

Multiple Agency Fiscal Note Summary

Bill Number: 1036 HB	Title: Renewable energy
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Estimated Cash Receipts

Agency Name	2007-09		2009-11		2011-13	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of General Administration	0	942,080	0	942,080	0	942,080
Department of Social and Health Services	806,000	1,033,334	806,000	1,033,334	806,000	1,033,334
Total \$	806,000	1,975,414	806,000	1,975,414	806,000	1,975,414

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2007-09			2009-11			2011-13		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of General Administration	.0	0	942,080	.0	0	942,080	.0	0	942,080
Washington State Patrol	.0	25,550	99,260	.0	25,550	99,260	.0	25,550	99,260
Department of Licensing	.0	1,831	120,430	.0	1,886	124,046	.0	1,886	124,046
Department of Social and Health Services	.0	806,000	1,033,334	.0	806,000	1,033,334	.0	806,000	1,033,334
Department of Corrections	.0	1,112,018	1,112,018	.0	1,112,018	1,112,018	.0	1,112,018	1,112,018
Higher Education Coordinating Board	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Transportation	.0	0	2,102,000	.0	0	2,102,000	.0	0	2,102,000
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
State Parks and Recreation Commission	.0	406,232	406,232	.0	406,232	406,232	.0	406,232	406,232
Department of Fish and Wildlife	.0	387,343	387,343	.0	366,956	366,956	.0	366,956	366,956
Employment Security Department	.0	0	89,600	.0	0	89,600	.0	0	89,600
Community and Technical College System	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total	0.0	\$2,738,974	\$6,292,297	0.0	\$2,718,642	\$6,275,526	0.0	\$2,718,642	\$6,275,526

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 14989

Prepared by: Rochelle Klopfenstein, OFM	Phone: 360-902-9820	Date Published: Revised 1/26/2007
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 14989

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 150-Dept of General Administration
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2008	FY 2009	2007-09	2009-11	2011-13
General Administration Service Account-Non-Appropriated 422-6	471,040	471,040	942,080	942,080	942,080
Total \$	471,040	471,040	942,080	942,080	942,080

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Administration Service Account-Non-Appropriated 422-6	471,040	471,040	942,080	942,080	942,080
Total \$	471,040	471,040	942,080	942,080	942,080

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: 01/16/2007
Agency Preparation: Keith Williams	Phone: 360 902-7222	Date: 01/18/2007
Agency Approval: Fay Bronson	Phone: 360-902-7336	Date: 01/22/2007
OFM Review: Rochelle Klopfenstein	Phone: 360-902-9820	Date: 01/23/2007

Part II: Narrative Explanation

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

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

Section 1 (1) requires that at least 20% of power purchased by a state agency from a public or private utility must be from qualified alternative energy resources by July 1, 2007. It also requires agencies to pay the retail price of qualified alternative energy products.

Section 1 (3) (g) includes qualified hydropower in the definition of qualified alternative energy resources. Since qualified hydropower is currently charged at a lower rate than qualified alternative energy resources, agencies will now pay a higher rate for qualified hydropower.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

GA pays for utilities from Facilities & Services revolving fund charge for the Capitol Campus and from rent revenue for our other facilities. We assume that revenue will be increased to cover the additional costs.

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.

This bill would require that at least 20% of power purchased by a state agency from a public or private utility must be from qualified alternative energy resources by July 1,2007. GA's current energy purchases exceed this standard so there is no additional cost due to increased amounts of alternative energy purchased. We estimate our current energy mix includes 40% from qualified hydropower.

There is an increase in expenditures since hydropower will now be charged at the higher retail price of qualified alternative energy resources. We estimate that this is a \$.02/KwH increase.

The total additional cost of the \$.02 rate increase is:

64,000,000 average annual kilowatts hours usage
(5,120,000) less 8% already charged at premium rate
58,880,000 multilplied by 40% for qualified hydropower
23,552,000 kilowatt hours to be charged at 2 cent increase to premium rate
\$ 471,040 Additional annual cost for qualified alternative energy product

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	471,040	471,040	942,080	942,080	942,080
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					
Total:	\$471,040	\$471,040	\$942,080	\$942,080	\$942,080

Part IV: Capital Budget Impact

no impact

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.

