

Multiple Agency Fiscal Note Summary

Bill Number: 1216 S HB	Title: Clean energy siting
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	526,000	0	0	520,000	0	0	520,000
Utilities and Transportation Commission	0	0	50,150	0	0	50,150	0	0	50,150
Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Natural Resources	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	576,150	0	0	570,150	0	0	570,150

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Governor's Office of Indian Affairs	.5	92,000	92,000	92,000	.5	94,000	94,000	94,000	.5	94,000	94,000	94,000
Office of Attorney General	1.8	0	0	526,000	1.8	0	0	520,000	1.8	0	0	520,000
Department of Commerce	Fiscal note not available											
Utilities and Transportation Commission	.3	0	0	73,039	.3	0	0	71,544	.3	0	0	71,544
Department of Archaeology and Historic Preservation	1.1	476,927	476,927	476,927	1.1	272,952	272,952	272,952	1.1	272,952	272,952	272,952
Washington State University	.5	600,000	600,000	600,000	.0	0	0	0	.0	0	0	0
Department of Transportation	.0	0	0	56,000	.0	0	0	56,000	.0	0	0	56,000
Department of Transportation	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Ecology	26.5	0	0	13,248,232	20.7	0	0	6,708,838	20.7	0	0	6,708,838
Department of Ecology	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Energy Facility Site Evaluation Council	1.1	0	0	303,692	1.1	0	0	304,126	1.1	0	0	304,126
Department of Fish and Wildlife	2.0	620,000	620,000	620,000	2.0	620,000	620,000	620,000	2.0	620,000	620,000	620,000
Department of Natural Resources	.6	164,200	164,200	164,200	.3	81,400	81,400	81,400	.3	81,400	81,400	81,400
Department of Agriculture	.5	205,200	205,200	205,200	.5	205,200	205,200	205,200	.5	205,200	205,200	205,200
Total \$	34.9	2,158,327	2,158,327	16,365,290	28.3	1,273,552	1,273,552	8,934,060	28.3	1,273,552	1,273,552	8,934,060

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Governor's Office of Indian Affairs	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	Fiscal note not available								
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Archaeology and Historic Preservation	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Department of Transportation	.2	0	0	.2	0	0	.2	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Energy Facility Site Evaluation Council	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
Department of Agriculture	.0	0	0	.0	0	0	.0	0	0
Total \$	0.2	0	0	0.2	0	0	0.2	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

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Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Preliminary 2/21/2023
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Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 075-Office of the Governor
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Tracy Sayre	Phone: 360-890-5279	Date: 02/15/2023
Agency Approval: Kathy Cody	Phone: (360) 480-7237	Date: 02/15/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/15/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Substitute House Bill 1216 requires the Office of the Governor to participate in the Interagency Clean Energy Siting Council. We believe this participation can be accomplished within current resources and therefore does not have a fiscal impact.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 086-Governor's Office of Indian Affairs
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.5
Account					
General Fund-State 001-1	47,000	45,000	92,000	94,000	94,000
Total \$	47,000	45,000	92,000	94,000	94,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Seth Flory	Phone: 360-407-8165	Date: 02/14/2023
Agency Approval: Seth Flory	Phone: 360-407-8165	Date: 02/14/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/15/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 101(1) of Substitute House Bill 1216 establishes the Interagency Clean Energy Siting Coordinating Council and grants the Governor's Office of Indian Affairs (GOIA) a seat on the council.

Section 102(1)(f) give GOIA the task of creating and maintaining a list of contacts at federally recognized 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. Section 102(1)(g) further tasks GOIA and other agencies with developing a training on consultation and engagement with recognized tribes.

GOIA anticipates needing to designate .5 FTE of a Program Managers position to serve on the Council, maintain the list of contacts, and act as a liaison with tribal communities.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

GOIA anticipates needing to designate .5 FTE of a Program Managers position to serve on the Council, maintain the list of contacts, and act as a liaison with tribal communities.

Up to \$4000 in one time funding would be needed in the first year to provide equipment, furniture, and office supplies for the position.

Travel, costing at least \$1000/yr, is expected for the Program Manager to carry out the duties of the Council and maintain relationships with tribal communities.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	47,000	45,000	92,000	94,000	94,000
Total \$			47,000	45,000	92,000	94,000	94,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.5
A-Salaries and Wages	31,000	32,500	63,500	68,000	68,000
B-Employee Benefits	11,000	11,500	22,500	24,000	24,000
C-Professional Service Contracts					
E-Goods and Other Services	500		500		
G-Travel	1,000	1,000	2,000	2,000	2,000
J-Capital Outlays	3,500		3,500		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	47,000	45,000	92,000	94,000	94,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Program Manager	61,632	0.5	0.5	0.5	0.5	0.5
Total FTEs		0.5	0.5	0.5	0.5	0.5

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 100-Office of Attorney General
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1	263,000	263,000	526,000	520,000	520,000
Total \$	263,000	263,000	526,000	520,000	520,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8	1.8	1.8	1.8	1.8
Account					
Legal Services Revolving Account-State 405-1	263,000	263,000	526,000	520,000	520,000
Total \$	263,000	263,000	526,000	520,000	520,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Chad Standifer	Phone: 3605863650	Date: 02/15/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/15/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/15/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1: Findings.

Section 101: Creates the “Interagency Clean Energy Siting Coordinating Council”, co-chaired by the Department of Commerce (Commerce) and the Department of Ecology (Ecology), with participation by the Office of the Governor and several other agencies.

Section 102: Details the duties of the coordinating council, requires the coordinating council to provide an annual report, and requires the coordinating council to advise Commerce in contracting with a third party to evaluate state agency siting and permitting. Pursue development of a consolidated clean energy application for state permits needed for clean energy projects, and explore development of a consolidated permit for clean energy permits led by Ecology.

Section 201: Provides definitions for statutory terms.

Section 202: Requires Commerce to develop an application for designating clean energy projects of statewide significance.

Section 203: Provides specificity with regard to the review done by Commerce in reviewing applications seeking the designation of a clean energy project of statewide significance.

Section 204: Specifies the duties of Ecology in support of an optional, fully coordinated permit process for clean energy projects.

Section 205: Requires Ecology to conduct an initial assessment to determine the level of coordination needed upon request by a proponent of a clean energy project, and specifying the requirements of that assessment.

Section 206: Authorizing a project proponent to submit a request to Ecology for participating in fully coordinated permitting process, and specifies Ecology’s duties relating to the fully coordinated permitting process.

Section 207: Requiring counties and cities with clean energy projects of statewide significance to enter into agreements with Ecology and the project proponent.

Section 208: Requiring project proponents to enter into cost-reimbursement agreements with Ecology in accordance with RCW 43.21A.690 to recover reasonable costs incurred by Ecology and other agencies in carrying out the coordinated permitting process.

Section 209: Requiring Ecology to offer consultation with affected Indian tribes on clean energy projects of statewide significance, and engagement with overburdened communities.

Section 210: Requires Commerce to make available decisions regarding clean energy projects of statewide significance. Authorizing Commerce to terminate those designations. Other miscellaneous provisions.

Section 301: Adds a new section to RCW 43.21C relating to the State Environmental Policy Act, Clean Energy Facilities, and environmental impact statements for clean energy projects.

Section 302: Adds a new section to RCW 43.21C requiring Ecology to prepare non-project environmental impact statements for certain categories of projects.

Section 303: Adds a new section to RCW 43.21C requiring a lead agency to adopt a non-project environmental impact statement, where appropriate.

Section 304: Prohibiting local governments from requiring a project applicant of projects relating to electricity to designate the necessity or utility of the project.

Section 305: Adds a new section to RCW 36.01 relating to county permits for activities associated with renewable energy projects.

Section 306: Requiring the Washington State University to conduct a least-conflict pumped siting process for Washington State, to support expanded capacity to store renewable energy.

Section 307: Requires Commerce to consult with stakeholders as specified in the section, and complete a report on rural clean energy and resilience for submission to the Joint Committee on Energy Supply, Energy Conservation, and Energy Resilience, the Energy Facility Site Evaluation Council, and the legislature.

Section 308: Amends RCW 44.39.010 to create the Joint Committee on Energy Supply, Energy Conservation, and Energy Resilience.

Section 309: Amends RCW 44.39.012 by modifying the definition of “committee” used in the chapter.

Section 310: Specifies what the Joint Committee on Energy Supply, Energy Conservation, and Energy Resilience (Joint Committee) should review; requires the Joint Committee to hold at least four meetings; requires the Joint Committee to reports its findings and recommendations to the Energy Facility Site Evaluation Council and the legislature; provides an expiration date of June 30, 2025 for the section.

Section 401: Provide that sections 101 and 102 constitute a new chapter in RCW 43.

Section 402: Provide that sections 201 through 210 constitute a new chapter in RCW 43.

Section 403: Severability clause.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agencies are the Washington State University (WSU), the Department of Ecology (Ecology), and the Department of Commerce (Commerce). The Attorney General’s Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO’s authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency’s/agencies’ fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

WSU will be billed for non-Seattle rates:

FY 2024: \$3,000 for 0.01 Assistant Attorney General FTE (AAG) and 0.01 Legal Assistant 3 FTE (LA).

FY 2025: \$3,000 for 0.01 AAG and 0.01 LA.

Ecology will be billed for non-Seattle rates:

FY 2024: \$257,000 for 1.0 AAG and 0.5 LA, and each FY thereafter.

Commerce will be billed for non-Seattle rates:

FY 2024: \$3,000 for 0.01 AAG and 0.01 LA, and each FY thereafter.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2023 legislative session.

Location of staffing housed is assumed to be in a non-Seattle and statewide office buildings.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 (MA), is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of an MA.

1. The AGO Washington State University (AGO-WSU) Division has reviewed this bill and determined the following impact related to the enactment of this bill:

The enactment of this bill will impact the provision of legal services to the Washington State University (WSU). AGO-WSU assumes there will be some legal services required under Section 305 conducting a least-conflict pumped storage siting process for Washington State.

AGO-WSU's total FTE workload impact for non-Seattle rate:

FY 2024: \$3,000 for 0.01 AAG and 0.01 LA.

FY 2025: \$3,000 for 0.01 AAG and 0.01 LA.

2. The AGO Ecology (ECY) Division has reviewed this bill and determined the following impact related to the enactment of this bill:

The enactment of this bill would entail a new workload for ECY in several different areas. First, an ECY AAG would need to provide advice to the new clean energy siting coordinating council as it performs the work required by the bill. Second, an ECY AAG would need to provide advice to the Department of Ecology (Ecology) regarding specific clean energy projects that are proposed under this bill's new permitting process. Third, an ECY AAG will need to advise Ecology as it completes the programmatic Environmental Impact Statements (EIS) required by this bill. Finally, an ECY AAG will need to handle any appeals of Ecology permit decisions made under the new process for clean energy facilities. The Ecology's fiscal note for the bill estimates approximately 30 new energy projects will be proposed under this bill each biennium. Each such project will likely be complex and present a wide variety of legal issues. The Ecology's fiscal note estimates a need to hire approximately 25 new staff to implement this bill. Based on Ecology's assumption that approximately 30 new projects will

be proposed under this bill each biennium, or 15 projects per FY, ECY’s estimated AAG FTE workload in FY 2024 is as follows: 0.1 FTE to advise the coordinating council; 0.3 FTE to advise Ecology regarding specific projects under this bill (assuming 15 projects per FY); 0.1 FTE to advise Ecology regarding the programmatic EISs required by this bill; and 0.5 FTE for litigation costs (assuming approximately two new appeals per FY).

Advice requests will likely diminish over time, but litigation will likely increase as projects work through the process and get appealed. In FY 2025 ECY’s estimated workload is: 0.3 FTE to advise clean energy projects; 0.1 FTE to advise the programmatic EISs; and 0.6 FTE for litigation costs for Ecology appeals; and no legal assistance for the coordinating council.

ECY assumes the following workload in FY 2026: 0.3 FTE to advise projects; no legal assistance for the programmatic EISs (which should be finished after two years); and 0.7 FTE for litigation costs for Ecology appeals (assuming 2 Ecology appeals per FY).

ECY’s total FTE workload impact for non-Seattle rates:

FY 2024: \$257,000 for 1.0 AAG and 0.5 LA, and each FY thereafter.

