

SENATE BILL REPORT

SHB 2401

As of February 15, 2006

Title: An act relating to developing regional compacts for siting transmission lines.

Brief Description: Developing regional compacts for siting transmission lines.

Sponsors: House Committee on Technology, Energy & Communications (originally sponsored by Representatives Morris and B. Sullivan).

Brief History: Passed House: 2/10/06, 98-0.

Committee Activity: Water, Energy & Environment: 2/15/06, 2/23/06.

SENATE COMMITTEE ON WATER, ENERGY & ENVIRONMENT

Staff: William Bridges (786-7424)

Background: National Interest Electric Transmission Corridors. The National Energy Policy Act of 2005 (Act) authorizes the U.S. Secretary of Energy to conduct a study by August 2006, and triennially thereafter, of electric transmission congestion. Based on the study, the Secretary may designate any geographic area a "national interest electric transmission corridor."

Federal Preemption. Under certain conditions, the Act authorizes the Federal Energy Regulatory Commission (FERC) to issue permits for the construction or modification of electric transmission facilities in national interest electric transmission corridors. However, FERC's preemption authority is limited in those states that have established regional transmission siting agencies.

Interstate Compacts. Under the Act, three or more contiguous states may form an interstate compact to establish a regional transmission siting agency. Such an agency is authorized to site future electric transmission facilities within a member state. FERC may still preempt a regional transmission siting agency if a disagreement among the member states impedes the construction of transmission facilities in a relevant national interest electric transmission corridor.

Summary of Bill: Establishing a task force to negotiate the terms of an interstate compact creating a regional transmission siting agency. The agency will be authorized to site transmission facilities in national interest electric transmission corridors located in the member states.

Membership. The chair and ranking minority members of the Senate and House energy committees will serve as legislative representatives on the task force. The Governor must appoint five members representing the Energy Facility Site Evaluation Council (EFSEC), local governments, resource agencies, or other appropriate persons. Members of the task force

will choose co-chairs representing the House and the Senate from among its legislative membership.

Process. The task force must negotiate the terms of the compact through processes established and supported by the Pacific Northwest Economic Region (PNWER). The task force must ensure that the compact reflects as close as possible the EFSEC model.

Staff Support. The respective committees and appropriate executive agencies must support the task force.

Reporting Requirements. The task force must report its preliminary and final recommendations to the Legislature by January 1, 2007, and September 1, 2007, respectively.

Appropriation: None.

Fiscal Note: Available on original bill.

Committee/Commission/Task Force Created: Yes.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: A regional transmission siting authority would prevent FERC preemption. The task force to negotiate an interstate compact creating the authority will meet during the annual PNWER meeting.

Testimony Against: None.

Who Testified: PRO: Rep. Morris, prime sponsor; Jim Luce, EFSEC.