No new rules

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 225-Washington State Patrol
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Fund-State 001-1	12,775	12,775	25,550	25,550	25,550
State Patrol Highway Account-State 081-1	36,855	36,855	73,710	73,710	73,710
Total \$	49,630	49,630	99,260	99,260	99,260

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: 01/16/2007
Agency Preparation: Eileen Nashleanas	Phone: 360-753-0637	Date: 01/16/2007
Agency Approval: Diane C. Perry	Phone: 360-753-0221	Date: 01/22/2007
OFM Review: Garry Austin	Phone: 360-902-0564	Date: 01/23/2007

Part II: Narrative Explanation

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

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

House Bill 1036 would add a new section to chapter 19.29A RCW requiring a state agency that is served by a public or private utility to purchase 20 percent of their total electricity in the form of qualified alternative energy resources from their local electric utility. A "qualified alternative energy resource" is defined as the electricity produced from generation facilities fueled by wind, solar agency, geothermal energy, biogas produced during treatment of human or animal waste evolved from landfills, wave or tidal action, gas produced during the treatment of wastewater, hydropower, heat and power or cogeneration, or biomass energy.

The bill does allow an exemption for state agencies if their local electric utility is exempt from offering a qualified alternative energy product.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

No additional cash receipts will be received by the Washington State Patrol upon passage of this bill.

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.

House Bill 1036 states that when purchasing qualified alternative energy resources from their local electric utility, a state agency shall pay for qualified alternative energy resources at a rate no less than the retail price of a qualified alternative energy product that their local electric utility charges its customers under RCW 19.29A.090.

The Department of General Administration (GA) estimates that passage of this bill would have fiscal impact on state agencies since power currently being purchased is, on average, 40% green, including qualified hydropower, wind, solar, etc. GA estimates a 2 cents per kWh incremental increase. The WSP is unable to determine from current utility bills how much is currently purchased as alternative energy since that is not shown on statements.

Based upon 2006 usage of electricity at 12,407,577 kWh times the estimated incremental amount to be purchased for alternative energy (20%) at an increase of 2 cents per kWh the calculated incremental increase in utility costs would be \$99,260 per year. For simplicity the breakdown is shown by General Fund (which will include all other omnibus funds at 25.74%) and State Patrol Highway Account (74.26%) based upon the WSP's current Cost Allocation Plan.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	49,630	49,630	99,260	99,260	99,260
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					
Total:	\$49,630	\$49,630	\$99,260	\$99,260	\$99,260

III. C - Expenditures By Program (optional)

Program	FY 2008	FY 2009	2007-09	2009-11	2011-13
Field Operations Bureau (010)	26,522	26,522	53,044	53,044	53,044
Investigative Services Bureau (020)	9,028	9,028	18,056	18,056	18,056
Technical Services Bureau (030)	14,080	14,080	28,160	28,160	28,160
Total \$	49,630	49,630	99,260	99,260	99,260

Part IV: Capital Budget Impact

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.

No new rules will be required upon passage of this legislation.

