

Multiple Agency Fiscal Note Summary

Bill Number: 1216 E 2S HB AMS NGUY S3205.1	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	1.0	173,332	173,332	173,332	1.0	181,900	181,900	181,900	1.0	181,900	181,900	181,900
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	6.4	0	0	3,151,621	5.4	0	0	1,701,736	5.4	0	0	1,711,336
Utilities and Transportation Commission	.2	0	0	67,309	.2	0	0	65,814	.2	0	0	65,814
Department of Health	.3	102,000	102,000	102,000	.3	106,000	106,000	106,000	.3	106,000	106,000	106,000
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	.2	0	0	56,000	.2	0	0	56,000	.2	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	1.4	0	0	358,956	1.4	0	0	359,390	1.4	0	0	359,390
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	200,600	200,600	200,600	.5	200,600	200,600	200,600	.5	200,600	200,600	200,600
Total \$	42.5	2,337,059	2,337,059	19,745,177	34.9	1,462,852	1,462,852	10,874,630	34.9	1,462,852	1,462,852	10,884,230

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	.0	0	0	.0	0	0	.0	0	0
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Health	.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	.0	0	0	.0	0	0	.0	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 \$	0.0	0	0	0.0	0	0	0.0	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

A revised fiscal note from WSDOT is included.

Prepared by: Lisa Borkowski, OFM

Phone:
(360) 742-2239

Date Published:
Revised 4/25/2023

Individual State Agency Fiscal Note

Bill Number: 1216 E 2S HB AMS NGUY S3205.1	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:	Phone:	Date: 04/10/2023
Agency Preparation: Tracy Sayre	Phone: 360-890-5279	Date: 04/10/2023
Agency Approval: Kathy Cody	Phone: (360) 480-7237	Date: 04/10/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 04/11/2023

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.

Changes in the amendment do not change the Governor's previous fiscal note assumptions.

The Engrossed Second 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 E 2S HB AMS NGUY S3205.1	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	1.0	1.0	1.0	1.0	1.0
Account					
General Fund-State 001-1	86,632	86,700	173,332	181,900	181,900
Total \$	86,632	86,700	173,332	181,900	181,900

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:	Phone:	Date: 04/10/2023
Agency Preparation: Seth Flory	Phone: 360-407-8165	Date: 04/12/2023
Agency Approval: Seth Flory	Phone: 360-407-8165	Date: 04/12/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 04/12/2023

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 amendments adopted under bill version 1216 E2S HB AMS NGUY S3205.1 do not change the Governor's Office of Indian Affairs (GOIA) roles and responsibilities as outlined in prior version of the legislation.

Section 101(1) of Engrossed 2nd Substitute House Bill 1216 establishes the Interagency Clean Energy Siting Coordinating Council and grants GOIA a seat on the council.

Section 102(1)(f) gives 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 a full-time Program Manager position to serve on the Council, maintain the list of contacts, and act as a liaison with tribal communities. The Governor's Operating Budget and the House Chair version of the Operating Budget both include funding for FTEs related to the Climate Commitment Act (CCA). If a CCA position is funded in the final budget, they'll take on the responsibilities created in this legislation so further funding would not be needed.

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 a full-time Program Manager to serve on the Council, maintain the list of contacts, and act as a liaison with tribal communities. The Governor's Operating Budget and the House Chair version of the Operating Budget both include funding for FTEs related to the Climate Commitment Act (CCA). If a CCA position is funded in the final budget, they'll take on the responsibilities created in this legislation so further funding would be needed.

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	86,632	86,700	173,332	181,900	181,900
Total \$			86,632	86,700	173,332	181,900	181,900

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	61,632	64,700	126,332	135,900	135,900
B-Employee Benefits	20,000	21,000	41,000	44,000	44,000
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 \$	86,632	86,700	173,332	181,900	181,900

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	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.0	1.0	1.0	1.0	1.0

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 E 2S HB AMS NGUY S3205.1	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:

ACCOUNT	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:	Phone:	Date: 04/10/2023
Agency Preparation: Chad Standifer	Phone: 3605863650	Date: 04/11/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 04/11/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 04/12/2023

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: Legislative findings and intent.

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

Section 102: Details the duties of the Coordinating Council, including providing an annual report, advising Commerce in contracting with a third party to evaluate state agency siting and permitting, pursuing development of a consolidated clean energy application for state permits needed for clean energy projects, and exploring 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 Commerce's review of 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 specifies the requirements of that assessment.

Section 206: Authorizes a project proponent to submit a request to Ecology to participate in fully coordinated permitting process, and specifies Ecology's duties relating to the fully coordinated permitting process. Provides that permitting decisions made under the fully coordinated permitting process are final and subject to applicable appeals process.

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

Section 208: Requires 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. Authorizes cost-reimbursement agreement for a fully coordinated permitting process to reimburse the costs of a federally recognized Indian tribe for its review on the siting and permitting of a clean energy project.

Section 209: Requires Ecology to offer consultation with affected, potentially impacted 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. Authorizes Commerce to terminate those designations. Other miscellaneous provisions.

Section 211: Adds a new section to RCW 80.50 making applicants utilizing the fully coordinated permitting process ineligible for permitting under that chapter absent a substantial change in the proposed project.

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: Adds a new section to RCW 36.70B 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 preventing counties from prohibiting the installation of wind and solar resources evaluation equipment necessary for renewable energy projects.

Section 306: Requires the Washington State University (WSU) to conduct a process to identify issues and interest relating to siting pumped storage projects in Washington State, to support expanded capacity to store renewable energy. Must be completed by June 30, 2025.

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 and the appropriate policy and fiscal committees of the legislature. Final report to be submitted by December 1, 2024.

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 two meetings and report its findings and recommendations to the Energy Facility Site Evaluation Council and the legislative committees with jurisdiction over environment and energy laws by December 1, 2024. Provides an expiration date of June 30, 2025 for the section.

Section 401: Provides that Sections 101 and 102 constitute a new chapter in RCW 43.

Section 402: Provides 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 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 and each FY thereafter: \$257,000 for 1.0 AAG and 0.5 LA.

Commerce will be billed for non-Seattle rates:

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

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 non-Seattle 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. Assumptions for the AGO Washington State University Division’s (AGO-WSU) Legal Services for the Washington State University (WSU):

The AGO will bill WSU for legal services based on the enactment of this bill.