3. The AGO Agriculture and Health Division (AHD) has reviewed this bill and determined the following assumptions related to the enactment of this bill:

The enactment of this bill will not impact the provision of legal services by AHD to the Department of Archaeology and Historic Preservation (DAHP) because DAHP’s participation on the interagency clean energy siting coordinating council created in Section 101 is not expected to generate requests for legal services.

The enactment of this bill will not impact the provision of legal services by AHD to the Washington State Department of Agriculture (WSDA) because WSDA’s participation on the interagency clean energy siting coordinating council created in Section 101 is not expected to generate requests for legal services.

The enactment of this bill will impact the provision of legal services by AHD to the Department of Commerce (Commerce). AHD assumes there will be legal services required relating to: Commerce’s work under Sections 202 and 203; developing the application for designation as a clean energy project of statewide significance and reviewing applications; and Commerce co-chairing the interagency clean energy siting coordinating council created in Section 101.

AHD’s total FTE workload impact for non-Seattle rates:

FY 2024: \$3,000 for 0.01 AAG and 0.01 LA, and each FY thereafter.

The AGO’s total FTE workload for non-Seattle rates:

FY 2024: \$263,000 for 1.02 AAG and 0.52 LA.

FY 2025: \$263,000 for 1.02 AAG and 0.52 LA.

FY 2026: \$260,000 for 1.01 AAG and 0.51 LA, and each FY thereafter.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services	State	263,000	263,000	526,000	520,000	520,000
	Revolving Account						
Total \$			263,000	263,000	526,000	520,000	520,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8	1.8	1.8	1.8	1.8
A-Salaries and Wages	174,000	174,000	348,000	344,000	344,000
B-Employee Benefits	57,000	57,000	114,000	112,000	112,000
E-Goods and Other Services	30,000	30,000	60,000	60,000	60,000
G-Travel	2,000	2,000	4,000	4,000	4,000
Total \$	263,000	263,000	526,000	520,000	520,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Assistant Attorney General	118,700	1.0	1.0	1.0	1.0	1.0
Legal Assistant 3	55,872	0.5	0.5	0.5	0.5	0.5
Management Analyst 5	91,524	0.3	0.3	0.3	0.3	0.3
Total FTEs		1.8	1.8	1.8	1.8	1.8

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Agriculture & Health Division (AHD)	3,000	3,000	6,000	6,000	6,000
Ecology Division (ECY)	257,000	257,000	514,000	514,000	514,000
Washing State University Division (WSU)	3,000	3,000	6,000		
Total \$	263,000	263,000	526,000	520,000	520,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 215-Utilities and Transportation Commission
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Public Service Revolving Account-State 111-1	25,075	25,075	50,150	50,150	50,150
Total \$	25,075	25,075	50,150	50,150	50,150

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
Account					
Public Service Revolving Account-State 111-1	37,267	35,772	73,039	71,544	71,544
Total \$	37,267	35,772	73,039	71,544	71,544

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Kim Anderson	Phone: 360-664-1153	Date: 02/16/2023
Agency Approval: Kim Anderson	Phone: 360-664-1153	Date: 02/16/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/20/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The substitute House Bill requires the department of commerce (Commerce) to consult with rural, agriculture, and forestry stakeholders to consider the benefits and impacts of changes in the state's energy system to rural communities. Requires Commerce to complete an interim report on rural clean energy and resilience that examines the impact of energy projects in rural areas and considers input from the stakeholder consultation by December 1, 2023, and a final report by December 1, 2024. The UTC is a listed consultant. Changes the name of the joint committee on energy supply and energy conservation to the joint committee on energy supply, energy conservation, and energy resilience (JCESECER). Requires the JCESECER to review inequities in the historic and anticipated siting of large alternative energy facilities, and to provide an interim report to the legislature by December 2023, and a final report by December 2024.

There is no additional fiscal impact as this consultation is already accounted for in Sec. 204.

The following summary is the same as the House Bill:

Sec. 101 creates the Interagency Clean Energy Siting Coordinating Council which requires a participant from the Utilities and Transportation Commission. The UTC assumes this participation will begin July 1, 2023, with a large effort in the first year to meet the annual report requirement.

Sec. 102(1) further defines the duties of the council, including identifying actions to improve siting and permitting of projects, tracking federal government efforts, conducting outreach, establishing workgroups to focus on specific energy types, creation of any advisory committees, and supporting and updating the outreach to federally recognized Indian tribes.

Sec 102(2) requires the council, which UTC must be a member of, to provide an annual report by July 1, 2024.

Part 2 Sec. 201 further defines various terms. This definition section by nature does not have additional fiscal impact.

Section 202 establishes a process and identifies regulatory assistance available throughout the process for designation as a clean energy project of statewide significance. The Commission is assumed to be one of the "regulatory agencies" that may have to conduct meaningful and timely engagement with potentially affected federally recognized Indian tribes and overburdened communities in this process, as it is defined by Section 201 as a permitting agency, in the case of certain gas projects. This engagement is expected to have fiscal impact with additional Staff time.

Section 203 establishes minimum requirements for applications to the Department of Commerce when entities apply to become clean energy projects of statewide significance. Regulatory agencies, the established council, and permitting agencies are not referenced, and as such this section is not expected to have fiscal impact.

Section 204 establishes a decision process through which the Department of Commerce may designate a project as a clean energy project of statewide significance, in consultation with other state agencies identified as likely to have a role in siting or permitting a project, including the Commission. This consultation is expected to have fiscal impact with additional Staff time, although the process is only applicable for certain gas projects, and as such the additional time is expected to be minimal.

Sec 205 establishes a clean energy navigator role to assist applicants, and all involved with the application and approval process for becoming a clean energy project of statewide significance. The navigator's consultation with the Commission is expected to be included in the Staff time described in section 204 and as such no additional fiscal impact is expected.

Section 206 establishes Dept of Ecology's duties in serving as the point agency within the established clean energy

coordinated permitting process. This process is not likely to involve additional consultation with the Commission and as such no additional fiscal impact is expected.

Section 207 establishes the initial assessment process, run by Ecology, for projects deemed clean energy projects of statewide significance by Commerce. This initial assessment process must address the needs and permits of implicated agencies, including the Commission. The process of identifying and processing permits, as well as permission needs has additional fiscal impact.

Section 208 delineates the processes and procedures around a project proponent's request to become a clean energy project of statewide significance. Part of this process may include a meeting of likely participating permit agencies convened within 30 days of acceptance for a fully coordinated permitting process, and the agenda and requirements for meeting participation are delineated. It also requires that each participating agency designate a single point of contact for coordinating with Ecology. Permit and participating agencies may include the Commission and so this has additional fiscal impact.

Sec. 209 describes agreements between project proponents, cities and counties, and Ecology for expediting projects. The Commission is not described as participating and as such no additional fiscal impact expected.

Sec. 210 describes the potential process for cost reimbursement for ecology and certain participating agencies. This section may mitigate some of the fiscal impact described in other sections of the bill, and this potential for mitigation has been considered. No additional fiscal impact from this section. Through Commission rules, the UTC permits and regulates gas companies and we do not have basis to determine increase of additional permit requests. Therefore, we cannot assume incremental budget requests and have no cash receipt impact.

Sec. 211 describes additional consultation required by Ecology with federally recognized Indian tribes and overburdened communities, independent of and in addition to the consultation that may be required by the Commission in section 204, and as such is not expected to have additional fiscal impact.

Section 212 contains miscellaneous delineations on limitations of powers and law applicability to various entities and is not required to have additional fiscal impact.

Part 3 Sec 301 adds definitions and review provisions for clean energy projects to RCW 43.21C. Certain projects described in (3)(c) may require consultation with the Commission to create a workable schedule for an environmental impact statement and as such has a fiscal impact.

Sec 302 establishes additional parameters for programmatic environmental impact statements. If one of the categories of projects described in (1)(a)-(b) is in investor-owned utility service territory, this may involve consultation with the Commission to determine the scope of the impact.

Sec. 303 describes the use of a programmatic EIS described in section 302 by Ecology and thus is not expected to have fiscal impact to the Commission.

Sec. 304 adds a prohibition on demonstration of need to local government agencies regarding what they require from project applicants. Such description of the extent of powers does not have additional fiscal impact.

Sec. 305 describes a new siting process for pumped storage. If projects implicated in the process are in investor-owned utility service territory, they are assumed to be reviewed through existing planning processes, and as such no additional fiscal impact is expected.

Part 4 Miscellaneous Provisions have no fiscal impact to any agency.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Section 208 and 210 require clean energy projects of statement significance to enter into a cost-reimbursement agreement with the department of ecology to recovery reasonable costs incurred by the department of ecology and participating agencies for the coordinated permitted process. The UTC assumes to be included as a participating agency as the UTC is identified as a member of the interagency clean energy siting coordinating council and due to our existing regulatory authority. Therefore, the workload and costs incurred in Sections 202, 204, 207, and 208 are assumed to be reimbursable by the project. The UTC assumes, as department of ecology is the primary agency for the process, an interagency agreement would be executed with the participating agencies for cost recovery. The recoverable expenditures are estimated at \$25,075 per fiscal year for the work required by the UTC in the above-mentioned sections.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Interagency Clean Energy Siting Coordinating Council Representation

Sec. 101 creates the Interagency Clean Energy Siting Coordinating Council which requires a participant from the Utilities and Transportation Commission. The UTC assumes this participation will begin July 1, 2023, with a large effort in the first year to meet the annual report requirement.

FY2024 - \$5,980 total cost and FY2025 and every year after - \$4,485 per year

(Deputy Director | Regulatory Services, 0.01 FTE; Deputy Asst. Director | Regulatory Services, 0.01 FTE; Regulatory Analyst 3, 0.02 FTE)

Commission Clean Energy Project Engagement with Tribes and Overburdened Communities

Section 202 establishes a process and identifies regulatory assistance available throughout the process for designation as a clean energy project of statewide significance. The Commission is assumed to be one of the “regulatory agencies” that may have to conduct meaningful and timely engagement with potentially affected federally recognized Indian tribes and overburdened communities in this process, as it is defined by Section 201 as a permitting agency, in the case of certain gas projects. This engagement is expected to have fiscal impact with additional Staff time.

FY2024 and every year after - \$1,765 per year

(Director | Legislative, 0.01 FTE)

Clean Energy Project Designation Consultation

Section 204 establishes a decision process through which the Department of Commerce may designate a project as a clean energy project of statewide significance, in consultation with other state agencies identified as likely to have a role in siting or permitting a project, including the Commission. This consultation is expected to have fiscal impact with additional Staff time, although the process is only applicable for certain gas projects.

FY2024 and every year after - \$7,688 per year

(Deputy Director | Regulatory Services, 0.01 FTE; Deputy Asst. Director | Regulatory Services, 0.01 FTE; Regulatory Analyst 3, 0.01 FTE; Policy Advisor, 0.01 FTE; Asst. Director | Policy, 0.01 FTE)

Establish Initial Assessment for Projects Deemed Clean Energy Project

Section 207 establishes the initial assessment process, run by Ecology, for projects deemed clean energy projects of statewide significance by Commerce. This initial assessment process must address the needs and permits of implicated

agencies, including the Commission. The process of identifying and processing permits, as well as permission needs has additional fiscal impact.

FY2024 and every year after - \$9,068 per year

(Deputy Director | Regulatory Services, 0.01 FTE; Deputy Asst. Director | Regulatory Services, 0.01 FTE; Regulatory Analyst 3, 0.02 FTE; Director | Regulatory Services, 0.01 FTE; Policy Advisor, 0.01 FTE; Asst. Director | Policy, 0.01 FTE)

Point of Contact for Post-Acceptance Permitting Process

Section 208 delineates the processes and procedures around a project proponent’s request to become a clean energy project of statewide significance. Part of this process may include a meeting of likely participating permit agencies convened within 30 days of acceptance for a fully coordinated permitting process, and the agenda and requirements for meeting participation are delineated. It also requires that each participating agency designate a single point of contact for coordinating with Ecology. Permit and participating agencies may include the Commission and so this has additional fiscal impact.

FY2024 and every year after - \$7,036 per year

(Deputy Director | Regulatory Services, 0.01 FTE; Deputy Asst. Director | Regulatory Services, 0.01 FTE; Regulatory Analyst 3, 0.01 FTE; Regulatory Analyst 2, 0.02 FTE)

Consultation on Environmental Impact

Part 3 Sec 301 adds definitions and review provisions for clean energy projects to RCW 43.21C. Certain projects described in (3)(c) may require consultation with the Commission to create a workable schedule for an environmental impact statement and as such has a fiscal impact.