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 240-Department of Licensing
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Fund-State 001-1	888	943	1,831	1,886	1,886
Architects' License Account-State 003-1	164	174	338	348	348
Cemetery Account-State 004-1	70	74	144	148	148
Professional Engineers' Account-State 024-1	847	899	1,746	1,798	1,798
Real Estate Commission Account-State 026-1	2,196	2,332	4,528	4,664	4,664
Master License Account-State 03N-1	5,426	5,762	11,188	11,524	11,524
Marine Fuel Tax Refund Account-State 048-1	6	6	12	12	12
Uniform Commercial Code Account-State 04E-1	736	782	1,518	1,564	1,564
Real Estate Education Account-State 04F-1	12	12	24	24	24
Real Estate Appraiser Commission Account-State 06G-1	292	310	602	620	620
Business Professions Account-State 06L-1	2,219	2,357	4,576	4,714	4,714
Real Estate Research Account-State 06R-1	6	6	12	12	12
Motorcycle Safety Education Account-State 082-1	234	248	482	496	496
Wildlife Account-State 104-1	228	242	470	484	484
Highway Safety Account-State 106-1	27,737	29,455	57,192	58,910	58,910
Motor Vehicle Account-State 108-1	17,107	18,167	35,274	36,334	36,334
Funeral Directors And Embalmers Account-State 227-1	146	155	301	310	310
Geologists' Account-State 298-1	93	99	192	198	198
Total \$	58,407	62,023	120,430	124,046	124,046

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: 01/16/2007
Agency Preparation: Keith Long	Phone: (360) 902-0141	Date: 01/19/2007
Agency Approval: Sam Knutson	Phone: 360-902-3644	Date: 01/19/2007
OFM Review: Garry Austin	Phone: 360-902-0564	Date: 01/19/2007

Part II: Narrative Explanation

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

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

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

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.

SEE ATTACHMENT

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries & Wages					
B-Employee Benefits					
C-Personal Serv Contr					
E-Goods and Services	58,406	62,024	120,430	124,048	124,048
G-Travel					
J-Capital Outlays					
M-Inter Agency Fund Transfers					
N-Grants, Benefits Services					
P-Debt Service					
S-Interagency Reimburesement					
T-Intra-Agency Reimbursement					
Total:	\$58,406	\$62,024	\$120,430	\$124,048	\$124,048

III. C - Expenditures By Program (optional)

Program	FY 2008	FY 2009	2007-09	2009-11	2011-13
Mgmt & Support Services (100)	58,406	62,024	120,430	124,048	124,048
Information Services (200)					
Vehicle Services (300)					
Driver Services (600)					
Business and Professions (700)					
Total \$	58,406	62,024	120,430	124,048	124,048

Part IV: Capital Budget Impact

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.

Part II: Explanation

This bill would require state agencies that are served by a public or private utility to purchase 20 percent of their total electricity in the form of qualified alternative energy resources from their local electric utility.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 1 of the bill requires state agencies that are served by a public or private utility to purchase 20 percent of their total electricity in the form of qualified alternative energy resources from their local electric utility.

II. B – Cash Receipt Impact

<u>Cash Receipts</u>	<u>FY 08</u>	<u>FY 09</u>	<u>07-09 Total</u>	<u>09-11 Total</u>	<u>11-13 Total</u>
GF- State	-	-	-	-	-
Total Revenue	-	-	-	-	-

II. C – Expenditures

The agency worked in coordination with the Department of General Administration to estimate the fiscal impact of this bill.

The Department of Licensing estimates its annual kilowatt usage of electricity will be approximately 7,753,000 kilowatts for the next six years. This energy utilization estimate includes field and headquarters buildings. The Department of General Administration identified the cost of qualified alternative energy resources as no more than \$.02 per kilowatt of energy. The Department of General Administration indicates most state agencies currently purchase approximately 40 percent of their power that qualifies as alternative energy. Therefore, when the bill became effective the agency would pay a premium of \$0.02 per kilowatt hour for its qualified alternative energy resources.

Therefore, the agency's Fiscal Year 2008 electrical energy costs would be \$58,406 and be \$62,024 in subsequent years when the agency is purchasing 40% of its total electricity in the form of qualified alternative energy resources.