The enactment of this bill will impact the provision of legal services to WSU. AGO-WSU assumes there will be some legal services required under Section 306, which requires conducting a process to identify issues and interests relating to siting pumped storage projects in 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. Assumptions for the AGO Ecology Division’s (ECY) Legal Services for the Department of Ecology (Ecology):

The AGO will bill Ecology for legal services based on 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 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, which have increased in number under the substitute bills. However, the increased EIS numbers do not require any additional legal services. Finally, AAGs will need to handle any appeals of Ecology permit decisions made under the new process for clean energy facilities. An AAG will also need to handle appeals of any Energy Facility Site Evaluation Council (EFSEC) decisions regarding clean energy projects. The Ecology's fiscal note 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. Ecology further assumes that some projects will go through EFSEC process. 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 workload in FY 2024 is as follows: 0.1 AAG to advise the coordinating council; 0.3 AAG to advise Ecology regarding specific projects under this bill (assuming 15 per FY); 0.1 AAG to advise Ecology regarding the programmatic EISs required by this bill; and 0.5 AAG 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 AAG to advise regarding clean energy projects; 0.1 AAG to advise regarding the programmatic EIS; and 0.6 AAG for litigation costs including both Ecology and EFSEC appeals.

ECY assumes the following workload in FY 2026: 0.3 AAG to advise regarding projects; no legal assistance regarding the programmatic EIS (which should be finished after two years); and 0.7 AAG for litigation costs including both Ecology and EFSEC appeals (assuming two Ecology appeals and one EFSEC appeal). ECY assumes that the advice regarding projects and litigation will continue each FY thereafter.

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

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

3. Assumptions for the AGO Agriculture and Health Division's (AHD) Legal Services for the Department of Archaeology and Historic Preservation (DAHP), the Washington State Department of Agriculture (WSDA), and the Department of Commerce (Commerce).

The enactment of this bill will not impact the provision of legal services by AHD to 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. Therefore, costs are not included in this request.

The enactment of this bill will not impact the provision of legal services by AHD to 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. Therefore, costs are not included in this request.

The enactment of this bill will impact the provision of legal services by AHD to Commerce. The AGO will bill Commerce for legal services based on the enactment of this bill. 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 and each FY thereafter: \$3,000 for 0.01 AAG and 0.01 LA.

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

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 Revolving Account	State	263,000	263,000	526,000	520,000	520,000
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
C-Professional Service Contracts					
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
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 \$	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
Agricultural 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
Washington 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 E 2S HB AMS NGUY S3205.1	Title: Clean energy siting	Agency: 103-Department of Commerce
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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	6.3	6.4	6.4	5.4	5.4
Account					
Climate Commitment Account-State 26C-1	1,760,046	1,391,575	3,151,621	1,701,736	1,711,336
Total \$	1,760,046	1,391,575	3,151,621	1,701,736	1,711,336

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:	Phone:	Date: 04/10/2023
Agency Preparation: Marla Page	Phone: 360-725-3129	Date: 04/11/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 04/11/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 04/12/2023

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 E2S HB 1216 AMS NGUY S3205.1 and the E2S HB 1216 AMS WM S2963.2:

There are no differences between E2S HB 1216 AMS NGUY S3205.1 and the E2S HB 1216 AMS WM S2963.2 that affect the fiscal impact to the Department of Commerce (department).

Summary of E2S HB 1216 AMS NGUY S3205.1:

The bill provides for more efficient and effective project siting and permitting through agency coordination, the development, identification, designation of projects of statewide significance, implementation of programmatic environmental impact statements, expedited local permitting support, designates agency project navigators, prioritizes transmission, amends the State Environmental Policy Act (SEPA) while consulting with tribes and engaging overburdened communities concerning clean energy projects.

The bill also provides requirements and processes to consult and engage stakeholders, in particular tribes and overburdened communities, to decrease disproportionalities and formalize community benefits across the state's unique regions and demographics.

Section 1(1) is a new and states that the legislature finds that efficient and effective siting and permitting of new clean energy projects throughout Washington is necessary to: address climate change and achieve the state's greenhouse gas emission limits; improve air quality; grow family-wage clean energy jobs and innovative clean energy businesses that provide economic benefits across the state; and make available secure domestic sources of the clean energy products needed to transition off fossil fuels.

Section 1(5) is a new and states that is the intent of the legislature to support efficient, effective siting and permitting of clean energy projects through a variety of interventions to include: Establishing an interagency clean energy siting coordinating council to improve siting and permitting of clean energy projects; create a designation for clean energy projects of statewide significance to provide benefits including a clean energy navigator and access to the initial assessment and fully coordinated permitting processes; improve processes for review of clean energy projects under the state environmental policy act; require preparation of a non-project environmental impact statement for green electrolytic and renewable hydrogen projects statewide, and another for solar energy projects located in the Columbia Basin of central and eastern Washington, with the goal of preparing these non-project environmental impact statements by June 30, 2025; and require the Washington State University energy program to complete a least-conflict siting process for pumped storage projects in Washington by June 30, 2025.

Section 101(1) creates an interagency clean energy siting coordinating council co-led by the department and Washington State Department of Ecology (Ecology) with participation from the following agencies: Office of the Governor; Energy Facility Site Evaluation Council (EFSEC); Department of Fish and Wildlife (DFW); Department of Agriculture (Agriculture); Governor's Office of Indian Affairs; Department of Archaeology and Historic Preservation; Department of Natural Resources (DNR); Department of Transportation (WSDOT); Utilities and Transportation Commission (UTC) Governor's Office for Regulatory Innovation and Assistance; Other agencies with key roles in siting clean energy to participate on an ongoing or ad hoc basis.

Section 101(2) is new and requires the department and Ecology to assign staff to lead the coordinating council's work and provide ongoing updates to the governor and appropriate committees of the legislature, including those with jurisdiction over the environment, energy, or economic development policy.

Section 101(3) is new and defines "coordinating council" to mean the interagency clean energy siting coordinating council.