FY2024 and every year after - \$2,865 per year

(Deputy Asst. Director | Regulatory Services, 0.01 FTE; Regulatory Analyst 3, 0.01 FTE)

Consultation for Environmental Impact Statements

Sec 302 establishes additional parameters for programmatic environmental impact statements. If one of the categories of projects described in (1)(a)-(b) is in investor-owned utility service territory, this may involve consultation with the Commission to determine the scope of the impact.

FY2024 and every year after - \$2,865 per year

(Deputy Asst. Director | Regulatory Services, 0.01 FTE; Regulatory Analyst 2, 0.01 FTE)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
111-1	Public Service Revolving Account	State	37,267	35,772	73,039	71,544	71,544
Total \$			37,267	35,772	73,039	71,544	71,544

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
A-Salaries and Wages	25,353	24,336	49,689	48,672	48,672
B-Employee Benefits	8,872	8,516	17,388	17,032	17,032
C-Professional Service Contracts					
E-Goods and Other Services	3,042	2,920	5,962	5,840	5,840
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	37,267	35,772	73,039	71,544	71,544

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Asst. Director, Policy	110,064	0.0	0.0	0.0	0.0	0.0
Deputy Asst. Director Regulatory Services	101,136	0.1	0.1	0.1	0.1	0.1
Deputy Director Regulatory Services	117,996	0.0	0.0	0.0	0.0	0.0
Director, Legislative	120,084	0.0	0.0	0.0	0.0	0.0
Policy Advisor	100,008	0.0	0.0	0.0	0.0	0.0
Regulatory Analyst 2	82,896	0.0	0.0	0.0	0.0	0.0
Regulatory Analyst 3	93,840	0.1	0.1	0.1	0.1	0.1
Total FTEs		0.3	0.3	0.3	0.3	0.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 355-Department of Archaeology and Historic Preservation
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
Account					
General Fund-State 001-1	340,451	136,476	476,927	272,952	272,952
Total \$	340,451	136,476	476,927	272,952	272,952

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Diann Lewallen	Phone: 360-407-8121	Date: 02/13/2023
Agency Approval: Diann Lewallen	Phone: 360-407-8121	Date: 02/13/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/15/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 101 requires the Department of Archaeology and Historic Preservation (DAHP) to participate in the new Interagency Clean Energy Siting Coordinating Council (CESCC). DAHP anticipates needing .1 FTE of an exempt position to attend and participate in meetings of the coordinating council.

Section 102 of the substitute bill clarifies the responsibilities of the CESCC to include support for DAHP and other agencies to develop and provide training to project developers on consultation and engagement processes. This section also clarifies the responsibilities of the CESCC to include support to DAHP in updating the statewide predictive archaeological model which would provide information to project developers about where archaeological resources are likely to be found and the potential need for investigation. DAHP would incur a one-time cost to update the statewide predictive archaeological model.

Section 209 requires the Department of Ecology (ECY) to engage in a preapplication process that includes notification to and an offer to discuss the project with DAHP.

Section 305 requires DAHP to provide information regarding the federally recognized Indian tribes that would need to be contacted and that agencies would need to offer consultation in the event that any project development permit applications were to proceed.

DAHP anticipates an increased need for coordination with other agencies and tribes on cultural resources, archaeological sites, and sacred sites. The Governor's budget proposes 1 FTE for this work. That proposed funding would be sufficient to meet the staffing needs identified in this bill if the legislature chooses to fund it.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

It is assumed DAHP will need 1 FTE Commerce Specialist 4 to attend meetings of the interagency clean energy siting coordinating council, coordinate with other agencies and tribes on cultural resources, and ensure that a cultural resource survey design and methodology are appropriate for the environmental area being considered.

A Commerce Specialist 4 makes \$82,896 per year (assumed step L) with related benefits estimated at \$29,056 at current benefits rates. Goods and services are estimated at \$6,068 per year and include communications, payroll processing, training, and other staff costs. Estimates include some travel at the low cost per diem rates totaling \$5,254 per year. Also included is one-time equipment costs for furniture and computers totaling \$3,477 in fiscal year 2024.

It is also assumed DAHP will need .1 FTE of an exempt position such as the agency executive director or deputy director to participate in meetings of the Interagency Clean Energy Siting Coordinating Council. The assumed salary is \$97,632 per year x .1 FTE for a total of \$9,763 plus related benefits totaling \$3,174 at current benefits rates. Goods and services are estimated at \$889 per year and include communications, payroll processing, training, and other staff costs. Estimates include some travel at the low cost per diem rates totaling \$175 per year.

It is assumed DAHP will also need to contract with Bellevue College to assist with updating the statewide predictive archaeological model. Further analysis is needed but the one-time cost is estimated at \$200,000 in FY 24. DAHP does not have enough internal resources to update the model without additional funding.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	340,451	136,476	476,927	272,952	272,952
Total \$			340,451	136,476	476,927	272,952	272,952

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
A-Salaries and Wages	92,659	92,659	185,318	185,318	185,318
B-Employee Benefits	32,230	32,230	64,460	64,460	64,460
C-Professional Service Contracts	200,000		200,000		
E-Goods and Other Services	6,656	6,158	12,814	12,316	12,316
G-Travel	5,429	5,429	10,858	10,858	10,858
J-Capital Outlays	3,477		3,477		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	340,451	136,476	476,927	272,952	272,952

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Commerce Specialist 4	82,896	1.0	1.0	1.0	1.0	1.0
Exempt	97,632	0.1	0.1	0.1	0.1	0.1
Total FTEs		1.1	1.1	1.1	1.1	1.1

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 365-Washington State University
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.7	0.4	0.6	0.0	0.0
Account					
General Fund-State 001-1	300,000	300,000	600,000	0	0
Total \$	300,000	300,000	600,000	0	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Emily Green	Phone: 5093359681	Date: 02/15/2023
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 02/15/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/20/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

S HB 1216 – Clean Energy Siting relates to clean energy siting. The legislature intends to enable more efficient and effective siting and clean energy projects within the state of Washington in order to combat climate change. This bill requires the Washington State University (WSU) Energy Program to complete a least-conflict siting process for pumped storage projects in Washington as part of this overall effort.

Section 306 (1) states that the WSU Energy Program shall conduct a least-conflict pumped storage siting process for the State of Washington to support expanded capacity to store intermittently produced renewable energy such as from wind and solar, as part of the state’s transition from fossil fuel to 100 percent clean energy.

Section 306 (2) requires the WSU energy program to engage federally recognized Indian tribes and stakeholders to participate in the siting project.

Section 306 (3) requires the WSU energy program to develop and make available a map and associate GIS data layers, highlighting areas identified through the process.

Section 306 (4) provides instructions on the appropriate handling of sensitive tribal information. This section prohibits the WSU energy program from disclosing such information.

Section 306 (5) requires that the least-conflict pumped storage project must be completed by June 30, 2025.

WSU estimates that this bill would cost \$600,000 for the biennium; \$300,000 for each fiscal year.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The least-conflict pump siting project requires the following staff effort: Energy Program Director, Senior Energy Program Coordinator, 2x Energy Program Coordinator, Electrical Engineer, and Professional Worker. The Energy Program Manager would be required to provide minimal administrative support. Staff effort would be more substantial in FY-24 and some effort in FY-25 to complete the project (FY-24 .66 FTE, \$60,107 salaries/\$38,389 benefits; FY-25 .43 FTE, \$35,473 salaries/\$22,519 benefits). The WSU Energy Program staff anticipates the need for contracted workers to provide outside expertise to ensure on-time project completion. Contracted services would increase in FY-25 as energy program staff involvement would decrease. This collaborative effort is necessary to design, implement, and facilitate project. Additional work activities include GIS mapping activities, stakeholder and tribal outreach, and required deliverables.

This project would require some good and services (FY24 25,504/FY25 \$16,008) and travel expenses (\$1,000 FY24/FY25) to complete project.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	300,000	300,000	600,000	0	0
Total \$			300,000	300,000	600,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.7	0.4	0.6		
A-Salaries and Wages	60,107	35,473	95,580		
B-Employee Benefits	38,389	22,519	60,908		
C-Professional Service Contracts	175,000	225,000	400,000		
E-Goods and Other Services	25,504	16,008	41,512		
G-Travel	1,000	1,000	2,000		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	300,000	300,000	600,000	0	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Director	111,686	0.1	0.0	0.1		
Electrical Engineer	170,564	0.0	0.0	0.0		
Energy Program Coordinator 1	83,025	0.4	0.3	0.4		
Energy Program Coordinator 2	88,411	0.1	0.0	0.0		
Energy Program Coordinator 3	99,306	0.1	0.0	0.0		
Manager	138,711	0.0	0.0	0.0		
Professional Worker 2	43,050	0.0	0.0	0.0		
Total FTEs		0.7	0.4	0.6		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 405-Department of Transportation
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

		FY 2024	FY 2025	2023-25	2025-27	2027-29
Account						
Motor Vehicle Account-State 108		28,000	28,000	56,000	56,000	56,000
-1						
Total \$		28,000	28,000	56,000	56,000	56,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Carol Lee Roalkvam	Phone: 360-705-7126	Date: 02/17/2023
Agency Approval: Eric Wolin	Phone: 360-705-7487	Date: 02/17/2023
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 02/20/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

See attached WSDOT fiscal note.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

There are no cash receipts resulting from this bill. This bill also does not result in any new fees or taxes, nor does it impact any existing fees or taxes.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

See attached WSDOT fiscal note.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
108-1	Motor Vehicle Account	State	28,000	28,000	56,000	56,000	56,000
Total \$			28,000	28,000	56,000	56,000	56,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages	20,000	20,000	40,000	40,000	40,000
B-Employee Benefits	8,000	8,000	16,000	16,000	16,000
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	28,000	28,000	56,000	56,000	56,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
Total \$					

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Transportation Planning Specialist 5	101,000	0.2	0.2	0.2	0.2	0.2
Total FTEs		0.2	0.2	0.2	0.2	0.2

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: SHB 1216	Title: Clean Energy Siting	Agency: 405-Department of Transportation
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Part I: Estimates

Check applicable boxes and follow corresponding instructions, use the fiscal template table provided to show fiscal impact by account, object, and program (if necessary), **add rows if needed**. If no fiscal impact, check the box below, skip fiscal template table, and go to Part II to explain briefly, why the program believes there will be no fiscal impact to the department.

- No Fiscal Impact (Explain in section II. A)
If a fiscal note is assigned to our agency, someone believes there might be, and we need to address that, showing why there is no impact to the department.
- Indeterminate Cash Receipts Impact (Explain in section II. B)
- Indeterminate Expenditure Impact (Explain in section II. C)

- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, **complete entire fiscal note form Parts I-V**
- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, **complete entire fiscal note form Parts I-V**
- Capital budget impact, **complete Part IV**
- Requires new rule making, **complete Part V**
- Revised

Dollars in Thousands

		2023-25 Biennium		2025-27 Biennium		2025-27 Biennium	
Expenditures		FY 2024	FY 2025	FY 2026	FY 2027	FY 2027	FY 2029
108-1-MOTOR VEHICLE		\$28.0	\$28.0	\$28.0	\$28.0	\$28.0	\$28.0
Total Expenditures		\$28.0	\$28.0	\$28.0	\$28.0	\$28.0	\$28.0
Biennial Totals		\$56.0		\$56.0		\$56.0	
Staffing		FY 2024	FY 2025	FY 2026	FY 2027	FY 2027	FY 2029
	Salary						
Transportation Planning Specialist 5 (TPS5)		0.2	0.2	0.2	0.2	0.2	0.2
Annual Average		0.2		0.2		0.2	
Objects of Expenditure		FY 2024	FY 2025	FY 2026	FY 2027	FY 2027	FY 2029
A - SALARIES AND WAGES		\$20.0	\$20.0	\$20.0	\$20.0	\$20.0	\$20.0
B - EMPLOYEE BENEFITS		\$8.0	\$8.0	\$8.0	\$8.0	\$8.0	\$8.0
Expenditures by Program <small>(Only required for program splits)</small>		FY 2024	FY 2025	FY 2026	FY 2027	FY 2026	FY 2027
Program H		\$28	\$28	\$28	\$28	\$28	\$28

The cash receipts and expenditure estimates on this fiscal template represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Agency Assumptions

N/A

Agency Contacts:

Preparer: Carol Lee Roalkvam	Phone: 360-705-7126	Date: 02/15/2023
Approval: Eric Wolin	Phone: 206-240-4497	Date: 02/15/2023
Budget Manager: Doug Clouse	Phone: 360-705-7535	Date: 02/15/2023
Economic Analysis: Chad Johnson	Phone: 360-705-7546	Date: 02/15/2023

Individual State Agency Fiscal Note

Part II: Narrative Explanation

II. A - Brief description of what the measure does that has fiscal impact

Briefly describe by section number (sections that will change WSDOT costs or revenue), the significant provisions of the bill, and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency.