	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
Kilowatt Hours used	7,753,000	7,753,000	7,753,000	7,753,000	7,753,000	7,753,000
% Alternative Used	0.40	0.40	0.40	0.40	0.40	0.40
Renewable Kilowatts	2,920,297	3,101,200	3,101,200	3,101,200	3,101,200	3,101,200
Cost per Alternative Kilowatt \$	0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Total Additional Costs	\$ 58,406	\$ 62,024	\$ 62,024	\$ 62,024	\$ 62,024	\$ 62,024

Part III: Expenditure Detail

III. A – Expenditures by Object or Purpose

	FY 08	FY 09	07-09 Total	09-11 Total	11-13 Total
FTE Staff Years					
Goods and Services	58,406	62,024	120,430	124,048	124,048
Total	58,406	62,024	120,430	124,048	124,048

III. A (1) – Detail of Expenditures by Sub-Object for Goods & Services

Object E Breakdown:	<u>FY 08</u>	<u>FY 09</u>	<u>07-09 Total</u>	<u>09-11 Total</u>	<u>11-13 Total</u>
EZ Other Goods & Svcs	58,406	62,024	120,430	124,048	124,048
Total Goods & Svcs	58,406	62,024	120,430	124,048	124,048

III. A (2) – Detail of Expenditures by Fund

Additional information about assumptions and impacts is available directly from the Department of Licensing at 902-3644.

III. B – FTE Detail**EXPENDITURE DETAIL – STAFF**

Job Classification	Salary	<u>FY 08</u>	<u>FY 09</u>	<u>07-09 Total</u>	<u>09-11 Total</u>	<u>11-13 Total</u>
				0.00	0.00	0.00
Total FTEs		0.00	0.00	0.00	0.00	0.00

III. B – Expenditures by Program (optional)

Program	<u>FY 08</u>	<u>FY 09</u>	<u>07-09 Total</u>	<u>09-11 Total</u>	<u>11-13 Total</u>
100 - Mgmt & Support Services	7,683	8,159	15,841	16,317	16,317
200 - Information Services	6,467	6,867	13,334	13,734	13,734
300 - Vehicle Services	11,230	11,926	23,156	23,851	23,851
600 - Driver Services	25,290	26,857	52,147	53,714	53,714
700 - Business & Professions	7,737	8,216	15,952	16,432	16,432
<i>Total</i>	58,406	62,024	120,430	124,048	124,048

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

Revised

Bill Number: 1036 HB	Title: Renewable energy	Agency: 300-Dept of Social and Health Services
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2008	FY 2009	2007-09	2009-11	2011-13
General Fund-State 001-1	403,000	403,000	806,000	806,000	806,000
General Fund-Federal 001-2	113,667	113,667	227,334	227,334	227,334
Total \$	516,667	516,667	1,033,334	1,033,334	1,033,334

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Fund-State 001-1	403,000	403,000	806,000	806,000	806,000
General Fund-Federal 001-2	113,667	113,667	227,334	227,334	227,334
Total \$	516,667	516,667	1,033,334	1,033,334	1,033,334

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:

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- ☐ 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: 01/16/2007
Agency Preparation: Sarian Scott	Phone: (360) 902-7769	Date: 01/22/2007
Agency Approval: Sue Breen	Phone: 360-902-8183	Date: 01/26/2007
OFM Review: Eric Mandt	Phone: 360-902-0543	Date: 01/26/2007

Part II: Narrative Explanation

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

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

This bill requires state agencies to buy alternative energy resources from local electric utilities.

Section 1, (1) states that state agencies must purchase 20% of their total annual electricity in the form of qualified alternative energy resources from their local electric company.

This bill is assumed to take effect July 1, 2007.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Federal funds are assumed to be Title XIX.

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.

Section 1, (1) states that state agencies must purchase 20% of their total annual electricity in the form of qualified alternative energy resources from their local electric company. Using the lead agency (General Administration (GA)) assumptions that the fiscal impact to the Department of Social and Health Services (DSHS) will need to be at the 40% consumption level given that the statewide average purchase of qualified alternative energy resources is 40%, we estimate the cost to DSHS at \$516,667 $((64,583,333 * 40\%) * \$0.02)$ in FY2008 and each FY thereafter.

If the alternative energy use was only 20% the cost to DSHS is estimated at \$258,000 in FY2008 and each FY thereafter.

See attachment '07 HB-1036r Attachment 1.xls'.