Section 102(1) is new and establishes the duties of the coordinating council to include, but not limited to: identify actions to improve siting and permitting of clean energy projects, create implementation plans and timelines, and making recommendations for needed funding or policy changes; track federal government efforts to improve clean energy project siting and permitting; conduct outreach to parties with interests in clean energy siting and permitting for ongoing input on how to improve state agency processes and actions; establish work groups as needed to focus on specific energy types such as solar, wind, battery storage, or emerging technologies, or specific geographies for clean energy project siting; create an industry clean energy siting advisory committee and any other advisory committees deemed necessary to inform the development of items identified in (a) through (d) of this subsection; support the governor's office of Indian affairs in creating and updating annually or when requested by a federally recognized Indian tribe a list of contacts at federally recognized Indian tribes, and tribal preferences regarding outreach about clean energy project siting and permitting; support the department of archaeology and historic preservation (DAHP), the governor's office of Indian affairs, the department, and the energy facility site evaluation council in the development of training to clean energy project developers on consultation and engagement processes for federally recognized tribes; support DAHP in updating the statewide predictive archaeological model to provide clean energy project developers information about where archaeological resources are likely to be found and the potential need for archaeological investigations; and support and promptly provide information to DOE in support of the non-project reviews required under section 303 of this act.

Section 102(2) is new and requires the coordinating council to provide an annual report to the governor and appropriate committees of the legislature beginning October 1, 2024, summarizing progress on efficient effective and reasonable siting and permitting of clean energy projects.

Section 201 is new and provides for definitions.

Section 202 is new and requires the department to develop an application process for the designation of clean energy projects as clean energy projects of statewide significance.

Section 203 is new and requires the department in consultation with other state agencies identified as likely to have a role in siting or permitting a project to review applications received. The director of the department must determine and designate an applicant's project as a clean energy project of statewide significance.

Section 204 is new and establishes an optional fully coordinated permit process for clean energy projects that do not apply to the energy facility site evaluation council. allows the department to opt-in communicate with Ecology and project proponents about defined issues in coordination with clean energy navigators.

Section 302 is new and adds to chapter 43.21C RCW that requires Ecology to prepare non-project environmental impact statements that assess and disclose the probable significant adverse environmental impacts and identify related mitigation measures for green electrolytic or renewable hydrogen projects and solar energy projects located in the Columbia Basin of eastern and central Washington.

Section 306 is new and requires Washington State University energy program (WSU) to conduct a least-conflict pumped storage siting process for Washington state to support expanded capacity to store intermittently produced renewable energy from wind and solar as part of the state's transition from fossil fuel to 100 percent clean energy.

Section 307 is new and requires the department to engage rural and agricultural stakeholders on the opportunities and impacts of rural energy production and to analyze the economic impacts of that production and requires the department to complete a final report by December 1, 2024, to the Joint Select Committee on Alternative Energy Facility Siting, the Energy Facility Site Evaluation Council (council), and the legislature. The bill directs the committee to hold at least four meetings, at least two of which must be in eastern Washington. The first meeting must occur by September 30, 2023.

Section 308 amends RCW 44.39.010 and creates the joint committee on energy supply, energy conservation, and energy resilience.

Section 309 amends RCW 44.39.012 to provide definitions.

Section 309(1) defines “Committee” to mean the joint committee on energy supply, energy conservation, and energy resilience.

Section 309(2) defines “Conservation” to mean reduced energy consumption or energy cost, or increased efficiency in the use of energy, and activities, measures, or equipment designed to achieve such results.

Section 310 is new and requires the department by December 1, 2024, to report findings to the joint committee on energy supply, energy conservation, and energy resilience – made up of eight legislators.

Effective date is assumed to be 90 days after adjournment of the session in which this bill is passed.

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.

Sections 101 and 102 – Establishing Interagency Clean Energy Siting Coordinating Council Responsibilities and Annual Report:

General Assumptions:

The bill establishes the Interagency Clean Energy Siting Coordinating Council. Both Ecology and the department will co-lead this council.

Section 102 requires the interagency clean energy siting coordinating council to complete an annual report for the governor and appropriate committees of the legislature beginning October 1, 2024, summarizing progress on efficient effective and reasonable siting and permitting of clean energy projects. The council is co-led by the department and Ecology. This would require the department to identify actions to improve siting and permitting of clean energy projects, areas of additional work, including where clean energy project siting and permitting outcomes are not broadly recognized as efficient, effective, or responsible and any needed policy changes. The department assumes that it would hire a consultant and provide consultation and coordinate with the contractor to complete the annual report.

Meetings:

The department assumes once a month, eight hours, full council meetings for a total of 12 days per year, starting in FY24 and continuing on an ongoing basis to support progress on efficient effective and reasonable siting and permitting clean energy projects. The department assumes the council will create subcommittees for different parts of the work during FY24 and FY25, whose subcommittees will meet for four hours, once a month, for a total of 12 meetings per year. The department assumes all meetings will be virtual but could transition to in person/hybrid meetings.

Annual Report:

The department assumes the annual report will be co-drafted by Ecology and the department. The report will be reviewed and approved by the full council and submitted to governor’s office and legislature by beginning October 1, 2024, and each year thereafter.

Consulting assumptions:

The department assumes it would hire a consultant to provide expert analysis and facilitation to improve siting and permitting of clean energy projects.

To accomplish this work the department estimates:

1.0 FTE Senior Energy Policy Specialist (EMS2) (2,088 hours) in FY24-FY29 to provide expert consultation and assist in the development of the annual report. This position would work with the contractor to identify challenges and opportunities. They will co-lead council meetings, coordinate with executive level leaders at state agencies. Oversee the consultant to assist in the development for the annual report to include any obstacles to improve siting and permitting of clean energy projects. Provide general policy guidance.

1.0 FTE Management Analyst 5 (2,088 hours) in FY24-FY29 to provide expert level analyses to management, coordinate council meetings in consultation with the contractor, and manage and edit documents from multiple participants. Make implementable recommendations to the department energy policy office and permitting agencies. Provide expert advice and consultation to executive management, internal departments and outside organizations on the work of the council. Will serve as the agency representative for work groups, teams or projects with other public and private entities.

1.0 FTE Management Analyst 4 (2,088 hours) in FY24-FY29 to, under general direction, provide senior level professional analyses to management, staff and customers regarding complex issues that impact programs and policies, and lead production of annual reports.

0.5 FTE Administrative Assistant 3 (1,044 hours) in FY24-FY29 to provide administrative support for meetings, materials, and interagency coordination.