There were numerous changes to this substitute version from the original bill. Sections below were updated to reflect changes in costs to the department. The key change in fiscal impact related to section 203 is based on clarification provided in the lead agency's assumptions.

Section 101 creates the interagency clean energy siting coordinating council. The department of transportation is named to the new council.

Section 102 establishes the duties of the council. As a council member, WSDOT will assist the department of ecology in development of a consolidated clean energy application for state and local permits and approvals; assist the departments of commerce and ecology in creating implementation plans, timelines and making recommendations for funding or policy changes to improve siting and permitting of clean energy projects. The council shall provide an annual report beginning October 1, 2024, to the governor and legislative committees.

Section 203 directs the department of commerce to consult with other state agencies in deciding whether to designate a clean energy project of statewide significance. WSDOT will be consulted if the agency is likely to have a role in siting or permitting the proposed project. This section states that there may be an unlimited number of projects of statewide significance that meet the criteria of this section. Lead agency assumptions estimate 30 clean energy projects per biennium, each triggering different permit/review needs.

Section 204 Directs the department of ecology to create an optional, fully coordinated permit process. WSDOT's permits or reviews would be part of this process.

Section 205 upon request by a project proponent, department of ecology would (within 60 days) conduct an initial assessment of state and local permits or approvals, including anticipated timelines. WSDOT would be consulted in this process.

Section 206 defines the clean energy coordinated permitting process requirements and procedures. Department of ecology must serve as the main point of contact. Each participating agency (including WSDOT) must designate a single point of contact. Participating permit agencies must attend a work plan meeting for the project and assist in the development of a coordinated permitting process schedule. This section contains specific review requirements.

Section 208 establishes a cost reimbursement agreement to recover reasonable costs incurred by the department of ecology and participating agencies in conducting the coordinated permitting process.

Section 301 amends 43.21C RCW (State Environmental Policy Act) including a 24-month timeframe for completion of an environmental impacts statement for clean energy projects. The section directs lead agencies to work with participating agencies to develop clear roles and schedules.

Section 302 directs the department of ecology to prepare non-project environmental impact statements for green electrolytic or renewable hydrogen projects, utility scale solar energy projects, and onshore utility scale wind projects. The scope of these statements includes landscape scale habitat connectivity and wildlife corridors, environmental justice, and adjacent land uses. WSDOT and others will participate in the review of these documents.

Section 303 directs lead agencies reviewing site-specific project proposals under this chapter to use the non-project review described in section 302.

Section 306 directs Washington State University energy program to conduct a least-conflict pumped storage siting process for Washington state, to support expanded capacity to store intermittently produced renewable energy such as from wind

Individual State Agency Fiscal Note

and solar, create a map highlighting locations, and include opportunities for engagement with stakeholders. WSDOT is a stakeholder. This must be completed by June 30, 2025.

Section 310 states that relevant state agencies shall cooperate with the joint committee on energy supply, conservation, and energy resilience, and provide information as the chair requests.

II. B – Cash Receipts Impact

Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

There are no cash receipts resulting from this bill. This bill also does not result in any new fees or taxes, nor does it impact any existing fees or taxes.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The expenditures related to implementing this bill are partially indeterminate.

Sections 101 and 102 related to the creation and duties of the interagency clean energy siting coordinating council. WSDOT is named to the new council. According to the lead agency's assumptions, the council will meet monthly, and the department will be involved in subgroups related to expedited permit work. WSDOT will provide information to incorporate approvals and permits within the department's authority including approvals related to the temporary or permanent use of state transportation rights-of-way, easements, leases, and requests for changes in access to state highways. The department will assist in the development of a consolidated permit application and provide advice from the department's expertise as a developer of large and small projects, with experience as a permit applicant. The collaborative effort is estimated to require 0.10 FTE (16 –20 hours per month) of a Transportation Planning Specialist 5 in fiscal years 2024 and ongoing. It is unclear when the council will begin meeting each month, but the assumption is July 2023. The department assumes existing staff will provide policy direction and additional technical support. Streamlined processes would result in changes to internal agency policies including updates to Chapter 1130 (Development Services) of the Design Manual and the WSDOT Utility Accommodation Policy. These policy and manual updates would be done with existing staff.

Section 203 directs the department of commerce to consult with other state agencies in deciding whether to designate a clean energy project of statewide significance. WSDOT will be consulted if the agency is likely to have a role in siting or permitting the proposed project. This section states that there may be an unlimited number of projects of statewide significance that meet the criteria of this section. Lead agency assumptions estimate 30 clean energy projects per biennium, each triggering different permit/review needs. The department assumes staff time will be required to review these applications. We estimate each application will require 8 - 16 hours to review to allow time for internal coordination. Therefore, we assume 16 hours x 15 projects per year = 240 hours per year of TPS5 which is 0.1 FTE (this is based on 240 hours/2,080 hours worked in a year)

Sections 204, 205 and 206 relate to the optional, fully coordinated permit process. If identified as having a permit or review role for a project that is opting in, WSDOT must designate a single point of contact for coordinating with the department of ecology. WSDOT is unable to estimate the number of new projects that will require review under this coordinated process. WSDOT assumes it will be involved in the initial assessment within 60-days of a request; and involved as the process is implemented.

Currently, WSDOT regions have development services staff that responds to land use development proposals and projects led by local jurisdictions, transit agencies, tribes, private developers, and property owners. These staff focus on proposed

Individual State Agency Fiscal Note

actions with the potential to adversely impact the function of state highways. However, the collaborative multiagency scheduling, planning and permit processing work in Sections 204, 205 and 206 would be new. The staff time associated this new work is difficult to estimate because it will depend on the type of proposed project, its location, and the extent to which WSDOT approvals and reviews are required. In addition, the department assumes that the process improvements developed in accordance with Sections 101 and 102 will result in efficiencies and time savings. The department assumes there will be an increase in the volume of clean energy project review requests. Therefore, the workload increase is indeterminate.

Section 208 establishes a cost reimbursement agreement to recover reasonable costs incurred by the department of ecology and participating agencies in conducting the coordinated permitting process on a specific proposed project. There is no new fiscal impact associated with this section since the department currently enters into reimbursement agreements with project proponents. This reimbursement is not classified as a fee.

Section 301 amends 43.21C RCW (State Environmental Policy Act) including a 24-month timeframe for completion of an environmental impacts statement for clean energy projects. The section directs lead agencies to work with participating agencies to develop clear roles and schedules. The department assumes the work required by Sections 101 and 102 will cover WSDOT’s collaboration with Ecology on the development of clear roles and schedules.

Section 302 directs the department of ecology to prepare non-project environmental impact statements for certain utility-scale energy projects. WSDOT will participate in the review of these environmental documents and may provide our department’s expertise. The department assumes this will be done with existing staff resources.

Section 305 directs Washington State University energy program to conduct a least-conflict pumped storage siting process for Washington state, and to create a map and associated GIS data layers highlighting locations and include opportunities for engagement with stakeholders. WSDOT is a stakeholder. The department will require staff time to review and evaluate the siting process and the proposed map. The department assumes this work will relate to the siting process streamlining in Sections 101 and 102, and the review of the GIS data products will be done with existing staff resources.

WSDOT Staffing Assumptions for Determinate Costs									
Activity	Bill	Position Class	FTE	FTE	FTE	FTE	FTE	FTE	
	Section		FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	
Participating as a member of the Clean Energy Siting Council and providing assistance	101 & 102	Transportation Planning Specialist 5	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Reviewing Clean Energy Project Applications	203	Transportation Planning Specialist 5	0.0	0.1	0.1	0.1	0.1	0.1	0.1
		Total FTE	0.0	0.2	0.2	0.2	0.2	0.2	0.2

Part III: Expenditure Detail

III. A - Expenditures by Object or Purpose

See II. C – Expenditures detail above

Part IV: Capital Budget Impact

N/A

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

N/A

Individual State Agency Fiscal Note



Ten Year Analysis

Bill Number: SHB 1216	Title: Concerning clean energy siting	Agency: 405 Washington State Department of Transportation
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Ten-year analyses are to be completed by the WSDOT BFA-Economics Office and are limited to agency-estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Name of Tax or Fee	Account Code and Title	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total 2024-33
	Choose an item.											
Totals												

Narrative Explanation (Required for all Taxes and/or Fees including "Indeterminate," "Partially Indeterminate," or "No Cash Receipts.")

- Brief Description of What the Measure does that has I-960 Implications**
 Briefly describe by section number, the provisions of the bill that make it subject to the requirements of I-960.
- Cash Receipts Impact**
 Briefly describe and quantify the cash receipts impact to the legislation on the responding agency, including rates, assumptions, and an explanation if the cash receipts are indeterminate.
- This substitute has no impact on WSDOT revenues.

There are no cash receipts resulting from this bill. This bill also does not result in any new fees or taxes, nor does it impact any existing fees or taxes.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 461-Department of Ecology
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	26.5	26.5	26.5	20.7	20.7
Account					
Climate Commitment Account-State 26C-1	6,524,116	6,724,116	13,248,232	6,708,838	6,708,838
Total \$	6,524,116	6,724,116	13,248,232	6,708,838	6,708,838

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Jessica Moore	Phone: 360-529-7583	Date: 02/15/2023
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/15/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/16/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The differences between HB 1216 and SHB 1216 are as follows:

Section 102 duties are added to the Coordinating Council. The annual report due date is changed from July 1, 2024, to October 1, 2024.

Section 202 from the previous bill is removed and now section 203 is section 202 and section 204 is section 203.

Section 205 from the previous bill is removed and now section 206 is section 204. The requirement of coordination with the clean energy navigators from Commerce is removed. The clean energy coordinated permitting process is opened to any project that does not use the EFSEC process.

Section 207 becomes section 205. The requirement to be a project of statewide significance to use the coordinated permitting process is removed, and any clean energy project proponent may request an initial assessment from Ecology.

Section 208 becomes section 206. A few requirements for meeting the eligibility criteria to participate in the fully coordinated permit process are changed.

Section 209 becomes section 207. For projects eligible for the coordinated permitting process, a few elements of how cities and counties would enter into an agreement with Ecology for expediting the completion of projects are changed.

Section 210 becomes section 208. Project proponents would be required to enter into a cost reimbursement agreement with Ecology for the coordinated permitting process.

Section 211 becomes section 209. Ecology would be required to consult with all affected federally recognized Indian tribes at the earliest possible date and throughout the coordinated permit process. This includes Ecology notifying and offering to discuss projects with the Department of Archaeology and Historic Preservation, the Department of Fish and Wildlife, and all affected federally recognized Indian tribes.

Section 212 becomes section 210.

Section 301 removes language on mitigation from the section on SEPA for more consistency with SEPA rules.

Section 302 changes the programmatic EIS to nonproject EISs for designated clean energy projects and collocated battery energy storage projects. The non project EIS for solar energy projects located in the Columbia basin is removed and changed to statewide. A nonproject EIS for onshore utility-scale wind energy projects is added. Battery storage is added to solar and green hydrogen energy projects. The elements for what Ecology would be required to consider for the scope of a nonproject EIS is changed. The entities that Ecology would be required to request input from is changed. Ecology would be required to offer early and meaningful consultation with any affected federally recognized Indian tribe on the nonproject reviews. Ecology would be required to include maps identifying probable, significant adverse environmental impacts for the resources evaluated in any final nonproject environmental review documents for clean energy projects. The interagency clean energy siting coordination council created under section 101 of this bill would be required to consider the findings and make recommendations to the legislature and governor.

A new section 305 is added that would remove the authority for a county to require an application for or the acquisition for a grading permit or any other ministerial or discretionary permit for the activities listed in the bill associated with a renewable energy project.

