
Biennial Report – Overview

The 1999 Biennial Report consists of six substantive sections:

1. Energy Indicators

This section provides one-page summaries of significant long-term energy trends in Washington. Energy consumption, expenditure, and price data from standard sources are presented using economic, demographic, and environmental information to depict energy information in a broad context. Indicators are presented in the following categories:

- ◆ Washington's energy use
- ◆ Washington's energy bill
- ◆ Washington's energy intensity
- ◆ End-use sector trends
- ◆ Energy price trends
- ◆ Environmental trends

2. Washington State Electricity System Study – Executive Summary

This report, prepared under the provisions of ESSB 6560 provides information about Washington's electric utility industry, identifies trends affecting the industry and consumers, and identifies strategies for achieving policy objectives. It identifies a growing tension between preserving the desirable characteristics of the existing system and responding to a changing electric power market. The report includes sections on:

- ◆ Washington's electricity landscape
- ◆ Trends affecting electric service costs
- ◆ Strategies to minimize electric service costs
- ◆ Electricity rates and equity: the potential for cost-shifting
- ◆ Utility service territory agreements in Washington
- ◆ Consumer protection policies and procedures
- ◆ Service quality
- ◆ Electricity service reliability
- ◆ Conservation, renewables, and low-income energy services

3. Siting and Regulating Major Energy Facilities

The Energy Facility Site Evaluation Council (EFSEC) continued to provide a “one-stop” siting process as well as regulatory oversight of permitted and operating major energy facilities in Washington. EFSEC’s siting activities included a coordinated environmental review for a controversial proposed cross-state petroleum product pipeline with opportunities for public participation, and planning for formal administrative hearings on contested issues. EFSEC continued its environmental regulatory oversight of the Washington Public Power Supply System’s operating nuclear power plant WNP-2 and the four partially constructed nuclear power plants. EFSEC reviewed and approved requests from some permitted (but not yet constructed) natural gas-fired combustion turbine projects to extend their air emissions permits.

4. The Next Generation of Energy: Renewable Energy and Energy Efficiency Industries in Washington State – Executive Summary

This report was prepared for the Energy Division by an independent consultant to document the nature, challenges, and opportunities facing the energy efficiency and renewable energy industries in Washington. It finds that the energy efficiency industry generates annual sales of about \$780 million and employs approximately 2,900 people earning wages of \$128 million. The renewable energy industry generates sales of \$147 million and employs 900 people earning wages of over \$32 million. Near-term challenges include reduced utility investment in efficiency and renewables and stiff competition from efficient combustion turbines burning relatively low-cost natural gas. Overseas markets, policy initiatives to reduce greenhouse gases, and proposals to restore utility investment through competitively neutral funding mechanisms represent substantial opportunities for these industries.

5. Year 2000 and Electric Utilities

Electric utilities in Washington are increasingly optimistic that they will be able to continue to provide critical energy services to individuals, businesses, government, and industry during the transition to the next millennium. This section provides:

- ◆ an overview of the types of electric utilities in Washington State;
- ◆ a description of the roles of the Western Systems Coordinating Council, the North American Electric Reliability Council, and the Washington Utilities and Transportation Commission in electric utility preparation for Y2K; and
- ◆ summaries of preparedness activities provided by the Bonneville Power Administration, the Association of Washington Cities, the Washington Public Utility District Association, and the Washington Rural Electric Cooperative Association.

6. Washington's Energy Strategy

In 1991, the Legislature called on the Governor to appoint a group of citizens, representatives of business and industry, and public officials to develop an energy strategy to assure reliable, economical, and environmentally sound energy service. This Committee developed a strategy that includes recommendations for transportation; energy for buildings, farms, and industry; protecting the environment; siting energy facilities; and public awareness and education. In 1994, the Legislature enacted ESB 6493, which made the Energy Strategy the primary guidance for implementation of state energy policy. The 1999 Biennial Report provides a detailed status report on implementation of the Energy Strategy.