Salaries and Benefits:

FY24: \$459,579

FY25-FY29: \$474,969 per fiscal year

Professional Service Contracts:

One professional service contract for a third-party consultant to provide expert analysis identify challenges and opportunities in the development of the annual report. The department assumes a rate of \$250 per hour for the professional services contract.

FY24-FY25 \$125,000 per fiscal year

Goods and Services:

FY24: \$33,682

FY25-FY29: \$33,708 per fiscal year

Equipment:

In addition to the standard goods and services estimates, the department assumes the purchase of standard workstations for the new staff in FY24 and the purchase of replacement laptops/tablets in FY28 based on the department's replacement cycle.

FY24: \$15,000

FY28: \$7,200

Intra-Agency Reimbursements:

FY24: \$151,201

FY25-FY29: \$156,265 per fiscal year

Sections 202 and 203 – Application Process and Development General Assumptions:

The bill establishes a process for applicants to apply to the department for designation as a clean energy project of statewide significance and identify regulatory assistance available to projects designated as clean energy projects of statewide significance by the department. The department will develop an application for the designation of clean energy projects as clean energy projects and also to assign a clean energy navigator to each clean energy project.

To complete this work the department estimates:

1.0 FTE Commerce Specialist 3 (2,088 hours) in FY24-FY29 to work on the development of an application and application process for clean energy projects, provide project management, coordination and meet with stakeholders to market the program.

Salaries and Benefits:

FY24: \$115,913

FY25-FY29: \$119,849 per fiscal year

Goods and Services:

FY24: \$20,640

FY25-FY29: \$20,647 per fiscal year

Travel:

Travel includes stakeholder outreach, assisting with initial assessment, permitting, convening and support thereafter.

FY24-FY29: \$6,000 per fiscal year

Equipment:

In addition to the standard goods and services estimates, the department assumes the purchase of standard workstations for the new staff in FY24 and the purchase of replacement laptops/tablets in FY28 based on the department's replacement cycle.

FY24: \$5,000

FY28: \$2,400

Intra-Agency Reimbursements:

FY24: \$38,135

FY25-FY29: \$39,430 per fiscal year

Sections 302 and 305 – Environmental Impact Statements and Least Conflict Study:

Ecology is required to prepare non-project environmental impact statements that assess and disclose the probable significant adverse environmental impacts. Washington State University (WSU) energy program is required to conduct a least-conflict pumped storage siting process for Washington state to support expanded capacity to store intermittently produced renewable energy from wind and solar as part of the state's transition from fossil fuel to 100 percent clean energy.

The department assumes staff would assist Ecology in the preparation of the environmental impact statements and contribute to the WSU energy program least-conflict pumped storage siting process for Washington state to support expanded capacity to store intermittently renewable energy from wind and solar as part of the state's transition from fossil fuel to 100 percent clean energy.

To complete this work the department estimates:

0.30 FTE Senior Energy Policy Specialist (EMS2) (625 hours) in FY24-FY25 to provide expert consultation and assist

Ecology on environmental impact statements and contribute and provide support to WSU energy program pumped storage siting process and expanded capacity to store renewable energy.

Salaries and Benefits:

FY24: \$49,982

FY25: \$51,620

Goods and Services:

FY24: \$2,910

FY25: \$2,913

Intra-Agency Reimbursements:

FY24: \$16,444

FY25: \$16,983

Section 307 – Rural Stakeholder Engagement

General Assumptions:

The department would be required to engage rural and agricultural stakeholders on the opportunities and impacts of rural energy production and to analyze the economic impacts of that production and complete an interim report by December 1, 2023, and a final report by December 1, 2024, to the Joint Select Committee on Alternative Energy Facility Siting, The Energy Facility Site Evaluation Council (council), and the legislature. The bill directs the committee to hold at least four meetings, at least two of which must be in eastern Washington. The first meeting must occur by September 30, 2023.

Meetings

The department assumes it would conduct meetings for community engagement with rural and agricultural stakeholders. In order to do this work adequately it is assumed “at least two” all-day meetings in eastern and western Washington.

Reports

The department would complete interim and final reports and include recommendations for how to more equitably distribute costs and benefits of energy projects to rural communities, by December 1, 2023, and December 1, 2024. The department would hire a contractor to lead planning and facilitation of these community engagement meetings with estimated costs of \$350,000.

To complete this work the department estimates:

0.50 FTE EMS2 Senior Energy Policy Specialist (1,044 hours) in each FY24-FY25 to support community engagement process and liaising with contractors on economic study, provide expert consultation, attend stakeholder meetings, and work with contractor in developing report on economic analysis impact of rural energy production.

Salaries and Benefits

FY24: \$83,304

FY25: \$86,032

Goods and Services:

The department assumes \$20,000 for meeting costs to include meeting room rental, travel, and additional expenses required to hold in person meetings and \$10,000 for community engagement, outreach and other meeting costs in FY24.

FY24: \$34,849
 FY25: \$4,854

Professional Service Contracts:

Two professional service contracts, one for \$350,000 (1,400 hours) in FY24 for a third-party consultant to support coordination and preparation for community engagement process. One for \$225,000 (900 hours) in FY24-FY25 for industry expert in conducting analysis on the economic impacts of rural energy production, consultant costs are based on review of the cost of other studies with similarly large scope. The department assumes a rate of \$250 per hour for the professional services contracts.

FY24: \$575,000
 FY25: \$225,000

Intra-Agency Reimbursements:

FY24: \$27,402
 FY25: \$28,305

Section 308, 309 and 310 Joint Legislative Committee

The department will report findings to the Joint Committee on Energy Supply, Energy Conservation, and Energy Resilience, made up of eight legislators.