Section 305 becomes section 306.

A new section 307 is added that would outline new duties for the Department of Commerce to consult with stakeholders on benefits and impacts from changes to the state's energy system and identify risks for rural communities.

A new section 308 would change the title of the joint committee on energy supply and energy conservation, to the joint committee on energy supply, energy conservation, and energy resilience.

A new section 309 would amend RCW 44.39.012 and 2005 c 299 s 4 that would add definitions.

A new section 310 would add issues that the joint committee on energy supply, energy conservation, and energy resilience would be required to review. Section 310 would expire on June 30, 2025.

The changes to section 302 would result in a change in the fiscal impact to Ecology.

Under current law, there are 41 potential different permits that the Department of Ecology (Ecology) can provide for a clean energy project.

This bill would amend sections in RCW 44.39.010 and 44.39.012, add new sections to chapter 43.21C RCW, chapter 36.70B RCW, chapter 36.01 RCW, and Title 43 related to siting and permitting for new clean energy projects.

Section 101 would establish an Interagency Clean Energy Siting Coordinating Council (Coordinating Council) co-led by Ecology and the Department of Commerce (Commerce) with participation from Washington State's Office of the Governor, Energy Facility Site Evaluation Council (EFSEC), Department of Fish and Wildlife (DFW), Department of Agriculture (Agriculture), Office of Indian Affairs, Department of Archaeology and Historic Preservation (DAHP), Department of Natural Resources (DNR), Department of Transportation (DOT), Utilities and Transportation Commission (UTC), Office of Regulatory Innovation and Assistance (ORIA), and other agencies invited by Commerce and Ecology on an ad hoc basis. Ecology and Commerce would be required to assign staff to lead work and provide updates to the governor and legislature.

Section 102 would require the newly established Coordinating Council to complete the tasks as outlined in the bill. An annual report to the governor and legislature would be due starting October 1, 2024. Ecology would also be required to advise Commerce in contracting for an evaluation of state agency siting and permitting processes and requirements to be done by July 1, 2024. Ecology would be required to pursue development of a consolidated clean energy application, with a report due to the governor and legislature by December 31, 2024. Ecology would be required to make recommendations to the legislature on developing a consolidated permit for clean energy by October 1, 2024.

Section 202 would require Commerce to develop an application for the designation of clean energy projects as clean energy projects of statewide significance. Section 203 would require Commerce to determine whether to designate an applicant's project as a clean energy project of statewide significance within 60 days.

Section 204 would require Ecology to establish and lead a coordinated permitting process for clean energy projects that do not apply to EFSEC under chapter 80.50 RCW. Ecology would be required to serve as a central point of contact, coordinate with the applicant, state agencies, and local agencies, conduct an initial assessment of the proposed project review and permitting actions, ensure that project proponents are informed, facilitate communication between project proponents and agency staff, verify process steps are complete, assist in resolving conflict or inconsistency, consult with federally recognized tribes, engage with potentially affected overburdened communities, manage a fully coordinated permitting process, and coordinate with local jurisdictions.

Section 205 would require Ecology to conduct an initial assessment within 60 days of a request from a proponent of a clean energy project to determine the level of coordination necessary with consideration to complexity, size, and need for assistance. The assessment would be required to be documented in writing and provided to the project proponent and the public.

Section 206 would require Ecology to lead and establish a fully coordinated permitting process as outlined in the bill. Ecology would be required to convene a work plan meeting within 30 days, or longer with agreement of the project proponent, attended by the project proponent, Commerce, and participating permit agencies to develop a coordinated permitting process schedule. Ecology would be required to notify any relevant federal agency or federally recognized Indian tribe of the meeting date and invite them to participate in the process. Upon completion of the meeting, Ecology would be required to finalize the schedule and share it in writing with the project proponent, participating state agencies, lead agencies as identified under chapter 42.21C RCW, cities and counties subject to an agreement as specified under section 209 of this bill, and the public. Ecology would be required to notify all parties of adjustments to the schedule and if necessary, convene another work plan meeting.

Section 207 would provide a process for local governments to enter into agreements with Ecology and project proponents to expedite the completion of projects.

Section 208 would require project proponents to enter into a cost-reimbursement agreement with Ecology to cover the cost of Ecology and other agencies in carrying out a fully coordinated permitting process.

Section 209 would require Ecology to offer early, meaningful, and individual consultation with any affected federal recognized Indian tribe on designated clean energy projects using the coordinated permitting process. Ecology would be required to engage in consultation with all affected federally recognized Indian tribes at the earliest possible date and throughout the process. Ecology would be required to notify and offer to discuss the project with the DAHP, DFW, and all affected federally recognized Indian tribes with the elements required by the bill. Ecology would be required to keep any summaries of tribal issues, questions, concerns or other statements regarding a project in the official project files for any coordinated permitting process. Ecology would be required to identify overburdened communities that may be potentially affected by a project and verify they have been meaningfully engaged.

Section 301 would add a new section to Chapter 43.21C RCW to require a lead agency under the State Environmental Policy Act (SEPA) to notify an applicant if there is an anticipated finding of significance for a project. If an environmental impact statement (EIS) is required, it would be required to be completed within 24 months and a timeline prepared.

Section 302 would add a new section to Chapter 43.21C RCW to require Ecology to prepare three nonproject EISs for green electrolytic or renewable hydrogen, utility-scale solar energy, and onshore utility-scale wind projects using the results of the least conflicting mapping done there. This would be evaluated statewide and include battery storage systems. The scope would be required to include opportunities for engaging with Tribes, overburdened communities, and stakeholders. Ecology would be required to offer early and meaningful consultation with any affected federally recognized Indian tribe on the nonproject review. Ecology would be required to include maps identifying probable, significant adverse environmental impacts for the resources evaluated in any final nonproject environmental review documents for clean energy projects. The interagency clean energy siting coordination council created under section 101 of this bill would be required to consider the findings and make recommendations to the legislature and governor.

Section 303 would add a new section to Chapter 43.21C RCW to require the lead agency performing a SEPA review use the nonproject EIS.

Section 304 would add a new section to Chapter 36.70B RCW to remove the requirement for an applicant for a clean energy project to demonstrate a need or utility of the project.

Section 305 would add a section to chapter 36.01 RCW (general provisions for counties) that would remove the authority

for a county to require an application for the acquisition of a grading permit or any other ministerial or discretionary permit for the activities listed in the bill associated with a renewable energy project.

Section 306 would require Washington State University to conduct a least conflict mapping study for pumped storage sites in Washington state by June 30, 2025.

Section 307 would outline new duties for the Department of Commerce.

Section 308 would amend RCW 44.39.010 and 2005 c 299 s 1 to change the title of the joint committee on energy supply and energy conservation, to the joint committee on energy supply, energy conservation, and energy resilience.

Section 309 would amend RCW 44.39.012 and 2005 c 299 s 4 to add definitions.

Section 310 would add issues that the joint committee on energy supply, energy conservation, and energy resilience would be required to review. Section 310 would expire on June 30, 2025.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

The cash receipts impact to Ecology is indeterminate for future cost reimbursement agreements under section 208.

Ecology assumes we would enter into cost reimbursement agreements with project proponents to cover costs in carrying out permitting process requirements as specified in section 208. Future cost reimbursement agreements are unknown; therefore, the cash receipts are indeterminate (General Fund Private/Local).

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The expenditure impact to Ecology under this bill is estimated to be greater than \$50,000 in Fiscal Year (FY) 2024 and ongoing to implement the requirements of sections 101, 102, 204, 205, 206, 207, 208, 209, 301, and 302. In addition, there are indeterminate expenditures for future cost reimbursement agreements under section 208.

Note: The Governor's 2023-25 proposed operating budget includes funding for some of the requirements of this bill as follows:

- Clean Energy Permitting \$6,308,000 and 19.5 FTEs (CEP Clean Energy Permitting)
- Programmatic EIS for Green Hydrogen \$2,000,000 and 2.3 FTEs (CE1 Green Hydrogen Projects) and Programmatic EIS for Solar Energy in the Columbia Basin \$996,000 and 1.6 FTEs (CE2 Solar Energy Projects)

Expenditures are estimated in the Climate Commitment Account consistent with the Governor's proposed budget.

Expenditures to co-lead the Council (\$217,938 and 1.2 FTE in FY 2024 and ongoing), conduct a nonproject EIS for Utility-scale Onshore Wind Energy (\$1,725,026 and 1.7 FTEs in 2023-25), and additional costs due to the increased scope of the nonproject EIS for green hydrogen and solar energy are not included in the Governor's budget.

Section 101 and 102 Interagency Clean Energy Siting Coordinating Council

Ecology assumes that co-leading the Interagency Clean Energy Siting Coordinating Council with Commerce would require staff to participate in the council, provide updates to the Governor and legislature, provide input and help with the annual report, advise on contracting for an evaluation of the state agency siting and permitting processes and requirements, and participate in workgroups or advisory committees. In addition, Ecology would make recommendations for developing a

consolidated permit for clean energy and pursue the development of a consolidated clean energy application. Ecology estimates that this work would require 1.0 FTE WMS 2 starting in FY 2024 and ongoing to serve in the lead role for the agency.

Ecology assumes that 2.0 FTE Environmental Planner 4 identified below under “permit coordinators” would support this position in all the work necessary to track, facilitate, and coordinate all the work at Ecology required by this bill.

Sections 204, 205, 206, 207, 208, 209, 301 Clean Energy Permitting

Ecology assumes that many of the new clean energy projects will be processed through EFSEC, but because clean energy projects can choose to opt-in to the EFSEC process, some projects will be permitted by Ecology. Ecology staff contract with EFSEC to provide the technical review and permit writing functions that EFSEC requires for its own process. For projects not using the EFSEC process, Ecology would be the lead for issuing the permit and conducting a technical review. Permits and environmental review for energy and manufacturing projects are traditionally highly complex permits. The permit process for such projects is also complex, needing to meet many federal, state, and local requirements, while engaging the public, Tribes, interested parties, and communities in the process. The analysis and documentation required is resource intensive.

Ecology assumes that to meet the requirements of this bill additional permit writers for the expedited permitting of clean energy projects and “process coordinators” to further assist in efficient processing of permits would be needed. New staff would perform the following functions:

A team of Clean Energy Permit Writers are needed for proposals requiring permits in the following areas: NPDES/water quality, air quality, water rights, Section 401, CZM, wetlands and shorelands. Staff would conduct direct, expedited review of proposals requiring Ecology permits and provide the necessary technical assistance for proposals following the EFSEC process.

SEPA project managers would guide and complete environmental reviews either as lead SEPA agency, or through technical assistance to EFSEC and local government. In addition, staff would provide technical assistance and customer support to cities and counties to support inclusive, thorough analysis and engagement for clean energy planning.

Permit coordinators would aid applicants throughout the coordinated permit process led by Ecology.

Ecology would support the development of nonproject EISs and planned actions to identify, evaluate, and address potential impacts for possible sites and/or types of clean energy projects. The more comprehensive the environmental analysis is during the planning stage, the less review is needed during individual project review. In the case of planned actions, the review is already done. Projects would be able to use the analysis already done and conduct additional analysis for environmental issues not addressed during the planning stage. Prior review can result in significant time savings if the review was done in the recent past, thoroughly assessed impacts, and/or if the project is on preidentified build-ready sites.

Based on an estimate of 30 clean energy projects per biennium and recognizing that each kind of project would trigger different permit/review needs, Ecology would require ongoing funding for 19.6 FTEs and support from the Attorney General’s Office (AGO) to manage this new workload identified in sections 204, 205, 206, 207, 208, 209, and 301 as follows:

Permit Coordinators: Ecology assumes that staff would be needed to support the co-lead to the council and the work that is required under section 101 and 102, as well as to track, facilitate, and coordinate all the work at Ecology. Therefore, Ecology estimates 2.0 FTE Environmental Planner 4 to serve as coordinators on contracts, interagency agreements, and cost reimbursement agreements, organize pre-application meetings with applicants, assist with Tribal consultation, communications and outreach, ensure HEAL act requirements are followed (as applicable), identify and address

environmental justice issues, coordinate with EFSEC and other state, federal, and local agencies, and serve as agency leads to coordinate across the program and with regional planners as needed.