Assumptions:

1. Because the legislation does not stipulate a start date, assume July 1, 2007.
2. Assume the targeted percentage of qualified alternative energy resources is AT LEAST 20%.
3. In RCW 19.29A.090, the definition of "qualified alternative energy resource" includes "qualified hydropower." "Qualified hydropower" is further defined in the statute as "....the energy produced either: (a) As a result of modernizations or upgrades made after June 1, 1998, that have been demonstrated to reduce the mortality of anadromous fish; or (b) by run of the river or run of the canal hydropower facilities that are not responsible for obstructing the passage of anadromous fish." Part (b) of the definition would qualify, on average, 40% of the electricity mix a local energy utility offers its customers as being a "qualified alternative energy resource."
- 4) Even though rates may vary dramatically from region to region and provider to provider, assume the premium placed on purchasing a qualified alternative energy product from your local electric utility is \$.02/kWh.

5) Assume, then, that an agency's fiscal impact would be calculated by determining the total annual electricity consumption (in kWh). Subtract any power that is already being purchased from your local energy utility as a "Qualified alternative energy product" (in kWh). Multiply the remainder by 40%. Then multiply by the \$.02/kWh premium.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	516,667	516,667	1,033,334	1,033,334	1,033,334
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					
Total:	\$516,667	\$516,667	\$1,033,334	\$1,033,334	\$1,033,334

Part IV: Capital Budget Impact

None

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.

None

HB-1036 Renewable Energy Consumption

Institutions only					
	% Increase	kWH Assumed~	Impacted kWH	Cost Impact	Impact
FY2008	20.0%	50,000,000	10,000,000	0.02	200,000
FY2009	20.0%	50,000,000	10,000,000	0.02	200,000
FY2010	20.0%	50,000,000	10,000,000	0.02	200,000
FY2011	20.0%	50,000,000	10,000,000	0.02	200,000
FY2012	20.0%	50,000,000	10,000,000	0.02	200,000
FY2013	20.0%	50,000,000	10,000,000	0.02	200,000
					1,200,000

~Assumes FY2005 usage.
24-7 operation
4.8 million square feet

	Split	FY08	FY09	FY10	FY11	FY12	FY13
State	78%	201,000	201,000	201,000	201,000	201,000	201,000
Other	22%	57,000	57,000	57,000	57,000	57,000	57,000
		258,000	258,000	258,000	258,000	258,000	258,000
		516,000		516,000		516,000	

Assumes institutional average on split.
Assumes object E.
Total per FY consumption is 64,583,333 kWh/FY (Institutional use and Non-institutional).

Non-Institutions						Combined	
	% Increase	kWH Assumed*	Impacted kWH	Cost Impact	Impact	Total	
FY2008	20.0%	14,583,333	2,916,667	0.02	58,000		258,000
FY2009	20.0%	14,583,333	2,916,667	0.02	58,000		258,000
FY2010	20.0%	14,583,333	2,916,667	0.02	58,000		258,000
FY2011	20.0%	14,583,333	2,916,667	0.02	58,000		258,000
FY2012	20.0%	14,583,333	2,916,667	0.02	58,000		258,000
FY2013	20.0%	14,583,333	2,916,667	0.02	58,000		258,000
					348,000		1,548,000

*Assumes non-institutions use 40% of institutions usage/year.
9-5 operation
3.5 million square feet

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 310-Department of Corrections
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Fund-State 001-1	556,009	556,009	1,112,018	1,112,018	1,112,018
Total \$	556,009	556,009	1,112,018	1,112,018	1,112,018

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: 01/16/2007
Agency Preparation: Alan Haskins	Phone: 360-725-8264	Date: 01/16/2007
Agency Approval: Randi Warick	Phone: 360 -725-8270	Date: 01/19/2007
OFM Review: Brian Enslow	Phone: 360-902-0539	Date: 01/23/2007

Part II: Narrative Explanation

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

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

Section 1 adds a new section to chapter 19.29A RCW, requiring state agencies who, are served by a public or private utility must purchase twenty percent of their total electricity in the form of qualified alternative energy resources from their local electric utility.