The department assumes this work would be incorporated into Section 307

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

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Total Costs:

FY24: \$1,760,046
 FY25: \$1,391,575
 FY26-FY27: \$850,868 per fiscal year
 FY28: \$860,468
 FY29: \$850,868

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	1,760,046	1,391,575	3,151,621	1,701,736	1,711,336
Total \$			1,760,046	1,391,575	3,151,621	1,701,736	1,711,336

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	6.3	6.4	6.4	5.4	5.4
A-Salaries and Wages	536,420	552,511	1,088,931	892,458	892,458
B-Employee Benefits	172,358	179,959	352,317	297,178	297,178
C-Professional Service Contracts	700,000	350,000	1,050,000		
E-Goods and Other Services	92,081	62,122	154,203	108,710	108,710
G-Travel	6,000	6,000	12,000	12,000	12,000
J-Capital Outlays	20,000		20,000		9,600
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	233,187	240,983	474,170	391,390	391,390
9-					
Total \$	1,760,046	1,391,575	3,151,621	1,701,736	1,711,336

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
Administrative Assistant 3	55,247	0.5	0.5	0.5	0.5	0.5
Administrative Services - Indirect	111,168	1.0	1.1	1.1	0.9	0.9
Commerce Specialist 3	86,159	1.0	1.0	1.0	1.0	1.0
EMS Band 2	128,983	1.8	1.8	1.8	1.0	1.0
Management Analyst 4	90,523	1.0	1.0	1.0	1.0	1.0
Management Analyst 5	99,944	1.0	1.0	1.0	1.0	1.0
Total FTEs		6.3	6.4	6.4	5.4	5.4

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 E 2S HB AMS NGUY S3205.1	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:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
Account					
Public Service Revolving Account-State 111-1	34,402	32,907	67,309	65,814	65,814
Total \$	34,402	32,907	67,309	65,814	65,814

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:	Phone:	Date: 04/10/2023
Agency Preparation: Amy Andrews	Phone: 360-481-1335	Date: 04/13/2023
Agency Approval: Amy Andrews	Phone: 360-481-1335	Date: 04/13/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 04/13/2023

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.

The striker amendment to Engrossed 2nd substitute House Bill 1216 redefines the types of emissions-intensive, trade-exposed industries projects or facility upgrades eligible as clean energy projects. It also removes provisions specifying which appeals are subject to the expedited process for judicial review established for appeals of energy facility site evaluation council certifications.

There is no change to the fiscal impact under this engrossed revised bill.

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 striker amendment to 2nd substitute House Bill 1216 in Sec. 208 and 210 still requires clean energy projects of statement significance to enter into a cost-reimbursement agreement with the department of ecology to recover reasonable costs incurred by the department of ecology and participating agencies for the coordinated permitted process. The UTC is assumed 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)

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	34,402	32,907	67,309	65,814	65,814
Total \$			34,402	32,907	67,309	65,814	65,814

III. 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
A-Salaries and Wages	23,404	22,387	45,791	44,774	44,774
B-Employee Benefits	8,190	7,834	16,024	15,668	15,668
C-Professional Service Contracts					
E-Goods and Other Services	2,808	2,686	5,494	5,372	5,372
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 \$	34,402	32,907	67,309	65,814	65,814

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		0.2	0.2	0.2	0.2	0.2

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 E 2S HB AMS NGUY S3205.1	Title: Clean energy siting	Agency: 303-Department of Health
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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	0.3	0.3	0.3	0.3	0.3
Account					
General Fund-State 001-1	49,000	53,000	102,000	106,000	106,000
Total \$	49,000	53,000	102,000	106,000	106,000

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:	Phone:	Date: 04/10/2023
Agency Preparation: Katie Osete	Phone: 3602363000	Date: 04/12/2023
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 04/12/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 04/13/2023

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.

The fiscal impact to the Department of Health (DOH) has not changed from the previous fiscal note.

Amendments adopted in the Senate Committee on Environment, Energy & Technology (1) add staff from the EJ Council as a participating member of the Interagency Clean Energy Siting Coordinating Council, (2) Adds requirements to the Clean Energy Siting Council's list of requirements, (3) redefines the types of projects eligible as clean energy projects, (4) requires applications for designation as a clean energy project of statewide significance to include a plan for engagement with tribes and communities, and establishes a process for determining whether applications are complete.

Sec 101 creates the Interagency Clean Energy Siting Coordinating Council (ICESCC) and adds staff from the EJ Council as a participating member. The Department of Commerce (which is co-staffing the ICESCC with the Department of Ecology) assumes monthly, eight hour, full Council meetings starting in FY24 and ongoing (8 hours/month) and monthly, half day, subcommittee meetings (4 hours/month). Meetings will begin virtually and transition to in person / hybrid meetings. We assume an additional 32 hours/month for staff to prepare for ICESCC and subcommittee meetings, follow up on action items as needed from ICESCC and subcommittee meetings, and serve as a liaison to the EJ Council.

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 creates the Interagency Clean Energy Siting Coordinating Council (ICESCC) and adds staff from the EJ Council as a participating member. The Department of Commerce (which is co-staffing the ICESCC with the Department of Ecology) assumes monthly, eight hour, full Council meetings starting in FY24 and ongoing (8 hours/month) and monthly, half day, subcommittee meetings (4 hours/month). Meetings will begin virtually and transition to in person / hybrid meetings. We assume an additional 32 hours/month for staff to prepare for ICESCC and subcommittee meetings, follow up on action items as needed from ICESCC and subcommittee meetings, and serve as a liaison to the EJ Council.

DOH assumes the need for 0.30FTE [MA4] for FY24 and ongoing

Travel for ICESCC and subcommittee meetings (FY24) 6 in-person ICESCC and 6 in person subcommittee meetings/year (12 total). Assuming 100 miles RT for 12 meetings during FY24.

Travel for ICESCC and subcommittee meetings (FY25 and ongoing): 12 in person ICESCC and 12 in person subcommittee meetings/year (24 total). Assuming 100 miles RT for 24 meetings during FY25 and ongoing.

Total Cost for FN:

Fiscal Year 2024: \$49,000 and 0.30 FTE

Fiscal Year 2025: \$53,000 and 0.30 FTE 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	49,000	53,000	102,000	106,000	106,000
Total \$			49,000	53,000	102,000	106,000	106,000

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	31,000	33,000	64,000	66,000	66,000
B-Employee Benefits	11,000	13,000	24,000	26,000	26,000
E-Goods and Other Services	3,000	3,000	6,000	6,000	6,000
G-Travel	1,000	2,000	3,000	4,000	4,000
J-Capital Outlays	1,000		1,000		
T-Intra-Agency Reimbursements	2,000	2,000	4,000	4,000	4,000
9-					
Total \$	49,000	53,000	102,000	106,000	106,000

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
MANAGEMENT ANALYST 4	82,896	0.3	0.3	0.3	0.3	0.3
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 E 2S HB AMS NGUY S3205.1	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:	Phone:	Date: 04/10/2023
Agency Preparation: Diann Lewallen	Phone: 360-407-8121	Date: 04/11/2023
Agency Approval: Diann Lewallen	Phone: 360-407-8121	Date: 04/11/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 04/12/2023

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 the amendment continues to require the Department of Archaeology and Historic Preservation (DAHP) to participate in the new CESSC. DAHP anticipates needing .1 FTE of an exempt position to attend and participate in meetings of the coordinating council.

