

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 3 - 2 - 0

Yeas: Schrader, Verger, Metsger

Nays: George, Starr

Exc.: -

Prepared By: Jim Stembridge, Administrator

Meeting Dates: 3/16, 4/20, 4/23, 4/27

WHAT THE MEASURE DOES: Establishes greenhouse gas emissions standard of 1,100 pounds of carbon dioxide per megawatt-hour of electrical generation. Authorizes the Public Utility Commission (PUC) to modify standard. Prohibits electricity supplier from entering into long-term financial commitment unless electricity acquired meets standard. Provides exceptions for unforeseen circumstances. Directs PUC to estimate rate impacts of compliance with greenhouse gas reduction goals.

ISSUES DISCUSSED:

- Governor's climate change package and "cap and trade" legislation
- HB 3543 (2007) targets for reducing greenhouse gases
- Natural cycles of global warming and international findings on the impacts of global warming
- Energy conservation and alternatives to fossil fuels for electric power production, including nuclear, solar, & wind
- Renewable portfolio standards and the consistency provided by emissions performance standards
- Other standards adopted by other states, including California and Washington
- Contracts that might extend operating lives of existing coal plants
- Role of publicly-owned utilities
- Impacts on rate-payers
- Regulation of power procurement vs. "cap and trade" limitations on existing facilities

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: Gases that trap heat in the atmosphere are often called greenhouse gases. Among the principal greenhouse gases that enter the atmosphere because of human activities is carbon dioxide and methane. Carbon dioxide enters the atmosphere through the burning of fossil fuels (oil, natural gas, and coal), solid waste, and wood products, and also as a result of other chemical reactions (for example, the manufacture of cement). Carbon dioxide is also removed from the atmosphere when it is absorbed by vegetation. According to the United States Energy Information Administration, energy-related carbon dioxide emissions, resulting from the combustion of petroleum, coal, and natural gas, represented 82 percent of total U.S. anthropogenic greenhouse gas emissions in 2006. In 2004, the United States produced about 22 percent of global carbon dioxide emissions from burning fossil fuels. According to the New York Times, some 600 coal-fired power plants in the United States are responsible for about one-third of the country's total carbon emissions. In a 2002 publication, Carbon Dioxide Emissions from the Generation of Power, the U.S. Department of Energy listed the output rate (pounds of CO₂ per kWh) as 2.1 for coal, 2.0 for petroleum, 1.3 for gas, and 1.4 for other fuels including municipal solid waste, with nonfossil fuels, including hydroelectric, solar, wind, geothermal, and nuclear, having zero or net-zero CO₂ emissions.

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This summary has not been adopted or officially endorsed by action of the committee.