governor's signature.

Bills We Supported that did not pass

<u>HB 1682</u> – Emissions-intensive, trade-exposed (EITE) businesses. This is a refinement of the Climate Commitment Act, cap and trade and invest, which will require almost continuous adjustment to maximize effectiveness and prevent unintended consequences, but not this session.

<u>HB 1767</u> – Targeted electrification through outreach and investment in system conversion. Authorizes municipal electric utilities and public utility districts (PUDs) to adopt a targeted electrification plans, including incentives, once they establish that utility outreach and investment in the electrification of customers' end use equipment in residential and commercial buildings provide net benefits to the utility. Investor-owned utilities already have this ability.

<u>ESHB 1770</u> - Strengthening energy codes to create a set of building codes that reach farther than the base state building codes to reduce greenhouse gas production, but are <u>optional</u> for a county or city to implement for their region. Find details in a <u>summary sheet</u> from one of our coalition partners. Buildings and their systems have long lives, so the investments made today will affect energy and greenhouse gas performance for many years. This bill narrowly passed the House, and was amended to delete requirements that new buildings be net-zero-ready. It languished on the Senate floor with numerous proposed amendments and never had a final vote.

<u>HB 1792</u> – **Green Hydrogen production in WA state.** It never received a vote on the House floor, but much of the intent is covered by SB 5910 and HB 1988.

<u>2SHB 1810</u> - Promoting the fair servicing and repair of digital electronic products in a safe, secure, reliable, and sustainable manner to increase access to appropriate and affordable digital products, support small businesses and jobs, and enhance digital connectivity in Washington state. The Right to Repair Act moved out of the House Rules Committee to the House Floor on Feb 7 and on Feb 22, the House returned the bill to the Rules Committee with no further House action.

<u>SHB 1896</u> - **Providing for responsible environmental management of batteries** by creating extended producer responsibility programs for portable batters and a commerce study for larger batteries. Passed out of House Appropriations but died in the House Rules Committee.

<u>SB 5492</u> - **Providing for the recycling of wind turbine blades.** Had a Public hearing in the Senate Committee on Environment, Energy & Technology on Jan 19, but was not voted out of this policy committee.

<u>SB 5543</u> – A zero-emission landscaping equipment transition incentive program. Fuel-powered landscaping equipment is a source of GHG release, air pollutants, and community noise. This bill proposed rebates for new, electrical-powered equipment when the fuel-powered equipment is traded in and disposed of. It passed the Senate Committee on Environment, Energy & Technology, but made no progress after that.

<u>SSB 5697</u> - Renewing Washington's recycling system and reducing waste. With numerous proposed amendments, the RENEW Act was pulled on Feb. 4 from the Senate Ways and Means agenda with no action considered.

<u>SB 5732</u> – Green roofs on large commercial and multifamily buildings. Would require all new buildings 50,000 square feet or larger to cover 70 percent of the roof space with green roofing and-or solar panels. Expected benefits include reduced storm water runoff, reduced urban heat island effect, and improved air quality.

Growth Management Act

The <u>Growth Management Act</u> (GMA) was adopted in 1990 to ensure inevitable land development avoids needless degradation of our environment, preserve agricultural and natural areas, and encourage growth in areas that can accommodate transportation and utility capability. The legislature has made numerous updates as additional needs were identified, and that includes recent legislative sessions. We are disappointed that several bills addressing climate mitigation and adaptation have failed to pass over the past two sessions. You can find details in our <u>GMA issue page</u>. These failures will require even more effort during the next few years.

Why we focus attention on these bills

The League believes that climate change is a serious threat facing our nation and planet. ... Individuals, communities, and governments must continue to address this issue, while considering the ramifications of their decisions, at all levels — local, state, regional, national, and global. Approved by the LWVUS Board at the January 2019 meeting.

A recent <u>Rhodium Group study</u> suggests that economic incentives, standards, and regulations will be <u>all</u> necessary, and this must occur at <u>all</u> government levels. It is our privilege to freely participate in our democracy.

How You Can Be Involved

- If you would like to receive periodic news of environmental presentations, projects, and updates, join the LWVWA Environment Affinity Group. Contact Martin Gibbins, Climate Issue Chair, mgibbins@lwvwa.org
- Local Leagues in Washington have Action Chairs who coordinate action teams. Some Local Leagues have Environment or Climate teams to take action locally. Contact your Local League Action Chair to find out and join.