Section 102 of the bill clarifies the responsibilities of the CESSC to include support for DAHP and other agencies to develop and provide training to project developers on consultation and engagement processes. The bill requires the Governor's Office of Indian Affairs to collaborate with federally recognized tribes in the development of the training. This section also clarifies the responsibilities of the CESSC 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.

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 E 2S HB AMS NGUY S3205.1	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:	Phone:	Date: 04/10/2023
Agency Preparation: Emily Green	Phone: 5093359681	Date: 04/13/2023
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 04/13/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 04/16/2023

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.

1216 E2S HB AMS NGUY S3205.1 – 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 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 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 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)

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

Revised

Bill Number: 1216 E 2S HB AMS NGUY S3205.1	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
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
Account					
Motor Vehicle Account-State -1	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.

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:	Phone:	Date: 04/10/2023
Agency Preparation: Carol Lee Roalkvam	Phone: 360-705-7126	Date: 04/24/2023
Agency Approval: Eric Wolin	Phone: 360-705-7487	Date: 04/24/2023
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 04/25/2023

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	0.2	0.2	0.2	0.2	0.2
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: 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
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

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 E2SHB AMS NGUY S3205.1	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	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2027	FY 2029
Expenditures						
108-1-MOTOR VEHICLE	\$28	\$28	\$28	\$28	\$28	\$28
Total Expenditures	\$28	\$28	\$28	\$28	\$28	\$28
Biennial Totals	\$56		\$56		\$56	
Staffing						
	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						
A - SALARIES AND WAGES	\$20	\$20	\$20	\$20	\$20	\$20
B - EMPLOYEE BENEFITS	\$8	\$8	\$8	\$8	\$8	\$8
Expenditures by Program <small>(Only required for program splits)</small>						
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: 04/24/2023
Approval: Eric Wolin	Phone: 206-240-4497	Date: 04/24/2023
Budget Manager: Doug Clouse	Phone: 360-705-7535	Date: 04/24/2023

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.

The amendment (1216-S2. E AMS NGUY S3205.1) makes changes that do not affect WSDOT.

NOTE: The underlying bill still has fiscal impacts to the Washington State Department of Transportation. The sections of the bill that relate to WSDOT fiscal impacts are listed below.

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

Section 102 sets up the duties of the council. As a council member, WSDOT will aid the department of ecology in development of a joined clean energy application for state and local permits and approvals; aid 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 send an annual report beginning October 1, 2024, to the governor and legislative committees. The Department of Ecology shall lead the effort to develop a combined state and local permit process and update the legislature by October 1, 2024.

Section 203 directs the Department of Commerce to consult with other state agencies in deciding whether to appoint 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 a first assessment of state and local permits or approvals, including expected 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 choose a single point of contact. Participating permit agencies must attend a work plan meeting for the project and aid in the development of a coordinated permitting process schedule. This section has specific review requirements.

Section 208 sets up 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 period 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.

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 affect any existing fees or taxes.

Individual State Agency Fiscal Note

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 supply 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 aid in the development of a combined 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 supply policy direction and added 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 appoint a clean energy project of statewide significance. WSDOT will be consulted if the agency is likely to have a role in siting or allowing 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 needed 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 appoint 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 first 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 authorities, transit agencies, tribes, private developers, and property owners. These staff focus on proposed 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 needed. In addition, the department assumes that the process improvements developed per 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 sets up 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 period 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.

Individual State Agency Fiscal Note

WSDOT Staffing Assumptions for Determinate Costs									
Activity	Bill		FTE	FTE	FTE	FTE	FTE	FTE	
	Section	Position Class	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	
Reviewing Clean Energy Project Applications	203	Transportation Planning Specialist 5	0.0	0.1	0.1	0.1	0.1	0.1	
Total FTE			0.0	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



Ten Year Analysis

Bill Number: 1216 E2S HB AMS NGUY S3205.1	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 E 2S HB AMS NGUY S3205.1	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:	Phone:	Date: 04/10/2023
Agency Preparation: Jessica Moore	Phone: 360-529-7583	Date: 04/12/2023
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 04/12/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 04/12/2023

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 1216 E2SHB AMS WM S2963.2 and 1216 E2SHB AMS NGUY S3205.1 are as follows:

Section 201 would amend the definition of a “clean energy product manufacturing facility.”

Sections 212 through 215 are removed.

These changes remove indeterminate fiscal impacts for sections 212-215.

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), the Environmental Justice Council, 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, with consultation with federally recognized Indian tribes 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. Project proponents utilizing the fully coordinated permitting process would be permitted to use cost-reimbursement to support input on siting and permitting of a clean energy project from a federally recognized Indian tribe.

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 211 would add a new section to chapter 80.50 RCW that would state applicants that utilize the fully coordinated permitting process would not be eligible for permitting under chapter 80.50 RCW, unless a substantial change would be made to the proposed project, as deemed by EFSEC.

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 prohibit the installation of wind and solar resource evaluation equipment associated with a renewable energy project.

Section 306 would require Washington State University to conduct a study to identify issues and interests 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 review requirements for the joint committee on energy supply, energy conservation, and energy resilience. 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, and for EITE facility projects under section 206.

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.

Additional costs for EITE facility projects 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:

EITE facilities could choose to use the coordinated permit process, which would add projects to Ecology’s workload. However, the number of EITE facility projects (as defined in section 201) that may choose to use the fully coordinated permitting process is unknown at this time. There is no basis for estimating the number of projects, therefore the fiscal impact is indeterminate. If there are multiple projects, a budget request would be submitted to provide sufficient staff capacity to manage the additional workload.

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

In addition, there are indeterminate expenditures for future cost reimbursement agreements under section 208, and for EITE facility projects under section 206.