State Environmental Policy Act (SEPA): Ecology assumes that Ecology will be SEPA lead or co-lead on some proposals. Ecology further assumes that under WAC 197-11-938, if EFSEC is not lead, for a project with one million gallons of liquid fuel or more, Ecology would be the lead. Examples of this type of project could include biofuel and green hydrogen. Therefore, Ecology estimates that 1.0 FTE Environmental Planner 5 and 1.0 FTE Environmental Planner 4 would be needed to coordinate and lead the SEPA process when Ecology is SEPA lead or co-lead agency, including more controversial and complex projects.

Section 401 Water Quality and or Coastal Zone Management (CZM) Consistency: Ecology assumes that a Section 401 Water Quality project would need a federal permit, that a CZM Consistency permit would be needed for some projects, and that wetland review would be required if the proposal impacts wetlands. Therefore, Ecology estimates that 1.0 FTE Environmental Specialist 5 and 1.0 FTE Environmental Specialist 4 would be needed to complete permits for Section 401 Water Quality and/or CZM Consistency, wetlands review, and shoreline permitting.

Nonproject Environmental Impact Statements (EIS): Ecology assumes that separate funding for local governments, communities, and tribes to participate in the planning process would be needed. Ecology further assumes that there would be planning efforts where a nonproject EIS or planned action would be conducted and Ecology would provide support or lead the environmental review. Therefore, Ecology estimates that 1.0 FTE Environmental Planner 5 and 1.0 FTE Environmental Planner 4 would be needed to lead the nonproject EIS work on clean energy siting, to provide SEPA technical assistance and customer support, and to conduct outreach.

Water Rights Permits: Ecology assumes that water will likely be needed for some projects. Ecology estimates that the level of effort required on a permit will depend on regulated status of the water body in question, the total volume of water needed, and whether the water is consumptive. Ecology further assumes that permits would require ongoing maintenance. Therefore, Ecology estimates that 1.0 FTE Environmental Specialist 5 and 1 FTE Hydrogeologist 3 would be necessary to complete and maintain permits for water rights, either new or changed.

Construction Stormwater Permits and other General NPDES Permits: Ecology assumes that projects will need coverage under the construction stormwater permit and other general NPDES permits. Ecology further assumes that individual NPDES or state permits are also likely due to the use of water in processes and that the individual permit writer to permit ratio recommended would be at = 1:10 due to higher level of service necessary under this bill. Therefore, Ecology estimates that 1.0 FTE Environmental Specialist 4 and 3 FTE Environmental Engineer 5 would be necessary to expedite general permit administration and coordinate with Ecology and EFSEC.

Air Quality Permits: Ecology assumes that the work required by this bill would involve significant air permitting, including Prevention of Significant Deterioration permits, Air Operating permits, and Notice of Construction permits. Therefore, Ecology estimates that 2.5 FTE Environmental Engineer 3 and 0.50 FTE Natural Resource Scientist 4 would be necessary to complete the permits required.

In consultation with the AGO, Ecology assumes that AGO support is necessary to complete the work required by this bill. Therefore, consistent with the AGO, Ecology estimates a need for 1.0 AAG FTE at a cost of \$257,000 in FY 2024 and ongoing to advise Ecology on implementation of expected permitting process, specific permitting questions, and to represent Ecology in legal challenges and appeals.

Section 208 Cost Reimbursement Agreements

Ecology assumes we would enter into cost reimbursement agreements with project proponents to cover costs in carrying out permitting processes as specified in section 208. Future cost reimbursement agreements are unknown; therefore, the

expenditures are indeterminate (General Fund Private/Local).

Section 301 SEPA Changes

Section 301 would add a new section to Chapter 43.21C RCW to require a lead agency under the State Environmental Policy Act (SEPA) to notify an applicant if there is an anticipated finding of significance for a project. If an environmental impact statement (EIS) is required, it would be required to be completed within 24 months and a timeline prepared. Ecology assumes that this change would not require an amendment to Ecology's rules at WAC 197-11-800. Ecology assumes that the statutory changes include definitions and provides additional clarifications to SEPA review processes that apply specifically to clean energy projects. Ecology assumes that these changes can be implemented without requiring further clarification in rule.

Section 302 Nonproject Environmental Impact Statements

Section 302 would add a new section to Chapter 43.21C RCW to require Ecology to prepare one nonproject EIS each for green electrolytic and renewable hydrogen, utility-scale solar energy, and onshore utility-scale wind projects. The EIS would evaluate statewide and include co-located battery storage systems. The scope would be required to include opportunities for engaging with Tribes, overburdened communities, and stakeholders. Ecology would be required to offer early and meaningful consultation with any affected federally recognized Indian tribe on the nonproject review. Ecology would be required to include maps identifying probably, significant adverse environmental impacts for the resources evaluated in any final nonproject environmental review documents for clean energy projects. The interagency clean energy siting coordination council created under section 101 of this bill would be required to consider the findings and make recommendations to the legislature and governor.

Nonproject Environmental Impact Statement (EIS) for Green Hydrogen: Based on previous experience, Ecology assumes that this EIS will require 24 months. Ecology estimates that 1.0 FTE Environmental Planner 5 and 1.0 FTE Environmental Planner 4 in FY 2024 and FY 2025 would be required to perform a gap analysis to identify typical requirements for siting green hydrogen, conduct a EIS with statewide analysis based on the needs for the project sites to cover potential impacts and mitigation. Ecology estimates that \$800,000 in FY 2024 and \$1,000,000 in FY 2025 would be required for a contract with a consultant to manage meetings, manage comments, and prepare a report. Ecology further estimates that \$200,000 each year in FY 2024 and FY 2025 would be needed to fund state interagency agreements for work by multiple experts from other state agencies, based on potential impacts. Ecology assumes that the gap analysis required for a PEIS could be completed using information from Commerce and EFSEC, and funding identified above. Ecology also assumes that funding for Tribes, communities, and local government participation, through grants/other funding, would not be included in Ecology's costs. Therefore, no estimate is made for their participation in this effort.

Nonproject EIS for Solar Energy: Based on previous experience, Ecology assumes that this EIS will require 24 months. Ecology estimates that 1.0 FTE Environmental Planner 5 and 0.50 FTE Environmental Planner 4 in FY 2024 and FY 2025 would be required to perform a gap analysis to identify typical requirements for siting, conduct a EIS with statewide analysis based on the needs for the project sites to cover potential impacts and mitigation. Ecology estimates that \$600,000 in FY 2024 and FY 2025 would be required for a contract with a consultant to manage meetings, manage comments, and prepare a report. Ecology further estimates that \$100,000 each year in FY 2024 and FY 2025 would be needed to fund state interagency agreements for work by multiple experts from other state agencies, based on potential impacts. Ecology also assumes that funding for Tribes, communities, and local government participation, through grants/other funding, would not be included in Ecology's costs. Therefore, no estimate is made for their participation in this effort.

Nonproject EIS for Utility-scale Onshore Wind Energy: Based on previous experience, Ecology assumes that this EIS will require 24 months. Ecology estimates that 1.0 FTE Environmental Planner 5 and 0.50 FTE Environmental Planner 4 in FY 2024 and FY 2025 would be required to conduct an EIS with statewide analysis based on the needs for the project sites to

cover potential impacts and mitigation. Ecology estimates that \$500,000 in FY 2024 and \$500,000 in FY 2025 would be required for a contract with a consultant to manage meetings, help develop a scope of study, analyze potential impacts, develop mitigation, manage comments, prepare scoping, and complete draft and final reports. Ecology further estimates that \$100,000 each year in FY 2024 and FY 2025 would be needed to fund state interagency agreements for work by multiple experts from other state agencies, based on potential impacts. Ecology also assumes that funding for Tribes, communities, and local government participation, through grants/other funding, would not be included in Ecology's costs. Therefore, no estimate is made for their participation in this effort.

SUMMARY: The expenditure impact to Ecology under this bill is:

Sections 101 and 102 for Co-Leading Interagency Clean Energy Siting Coordinating Council
FY 2024 and ongoing: \$217,938 and 1.2 FTEs

Sections 102, 204, 205, 206, 207, 208, 209, 301 to support the Co-lead for the Interagency Clean Energy Siting Coordinating Council, establish and lead a clean energy permitting process for projects, carry out cost-reimbursement agreements, consult with affected federal recognized Indian tribes, and provide support for the SEPA process, serve as SEPA lead agency, and carry permitting requirements.
FY 2024 and ongoing: \$3,136,481 and 19.6 FTEs

Section 302 Nonproject EIS for Green Hydrogen is estimated to require:
FY 2024: \$1,334,621 and 2.3 FTEs
FY 2025: \$1,544,621 and 2.3 FTEs

Section 302 Nonproject EIS for Solar Energy in the Columbia Basin is estimated to require:
FY 2024: \$962,538 and 1.7 FTEs
FY 2025: \$962,538 and 1.7 FTEs

Section 302 Nonproject EIS for Onshore Wind Energy is estimated to require:
FY 2024: \$862,538 and 1.6 FTEs
FY 2025: \$862,538 and 1.6 FTEs

The TOTAL Expenditure impact to Ecology under this bill is estimated to be:
FY 2024: \$6,524,116 and 26.45 FTEs
FY 2025: \$6,724,116 and 26.45 FTEs
FY 2026 and ongoing: \$3,354,419 and 20.7 FTEs

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Contracts includes \$1,900,000 in FY 2024 and \$2,100,000 in FY 2025 for consultant participation in the programmatic EIS's required under section 302.

Goods and Services are the agency average of \$5,224 per direct program FTE. Goods and Services also includes AGO costs of \$257,000 in FY 2024 and ongoing, and \$400,000 in FY 2024 and FY 2025 for interagency agreements with other state agencies in the PEIS's required under section 302.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 28.75% of direct program salaries and benefits, and is shown as object 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT App Development - Journey.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
26C-1	Climate Commitment Account	State	6,524,116	6,724,116	13,248,232	6,708,838	6,708,838
Total \$			6,524,116	6,724,116	13,248,232	6,708,838	6,708,838

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	26.5	26.5	26.5	20.7	20.7
A-Salaries and Wages	2,162,934	2,162,934	4,325,868	3,377,148	3,377,148
B-Employee Benefits	778,657	778,657	1,557,314	1,215,774	1,215,774
C-Professional Service Contracts	1,900,000	2,100,000	4,000,000		
E-Goods and Other Services	777,152	777,152	1,554,304	702,064	702,064
G-Travel	35,951	35,951	71,902	56,270	56,270
J-Capital Outlays	23,715	23,715	47,430	37,118	37,118
9-Agency Administrative Overhead	845,707	845,707	1,691,414	1,320,464	1,320,464
Total \$	6,524,116	6,724,116	13,248,232	6,708,838	6,708,838

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
ENVIRONMENTAL ENGINEER 3	98,592	2.5	2.5	2.5	2.5	2.5
ENVIRONMENTAL ENGINEER 5	108,804	3.0	3.0	3.0	3.0	3.0
ENVIRONMENTAL PLANNER 4	89,292	6.0	6.0	6.0	4.0	4.0
ENVIRONMENTAL PLANNER 5	98,592	5.0	5.0	5.0	2.0	2.0
ENVIRONMENTAL SPEC 4	73,260	2.0	2.0	2.0	2.0	2.0
ENVIRONMENTAL SPEC 5	80,952	2.0	2.0	2.0	2.0	2.0
FISCAL ANALYST 2		2.3	2.3	2.3	1.8	1.8
HYDROGEOLOGIST 3	87,144	1.0	1.0	1.0	1.0	1.0
IT APP DEV-JOURNEY		1.2	1.2	1.2	0.9	0.9
NAT RESOURCE SCIENTIST 4	91,524	0.5	0.5	0.5	0.5	0.5
WMS BAND 2	120,000	1.0	1.0	1.0	1.0	1.0
Total FTEs		26.5	26.5	26.5	20.7	20.7

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 463-Energy Facility Site Evaluation Council
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
Account					
Climate Commitment Account-State 26c-1	151,629	152,063	303,692	304,126	304,126
Total \$	151,629	152,063	303,692	304,126	304,126

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Osta Davis	Phone: 360-485-1674	Date: 02/16/2023
Agency Approval: Dave Walker	Phone: 360-664-1345	Date: 02/16/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/21/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This bill would add new sections to chapter 43.21C RCW, chapter 36.70B RCW and Title 43 related to siting and permitting for new clean energy projects.

Section 101 would establish an Interagency Clean Energy Siting Coordinating Council (Coordinating Council) co-led by Ecology and the Department of Commerce (Commerce) with participation from Washington State's Office of the Governor, Energy Facility Site Evaluation Council (EFSEC), Department of Fish and Wildlife (DFW), Department of Agriculture (Agriculture), Office of Indian Affairs, Department of Archaeology and Historic Preservation, Department of Natural Resources (DNR), Department of Transportation (DOT), Utilities and Transportation Commission (UTC), Office of Regulatory Innovation and Assistance (ORIA), Department of Ecology, the Department of Commerce.

The Energy Facility Site Evaluation Council assumes the coordinating council will meet periodically through the year on an ongoing basis. Fiscal impact includes staff time and potential travel required to participate in the Interagency Clean Energy Siting Coordinating Council.

Section 102 would require the newly established Coordinating Council to complete the tasks as outlined in the bill. An annual report to the governor and legislature would be due starting July 1, 2024. The Energy Facility Site Evaluation Council is tasked with supporting the department of archaeology and historic preservation, the governor's office of Indian affairs, the department of commerce, in developing and providing to clean energy project developers a training on consultation and engagement processes for federally recognized Indian tribes.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Sec. 101 requires the Energy Facility Site Evaluation Council (EFSEC) to participate as a member of the interagency clean energy siting coordinating council. EFSEC assumes the Director of Administration will be selected as the representative and to meet the goals and duties of the coordinating council, this will take on average 0.1 FTE per month.

The Energy Facility Site Evaluation Council is tasked with supporting the department of archaeology and historic preservation, the governor's office of Indian affairs, the department of commerce, in developing and providing to clean energy project developers a training on consultation and engagement processes for federally recognized Indian tribes. In order to fully participate in the collaboration regarding tribal consultation, EFSEC would require a designated Tribal Liaison and Engagement Coordinator at an average of 1 FTE ongoing.

It is assumed that participating in the coordinating council will result in periodic meetings whether online or in-person. In-person meetings will result in travel costs for EFSEC. A round-trip distance of 7.8 miles was used (the distance from the EFSEC office to the Department of Commerce) at a frequency of once per month to attend the meetings.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
26c-1	Climate Commitment Account	State	151,629	152,063	303,692	304,126	304,126
Total \$			151,629	152,063	303,692	304,126	304,126

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
A-Salaries and Wages	115,442	115,809	231,251	231,618	231,618
B-Employee Benefits	36,128	36,195	72,323	72,390	72,390
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel	59	59	118	118	118
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	151,629	152,063	303,692	304,126	304,126

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Director of Administration		0.1	0.1	0.1	0.1	0.1
Tribal Engagement Manager		1.0	1.0	1.0	1.0	1.0
Total FTEs		1.1	1.1	1.1	1.1	1.1

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 477-Department of Fish and Wildlife
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.0	2.0	2.0	2.0	2.0
Account					
General Fund-State 001-1	310,000	310,000	620,000	620,000	620,000
Total \$	310,000	310,000	620,000	620,000	620,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Tiffany Hicks	Phone: 3609022544	Date: 02/13/2023
Agency Approval: Tiffany Hicks	Phone: 3609022544	Date: 02/13/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/13/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Differences between SHB 1216 and HB 1216:

Section 209 alters the review process so that DFW staff would engage in regular discussions with Ecology about proposed projects. This replaces the process identified in the original bill, which would have required similar staff time, so the assumptions for this section remain the same.

Section 302 requires Ecology to complete additional Environmental Impact Statements (three instead of one) and to consult DFW on fish, wildlife, and habitat impacts and mitigation. Increased staff capacity would be needed to provide meaningful engagement.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 101 requires 0.5 FTE Environmental Planner 3 in fiscal year 2024 and ongoing to serve on the Interagency Clean Energy Siting Coordinating Council, participate in monthly virtual meetings, review written materials, and prepare presentations.

Section 209 requires 0.5 FTE Environmental Planner 3 in fiscal year 2024 and ongoing to review project proposals for habitat and species considerations, and an addition to the review process in this version of the bill for WDFW to engage in regular discussions with Ecology about proposed projects.

Section 302 requires 0.8 FTE Environmental Planner 3 in fiscal year 2024 and ongoing to collect and provide habitat and corridor data for non-project Environmental Impact Statements (EIS), participate in monthly virtual meetings, and review draft materials. EIS workload increased from 1 to 3 in this version of the bill.

Section 305 requires 0.2 FTE Environmental Planner 3 in fiscal year 2024 and ongoing to participate in least-conflict pumped storage process, collect, and provide habitat data, and participate in monthly virtual meetings.

Salaries and benefits total \$221,000 in fiscal year 2024 and ongoing.

Goods and services, Object E, includes \$9,000 per FTE, per year, for WDFW standard costs, which cover an average employee's supplies, communications, training, and subscription costs per year. An infrastructure and program support rate of 33.5% is included in object T and is calculated based on WDFW's federally approved indirect rate.

Total costs are estimated at \$310,000 in FY 2024 and ongoing.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	310,000	310,000	620,000	620,000	620,000
Total \$			310,000	310,000	620,000	620,000	620,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.0	2.0	2.0	2.0	2.0
A-Salaries and Wages	161,000	161,000	322,000	322,000	322,000
B-Employee Benefits	60,000	60,000	120,000	120,000	120,000
C-Professional Service Contracts					
E-Goods and Other Services	12,000	12,000	24,000	24,000	24,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	77,000	77,000	154,000	154,000	154,000
9-					
Total \$	310,000	310,000	620,000	620,000	620,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
ENVIRONMENTAL PLANNER 3	80,952	2.0	2.0	2.0	2.0	2.0
Total FTEs		2.0	2.0	2.0	2.0	2.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 490-Department of Natural Resources
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.6	0.6	0.6	0.3	0.3
Account					
General Fund-State 001-1	82,100	82,100	164,200	81,400	81,400
Total \$	82,100	82,100	164,200	81,400	81,400

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Angela Konen	Phone: 360-902-2165	Date: 02/17/2023
Agency Approval: Collin Ashley	Phone: 360-688-3128	Date: 02/17/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/20/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Part 2 (Section 210) was amended from the original bill to require that applicants enter into cost recovery agreements with their local jurisdictions, instead of the Department of Ecology (ECY). This change does not result in a changed fiscal impact, as anticipated costs stem from technical advisement by staff on proposed projects and technical assistance to Department of Natural Resources (DNR) representatives assigned to the council.

Part 1 (Sections 101 and 102) requires DNR to participate in an interagency clean energy siting coordination council. The interagency council will be responsible for working with Ecology and Commerce to identify and report on improvements to the siting and permitting of clean energy projects, including an annual report to the Governor and Legislature.

Part 2 (Sec. 203 and 207): DNR may be asked to consult and provide technical guidance on proposed clean energy projects.

Part 3 (Sections 301 and 303): Creates a new SEPA process for clean energy facilities and requires a SEPA lead agency to use a programmatic Environmental Impact Statement (EIS) developed by Ecology (Section 302, developed by June 30, 2025) for utility scale solar and wind energy projects, co-located battery storage or for green electrolytic or renewable hydrogen project proposals.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

DNR may see an increase in clean energy project leases, however, amount of increase and associated revenues are unable to be determined at this time.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

DNR requires a WMS Band 2, Policy Advisor, to gather and read information related to clean energy project permitting and siting, consult with program staff, and attend meetings. A heavier workload is assumed in FY 2024 and FY 2025, due to the advising and consultation required prior to the Department of Commerce (COM) selecting a contractor. Additional requirements during this time include the initial annual report due to the Governor and legislature by July 1, 2024, ECY's update to the Governor and legislature on the consolidated permit options by October 1, 2024, and the consolidated permit applications by December 31, 2024.

DNR assumes the need for additional Washington Geological Survey (WGS) staff to provide input to discussions of clean energy projects, particularly those involving geothermal resources. A Natural Resource Scientist 4 is required to attend workgroup meetings and participate in discussions about joint permit applications for clean energy projects, including providing technical assistance in the evaluation of larger clean energy projects involving geothermal resources.

Costs include:

WMS Band 2 - Policy Advisor: 0.25 FTE for FY 2024 and FY2025, 0.13 FTE beginning in FY 2026 and on-going
Natural Resource Scientist 4: 0.20 FTE for FY 2024 and FY2025, 0.10 FTE beginning in FY 2026 and on-going

Total estimated costs are \$82,100 in FY 2024 and FY 2025, \$40,700 in FY 2026 and on-going.

Goods and services and travel are calculated on actual program averages per person.

Administrative costs are calculated at 31% of staff salary and benefits and staff-related goods and services and travel. For fiscal note purposes, this cost is represented as a Fiscal Analyst 2 position.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	82,100	82,100	164,200	81,400	81,400
Total \$			82,100	82,100	164,200	81,400	81,400

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.6	0.6	0.6	0.3	0.3
A-Salaries and Wages	43,600	43,600	87,200	43,200	43,200
B-Employee Benefits	14,400	14,400	28,800	14,000	14,000
C-Professional Service Contracts					
E-Goods and Other Services	4,500	4,500	9,000	4,600	4,600
G-Travel	1,000	1,000	2,000	1,200	1,200
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	18,600	18,600	37,200	18,400	18,400
9-					
Total \$	82,100	82,100	164,200	81,400	81,400

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Fiscal Analyst 2	55,872	0.1	0.1	0.1	0.1	0.1
Natural Resource Scientist 4	91,524	0.2	0.2	0.2	0.1	0.1
WMS Band 2	101,268	0.3	0.3	0.3	0.1	0.1
Total FTEs		0.6	0.6	0.6	0.3	0.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1216 S HB	Title: Clean energy siting	Agency: 495-Department of Agriculture
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.5
Account					
General Fund-State 001-1	102,600	102,600	205,200	205,200	205,200
Total \$	102,600	102,600	205,200	205,200	205,200

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Preparation: Gary Bahr	Phone: (360) 902-1936	Date: 02/16/2023
Agency Approval: Jeannie Brown	Phone: 360-902-1989	Date: 02/16/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/16/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

SHB 1216 is a substitute bill for HB 1216. SHB 1216 amends two additional RCW chapter 44.39 sections 010 and 012, adds an additional section to chapter 36.01 RCW, and provides for an expiration date. This bill is related to clean energy siting projects.

Changes between bill versions:

Section 1 - Statement of Legislative Intent (1) expands language for the protection of tribal rights, interests, and cultural resources within the clean energy siting and permitting process; (3) changes programmatic to non project environmental reviews to minimize impacts; (5) (b) removes the clean energy navigator as a part of the initial assessment process; (5) (c) adds subsection to require a fully coordinated permit process; (5) (d) adds requirements for separate nonproject environmental impact statements on green electrolytic and renewal hydrogen projects, colocated battery energy storage facilities, onshore utility-scale wind energy projects, and colocated battery energy storage facilities. Also expands requirement for nonproject environmental impact statements apply to all solar energy projects statewide and not just those within the Columbia Basin.

Part 1, Sec 102: Expands the responsibilities of the interagency clean energy siting coordinating council to include (1) (f) making available outreach and engagement reports requested of the Governor's office of Indian affairs; (1) (g) support to department of archeology and historic preservation to ensure projects follow archeological and historical site preservation requirements; (2) amends the first annual report due date from July 1, 2024 to October 1, 2024. Section 102 also adds new requirements for the coordinating council to include (A) carrying out the site evaluation consistent with the energy facility site evaluation council permitting process authorized in chapter 80.50 13 RCW; (B) identify successful models used in other states to include state and local government build ready sites; (C) (b) make available the consolidated permitting application process.

Part 2, Sec 201: changes were made to amend and add new definitions to include battery storage facilities under "associated facilities", "equipment" to include nonemitting electric equipment, adding hydroelectric renewal generation and biomass energy facilities to the definition of "clean energy projects", and expanding the definition of electric transmission facilities.

Sections within Part 2 (Statewide Significance and Coordinated Permitting Process) were removed and all other sections are re-numbered. Section 202 is removed and Sections 203 and 204 are moved up. Section 205 is removed and Sections 206-210 are moved up.

Part 3, Section 302 is modified to include expansion of list of clean energy projects identified in changes elsewhere in Part 2 of this bill.

New Section 305 adds a chapter to 36.01 RCW to include activity specifically not deemed as site development as part of the permitting process.