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 E 2S HB AMS NGUY S3205.1	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	1.4	1.4	1.4	1.4	1.4
Account					
Climate Commitment Account-State 26c-1	179,261	179,695	358,956	359,390	359,390
Total \$	179,261	179,695	358,956	359,390	359,390

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:	Phone:	Date: 04/10/2023
Agency Preparation: Osta Davis	Phone: 360-485-1674	Date: 04/13/2023
Agency Approval: Dave Walker	Phone: 360-664-1345	Date: 04/13/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 04/18/2023

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.

Changes off the Senate Floor:

Changes include redefining the definition of emissions-intensive trade-exposed industries and removing provisions stating that final permitting decisions in the coordinated permitting process shall be subject to the same judicial review established from the Energy Facility Cite Evaluation Council (EFSEC).

EFSEC does not anticipate these policy changes will have a fiscal impact on the agency.

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, and staff from the Environmental Justice Council. 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. Additionally, the Council is tasked with contracting with an independent party to carry out an evaluation of siting and permitting processes, including the EFSEC process. Fiscal impact includes staff time to provide developers a training on consultation and coordinate with EFSEC process evaluations.

Section 201 defines terms used throughout the chapter.

Section 202 describes the application process for receiving the designation of clean energy project of statewide significance. Application requirements include a plan for engagement with federally recognized tribes and a description of potential community benefits and impacts.

Section 203 requires Department of Commerce to review applications and written determination as to whether the application is complete within 14 business days. Once an application is complete, the Director of Commerce must determine whether a project is designated as a project of statewide significance within 60 business days.

Section 204 directs the Department of Ecology provide a fully coordinated permitting process for projects that do not apply to the Energy Facility Site Evaluation Council.

Section 205 requires Ecology to conduct an assessment to determine the level of project coordination needed within 60 days of the project applicant's request.

Section 206 provides steps for a clean energy project proponent to submit a request for a fully coordinated permitting process.

Section 207 provides counties and cities with clean energy projects the ability to enter into agreements with Ecology for

expediting the permitting and environmental review process and states that projects utilizing the coordinated process may not utilize the EFSEC process unless EFSEC determines substantial change has been made to the project.

Section 208 requires a project to enter into a cost-reimbursement agreement with Ecology and allows cost-reimbursement agreements to reimburse federally recognized tribes for reviewing siting and permitting of clean energy projects.

Section 209 requires Ecology to offer early, meaningful, and individual consultations with any affected federally recognized tribe. All affected federally recognized tribes may submit a summary of tribal issues, questions, concerns, and statements regarding the project which must become part of the official files maintained for the permitting process.

Section 210 prohibits entities from entering into a nondisclosure agreement to protect confidential business information, trade secrets, financial information, or other proprietary information.

Section 211 states that applicants utilizing the coordinated process may not utilize the EFSEC process unless EFSEC determines substantial change has been made to the project. Additionally, the section states that projects utilizing the coordinated process shall utilize the Thurston county superior court for all petitions for review.

Section 301 defines terms used in this section and state environmental policy act processes.

Section 302 directs Ecology to prepare nonproject environmental impact statements regarding green electrolytic or renewable hydrogen projects, utility-scale solar projects, onshore utility-scale wind projects, and colocated battery energy storage projects.

Section 303 directs lead agencies for project-level review to consider the relevant nonproject environmental impact statements.

Section 304 prohibits a local government from requiring an applicant from demonstrating the necessity or utility of the project.

Section 305 prohibits a county from prohibiting the installation of wind and solar resource evaluation equipment necessary for the design and environmental planning of a renewable energy project.

Section 306 directs Washington State University to conduct a pumped storage siting evaluation.

Section 307 requires Commerce to consult with stakeholders to understand the benefits and impacts of the state's energy system, includes the siting of EFSEC facilities, and identify the risks and opportunities for rural communities. The consultation with stakeholders must have the objective of improving the siting of EFSEC facilities in ways that protect and improve life in rural Washington. Consultation must include meetings in both eastern and western Washington and may address how EFSEC siting contributes to resource adequacy. Commerce must complete a report on rural clean energy and resilience that includes recommendations for how EFSEC policies and projects can be amended to distribute costs and benefits more equitably to rural communities. The report is due by December 1, 2024. EFSEC fiscal impact includes staff time required to participate in stakeholder meetings and process evaluation.

Section 308 updates the name of the joint committee on energy supply, energy conservation, and energy resilience.

Section 309 similarly adds energy resilience to the title of the joint committee.

Section 310 directs the joint committee on energy supply, energy conservation, and energy resilience to review the report from Commerce and consider any policy or budget recommendations. EFSEC shall cooperate with the committee and provide information as the chair reasonable requests which will has a fiscal impact as it relates to staff time.

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.

EFSEC expenditures are incurred as they relate to participation in the clean energy siting coordinating council, the development of trainings regarding the tribal consultation process, and siting process analysis support.

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 ongoing.

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 .5 FTE ongoing.

Additionally, EFSEC assumes a Project Manager at .8 FTE would be required to review and prepare written materials for the coordinating council, provide analytical assistance during siting practices review, and respond to queries from the joint committee on energy supply, energy conservation, and energy resilience.

EFSEC assumes travel costs at \$1,000 per fiscal year ongoing to cover participation in coordinating council meetings as well as stakeholder meetings in both the eastern and western sides of the state.

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	179,261	179,695	358,956	359,390	359,390
Total \$			179,261	179,695	358,956	359,390	359,390

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.4	1.4	1.4	1.4	1.4
A-Salaries and Wages	134,541	134,908	269,449	269,816	269,816
B-Employee Benefits	43,720	43,787	87,507	87,574	87,574
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel	1,000	1,000	2,000	2,000	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 \$	179,261	179,695	358,956	359,390	359,390

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
Project Manager		0.8	0.8	0.8	0.8	0.8
Tribal Engagement Manager		0.5	0.5	0.5	0.5	0.5
Total FTEs		1.4	1.4	1.4	1.4	1.4

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 E 2S HB AMS NGUY S3205.1	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:	Phone:	Date: 04/10/2023
Agency Preparation: Tiffany Hicks	Phone: (360) 902-2544	Date: 04/11/2023
Agency Approval: Tiffany Hicks	Phone: (360) 902-2544	Date: 04/11/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 04/11/2023

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 in this bill version do not change the fiscal impact for WDFW.

The following provisions may have a policy impact on WDFW (Sect. 201 and 305)

Section 201 excludes hydroelectric generation associated with facilities that have been subject of enforcement actions with at least a \$100,000 penalty from being clean energy project eligible. Section 201 also alters a definition of emissions-intensive trade-exposed industries for the purposes of the Climate Commitment Act. Neither action will have a fiscal impact on WDFW.