New Sections 307-310 are added which outline additional outreach, engagement, and reporting requirements for the Department Commerce.

Substitute bill sections with impacts to WSDA:

Section 102 (2) the first annual report from the coordinating council was changed from July 1, 2024 to October 1, 2024. Under the original bill, WSDA is a member agency on the coordinating council.

Section 307 (1)(a) requires the department of commerce to consult with stakeholders from rural communities, agriculture, natural resource management and conservation, and forestry to gain a better understanding of the benefits and impacts of the anticipated changes in the state's energy system, including the siting of facilities under the jurisdiction of energy facility site evaluation council, and to identify risks and opportunities for rural communities. This section also requires commerce to consult with an array of rural community members to include those involved with agriculture to consider the benefits and impacts of changes in the state's energy system on rural communities. (c) consultation includes two community meetings each year. (2) (a),(d) requires commerce to complete an interim report with input from stakeholders on rural clean energy and resilience that examines the impact of energy projects in rural areas by December 1, 2023 and the final report by December 1, 2024.

In developing this fiscal impact statement, WSDA consulted with Commerce on their rural engagement plan. Commerce anticipates WSDA being involved in the work to engage and involve the rural and agricultural communities impacted by clean energy projects. In the lead agency assumptions, the Department of Ecology estimates approximately 30 clean energy site projects every biennium, approximately 50% of those are expected to be in rural and agricultural communities.

WSDA identified a resource need to manage the new and ongoing work created in the original bill of a part time WMS Bank 2 level position at .10 FTE. WSDA's role and involvement is expanded in the substitute bill, specifically in section 307, to include attending additional stakeholder meetings and coordinating with commerce to engage and work with rural and agricultural communities on up to approximately 15 clean energy sited projects per biennium. WSDA's new ongoing resource needs would increase the number of hours for the WMS 2 position to .50 FTE and to add travel costs. Updated costs for salaries, benefits, supplies, travel, and overhead for a .50 FTE WMS 2 position starting FY 2024.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

WSDA does not set, administer, or collect the tax or fee revenue contained in this bill.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

A WMS2 Manager at 0.50 FTE is needed to fill the duties and requirements of the bill. This position would serve as a member of the council or other ad hoc groups, support all phases of Policy and Science Liaison work with the interagency clean energy siting coordinating council, and, in consultation with commerce, engage with the impacted rural and agricultural communities as it relates to clean energy siting project work. This WSDA staff member would be expected to participate in the siting processes under established time tables, and provide a variety of reports to the Governor and the appropriate committees of the legislature by various deadlines. Lead agency assumptions include monthly meetings and other ad hoc advisory group sessions as needed. Travel is assumed necessary as part of the engagement work.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	102,600	102,600	205,200	205,200	205,200
Total \$			102,600	102,600	205,200	205,200	205,200

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.5
A-Salaries and Wages	55,000	55,000	110,000	110,000	110,000
B-Employee Benefits	18,000	18,000	36,000	36,000	36,000
C-Professional Service Contracts					
E-Goods and Other Services	6,900	6,900	13,800	13,800	13,800
G-Travel	4,500	4,500	9,000	9,000	9,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service	300	300	600	600	600
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Admin Overhead	17,900	17,900	35,800	35,800	35,800
Total \$	102,600	102,600	205,200	205,200	205,200

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
WMS 2 Program Manager	110,000	0.5	0.5	0.5	0.5	0.5
Total FTEs		0.5	0.5	0.5	0.5	0.5

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

No capital impacts.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1216 S HB

Title: Clean energy siting

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Costs associated with engaging in rulemaking
- Counties: Same as above
- Special Districts: Public Utilities that apply for the designation of Clean Energy Projects of Statewide Significance (CEPSS) for their facilities.
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: Costs associated with engaging in the regulatory process, staff time, the number of clean energy projects that would apply for CEPSS status, cost reimbursement agreements, and application fees.

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Chelsea Mickel	Phone: 518-727-3478	Date: 02/20/2023
Leg. Committee Contact: Dan Jones	Phone: 360-786-7118	Date: 02/11/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/20/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/21/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

- Adds to the duties of the Interagency Clean Energy Siting Coordinating Council (ICESCC);
- Expands the definition of a clean energy project which applies for purposes of the: (1) designation of Clean Energy Projects of Statewide Significance (CEPSS); (2) Fully Coordinated Permit Process (FCPP), and (3) special procedural treatment under the State Environmental Policy Act (SEPA);
- Specifies and expands the provisions applicable to notification of and consultation with federally recognized Indian tribes for purposes of the designation of a CEPSS; FCPP; special procedural treatment under SEPA; and non-project environmental impact statements (EISs);
- Allows a clean energy project to make use of the FCPP overseen by the Department of Ecology (Ecology) without being designated as a CEPSS by the Department of Commerce (Commerce);
- Eliminates the role of the clean energy navigator for CEPSS designated by Commerce;
- Amends the logistical and implementation details of the FCPP, including to specify the role of local governments in agreeing to participate in the FCPP for clean energy projects;
- Eliminates the provisions specifying when an agency with authority to impose mitigation under SEPA would be restricted from reopening, reconsidering, or modifying previously imposed mitigation, and that required SEPA mitigation to be additional relative to the environmental impacts that would occur in the absence of a proposal;
- Expands non-project EISs to include utility-scale solar energy projects outside of the Columbia Basin, onshore utility-scale wind energy projects, and to include analysis of co-located battery storage for the three subjects of non-project EISs of solar, wind, and hydrogen;
- Specifies the scope of analysis and content in the non-project EISs for solar, wind, and hydrogen, including types of impacts that must be considered, and specifies how non-project EISs may be subsequently used by lead agencies;
- Prohibits counties from requiring a grading permit or other ministerial or discretionary permits for site investigation work and clearing, grading, and limited excavation work associated with wind and solar resource evaluations, so long as a person has inquired with the Department of Archaeology and Historic Preservation to obtain certain information, and the activities do not involve in-water work, the fill of wetlands, or areas covered by critical area ordinances;
- Requires Commerce to consult with rural, agriculture, and forestry stakeholders to consider the benefits and impacts of changes in the state's energy system to rural communities;
- Requires Commerce to complete an interim report on rural clean energy and resilience that examines the impact of energy projects in rural areas and considers input from the stakeholder consultation by December 1, 2023, and a final report by December 1, 2024; and
- Changes the name of the Joint Committee on Energy Supply and Energy Conservation to the Joint Committee on Energy Supply, Energy Conservation, and Energy Resilience (Joint Committee), and requires the Joint Committee to review inequities in the historic and anticipated siting of large alternative energy facilities, and to provide an interim report to the Legislature by December 2023, and a final report by December 2024.

SUMMARY OF CURRENT BILL:

- Establishes the ICESCC to be co-chaired by Ecology and Commerce.
- Directs Commerce to establish a new program for the designation of CEPSSs.
- Makes certain clean energy processes eligible for a coordinated permitting process to be overseen by Ecology.
- Amends provisions of SEPA for certain types of clean energy projects, including directing lead agencies to complete EISs within 24 months and specifying the content of SEPA review for clean energy projects.
- Directs Ecology to prepare non-project EISs for solar energy projects, onshore wind energy projects, green electrolytic or renewable hydrogen projects, and any co-located battery storage.
- Directs the Washington State University Energy Program to conduct a least-conflict pumped storage siting process.
- Directs Commerce to study and report on rural clean energy and resilience.
- Changes the name of the Joint Committee on Energy Supply, Energy Conservation and Energy Resilience, and requires the committee to review and report on inequities in the historic and anticipated siting of large alternative energy facilities.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

The substitute bill requires Commerce to conduct at least three stakeholder meetings, with at least one in Eastern Washington and at least one in Western Washington. These meetings must include stakeholders from rural communities, agriculture, natural resource management and conservation, and forestry industries to better understand the impacts of renewable energy and siting project on rural communities. Representatives from local governments would incur costs attending these meetings if they are held in-person. For discussion purposes, if two single-day meetings were held in Olympia, and one was held in Spokane, the Local Government Fiscal Note Program Travel Calculator estimates that it would cost \$1,414 for a local government staff member from Seattle to attend all three. Meeting costs would vary depending on the number of staff attending, how far they had to travel, hotel prices, per diems, and the length and number of meeting required. Since it is unknown how many local governments would attend such meetings, or where the meetings would be held, these costs are indeterminate.

EXPENDITURE IMPACTS OF CURRENT BILL:

This bill has indeterminate expenditure impacts on local governments.

Section 201 defines “clean energy projects” as clean energy product manufacturing facilities; electrical transmission facilities; facilities to produce non-emitting electric generation or electric generation from renewable resources, storage facilities; facilities or projects at any facilities that exclusively or primarily process biogenic feedstock into refined fuel products; or facilities or projects at any facilities that exclusively or primarily process alternative jet fuel.

Under this definition, public utilities or locally-funded clean energy projects may choose to apply for CEPSS designation. This would incur costs for staff time associated with drafting and submitting applications, as well as potential fees for application submittal. Local governments that apply for CEPSS would also incur costs by entering into required cost reimbursement agreements with Ecology. These reimbursements are meant to cover the ‘reasonable costs’ and costs of administrative burden on Ecology and other agencies associated with running a coordinated permitting process. Currently there is no definition of ‘reasonable costs’ and so the extent to which reimbursement agreements will impact local governments’ expenditures is uncertain.

Under section 209, Ecology is required to identify overburdened communities that might be affected by CEPSS, and verify that these communities have been meaningfully engaged in the regulatory processes in a timely manner by participating agencies. ICESCC is required to solicit input from interested parties and organizations involved in clean energy project siting and permitting, as well as organize a work plan meeting to develop a coordinated permit process schedule with the CEPSS project proponent, local government, and participating permit agencies. Local governments that have been solicited for input in either of these processes may incur costs for staff time and travel in order to be a part of the regulatory process. For example, if a one-day meeting was held in Olympia, it would cost \$334 for a local government staff member from Seattle to attend. This includes a \$74 per diem and \$138 hotel stay. Costs of the meeting would vary depending on the number of staff attending, how far they had to travel, and the length and number of meeting required. If the process requires or recommends that local governments adopt new ordinances in order to comply with Ecology’s requirements, local governments may incur costs for doing so. For discussion purposes, the Local Government Fiscal Note Program's cost models put the cost of adopting a simple ordinance with a public hearing is \$2,958 while adoption of a complex ordinance with hearing is estimated to be approximately \$9,492. However, since there is currently no requirement to adopt new ordinances under this legislation, these costs are speculative and indeterminate.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

In comparison to the original version of the bill, the substitute bill version would create new revenue impacts.

The substitute bill prohibits counties from requiring a grading permit or discretionary permits for site investigation work and clearing, grading, and limited excavation work associated with wind and solar resource evaluations, with the caveat that activities do not involve in-water work, the fill of wetlands, or areas covered by critical area ordinances. Since permitting is a source of revenue for local governments, prohibiting permit requirements for renewable resource siting could decrease revenues that governments could have received from permitting fees. Many counties list permit and fee schedules. Pierce County, for example, lists site plan review permits as costing \$1,600. King County requires a fee of \$585 to clear less than 0.2 acres, and up to \$2,477 for grading or clearing more than 0.2 acres. However, since it is unknown how many counties currently require permitting fees for siting, or the number of siting projects that will no longer need permitting under the provisions of this bill, it is difficult to determine how much revenue could be lost.

REVENUE IMPACTS OF CURRENT BILL:

This bill has indeterminate revenue impacts on local governments.

New clean energy projects could bring in local revenues, but the number of new projects created due to ICESCC or CEPSS designation, and the amount of additional revenue is unknown. It is also possible that cost-reimbursement agreements with Ecology and CEPSS application fees could offset revenues brought in by new energy projects. However, it is unlikely that a jurisdiction would pursue or continue a project that is financially untenable.

SOURCES

Department of Commerce

Department of Ecology

Department of Ecology Fiscal Note, HB 1216, (2023)

House Bill Hearing, HB 1216, Environment & Energy Committee (2023)

House Bill Report, SHB 1216, Environment & Energy Committee (2023)

House Bill Report, HB 1216, Environment & Energy Committee (2023)

King County

Local Government Fiscal Note, HB 1216, (2023)

Local Government Fiscal Note Program Travel Calculator (2023)

Local Government Fiscal Note Program Unit Cost Model (2023)

Pierce County