Section 305 replaces the prohibition on counties from restricting solar and wind permitting. Instead, it prohibits counties from prohibiting the installation of wind and solar resource and evaluation equipment.

Section 209(b) 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.

Section 306 directs WSU to identify issues and interests related to pumped storage siting process. WDFW assumes involvement in this process. Assumes virtual option for meeting attendance.

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.

There is no change in fiscal impact for this version of the bill.

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 306 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 E 2S HB AMS NGUY S3205.1	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:	Phone:	Date: 04/10/2023
Agency Preparation: Angela Konen	Phone: 360-902-2165	Date: 04/11/2023
Agency Approval: Collin Ashley	Phone: 360-688-3128	Date: 04/11/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 04/12/2023

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.

Changes in this bill version from the previous version do not affect the fiscal impact to the Department of Natural Resources (DNR). This version redefines the types of projects and upgrades affected and removes provisions of certain appeals; no changes to previous impact.

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 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

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 E 2S HB AMS NGUY S3205.1	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	100,300	100,300	200,600	200,600	200,600
Total \$	100,300	100,300	200,600	200,600	200,600

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:	Phone:	Date: 04/10/2023
Agency Preparation: Gary Bahr	Phone: (360) 902-1936	Date: 04/12/2023
Agency Approval: Jeannie Brown	Phone: 360-902-1989	Date: 04/12/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 04/12/2023

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.

1216 E2S HB AMS NGUY S3205.1 is Caucus Floor amendments to the 1216 E2SHB AMS Ways and Means Committee S2963.2 bill and differs as follows:

Part 2, Section 201 - Definitions.

5 (i) redefines types of emission-intensive trade-exposed industries projects or facility upgrades eligible as clean energy projects under the act as those which can demonstrate expected reductions in overall facility greenhouse gas emissions to align with the cap trajectory under the climate commitment act, and where the project does not degrade local air quality.

Part 2, Sections 212-215 are removed. These sections are related to provisions specifying that appeals of certain land use and environmental permits and decisions necessary for a clean energy project are subject to the expedited judicial review process for appeals of energy facility site evaluation council certifications.

Part 1, Section 101 remains part of the bill which requires WSDA representation and participation in the interagency clean energy siting coordinating council. WSDA identified resource needs of one WMS 2 position at .50 FTE to manage the new and ongoing work identified in this section. Cost include salaries, benefits, supplies, travel, and overhead starting FY 2024.

There are no changes contained in 1216 W2S HB AMS NGUY S3205.1 that would change the fiscal impacts to WSDA.

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 HB 1216 and all amended versions. 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.

There are no changes contained in 1216 E2S HB AMS NGUY S3205.1 that would change these fiscal impacts to WSDA.

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	100,300	100,300	200,600	200,600	200,600
Total \$			100,300	100,300	200,600	200,600	200,600

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	2,200	2,200	4,400	4,400	4,400
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 \$	100,300	100,300	200,600	200,600	200,600

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 E 2S HB AMS NGUY S3205.1	Title: Clean energy siting
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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: During the fully coordinated permitting process, project proponents may enter into cost-reimbursement agreements to reimburse federally recognized tribes for reviewing and providing input on the siting and permitting of a clean energy project.
- 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: 04/11/2023
Leg. Committee Contact:	Phone:	Date: 04/10/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 04/11/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 04/12/2023

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:

- Redefines the types of Emissions-Intensive Trade-Exposed Industries (EITE) projects or facility upgrades eligible as clean energy projects under the act as those which can demonstrate expected reductions in overall facility greenhouse gas emissions to align with the cap trajectory under the Climate Commitment Act (CCA), and where the project does not degrade local air quality.
- Removes provisions specifying that appeals of certain land use and environmental permits and decisions necessary for a clean energy project are subject to the expedited process for judicial review established for appeals of energy facility site evaluation council certifications.

SUMMARY OF CURRENT BILL:

- Establishes the Interagency Clean Energy Siting Coordinating Council (ICESCC) to improve siting and permitting of clean energy projects.
- Establishes a new program for the designation of Clean Energy Projects of Statewide Significance (CEPSS) and a coordinated permitting process for clean energy projects.
- Amends provisions of State Environmental Policy Act (SEPA) for certain types of clean energy projects, including notification of an anticipated determination of significance and limiting environmental impact statement (EIS) preparation to 24 months.
- Directs Ecology to prepare non-project EIS for certain types of clean energy projects.
- Directs the Washington State University Energy Program to conduct a pumped storage siting process.

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:

In comparison to the previous version of the bill, the current version would have indeterminate expenditure impacts.

The amended bill redefines the types of projects or facility upgrades undertaken by emissions-intensive, trade-exposed industries (EITE) that are eligible as clean energy projects, by stating that they must reduce the overall greenhouse gas emissions emitted by the facility to align with climate commitment act requirements, and where the project does not degrade local air quality. This would have an indeterminate impact on the number of projects eligible for CEPSS designation. The amended eligibility requirements may affect staff costs, application fees, and cost reimbursement agreements for local governments that choose to apply locally-funded projects for CEPSS status, if they were previously ineligible. However, it is unknown whether the number of projects eligible for CEPSS status would decrease or increase as a result of the definition change, or if entities submitting projects for CEPSS status would alter project proposals to fit the new requirements. Due to these uncertainties, expenditure impacts as a result of redefining CEPSS eligibility would be 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.

In section 306, the bill requires the Washington State University Energy Program to engage with stakeholders, including special purpose districts, when conducting a process to identify interests and issues related to siting pumped storage projects. Local governments that participate in stakeholder engagement may incur expenses in the form of staff time and potentially travel time to participate in any meetings required for the collaboration process. Illustrative examples of travel costs related to meetings are detailed in the narrative below.

The 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.

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 previous version of the bill, the current version would not change revenue impacts.

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 Report, E2SHB 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, 2ESHB 1216 AMS WM S2963.2, (2023)

Local Government Fiscal Note, 2SHB 1216, (2023)

Local Government Fiscal Note, SHB 1216, (2023)

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

Senate Bill Report E2SHB 1216 AMS ENET S1874.1, Environment, Energy & Technology Committee (2023)