Section 1 also defines “qualified alternative energy resource” as the electricity produced from generation facilities located within the state that are fueled by: (a) Wind; (b) solar energy; (c) geothermal energy; (d) biogas produced during treatment of human or animal waste evolved from landfills; (e) wave or tidal action; (f) gas produced during the treatment of wastewater; (g) qualified hydropower; (h) combined heat and power or cogeneration as defined in RCW 35.97.010; or (i) biomass energy based on animal waste or solid organic fuels from wood, forest or field residues, algae, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

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 Department consumed 139,058,842 kilowatts in fiscal year 2006 of which 56,499 were from renewable energy sources, per the Washington Utilities and Transportation Commission. Utilizing General Administration’s assumption of \$.02 per Kilowatt hour as a premium for the purchase price of a qualified alternative energy product and using the consumption target of 20% per Fiscal Year, the Department estimates the increase cost associated with this bill is \$556,009 per Fiscal Year.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	556,009	556,009	1,112,018	1,112,018	1,112,018
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					
Total:	\$556,009	\$556,009	\$1,112,018	\$1,112,018	\$1,112,018

III. C - Expenditures By Program (optional)

-

Program	FY 2008	FY 2009	2007-09	2009-11	2011-13
Administrative Services Division (100)	5,131	5,131	10,262	10,262	10,262
Institutional Services (200)	520,379	520,379	1,040,758	1,040,758	1,040,758
Community Corrections Division (300)	30,499	30,499	60,998	60,998	60,998
Total \$	556,009	556,009	1,112,018	1,112,018	1,112,018

Part IV: Capital Budget Impact

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.

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 343-Higher Education Coordinating Board
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

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: 01/16/2007
Agency Preparation: Patty Mosqueda	Phone: 360-753-7863	Date: 01/16/2007
Agency Approval: Jim Reed	Phone: 360-753-7865	Date: 01/23/2007
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 01/23/2007

Part II: Narrative Explanation

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

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

This fiscal note reflects public four-year higher education institutions.

Section 1 of the bill requires that state agencies must purchase 20% of total electricity from alternative energy sources, and must pay at a rate no less than the retail price of a qualified alternative energy product. There is an exemption if the local utility is exempt from offering alternative energy product. Alternative includes various sources such as wind, solar, geothermal, biogas, etc.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

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.

Public four-year institutions have estimated a range of costs.

Two institutions already purchase 100% of their energy from clean energy sources, and there would be no further cost for these two institutions.

Other institutions have estimated increases as follows: (And, institutions note that these estimates would change if new alternative energy providers/products become available.)

~~ an increase in costs of about 8.5% to 25% -- which would equal about \$22,000 to \$65,000 per year.

~~ an increase that would be about \$144,000 to \$172,000 per year.

~~ an increase of about \$1.4 million per year.

~~ an increase of about \$2.2 million per year.

In total, four of the public 4-year institutions estimate increases up to \$3.8 million per year.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

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.

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 405-Department of Transportation
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
Motor Vehicle Account-State 108-1	928,000	928,000	1,856,000	1,856,000	1,856,000
Puget Sound Ferry Operations Account-State 109-1	123,000	123,000	246,000	246,000	246,000
Total \$	1,051,000	1,051,000	2,102,000	2,102,000	2,102,000

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: 01/16/2007
Agency Preparation: Mike Kashmar	Phone: 360-705-7403	Date: 01/18/2007
Agency Approval: Chris Christopher	Phone: 360-705-7851	Date: 01/23/2007
OFM Review: Rich Struna	Phone: 360-902-9821	Date: 01/23/2007

Part II: Narrative Explanation

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

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

This bill requires any state agency that is served by a public or private utility to purchase 20 percent of its total electricity, in the form of qualified alternative energy resources, from its local electric company. A state agency shall pay for this qualified alternative energy resource at a rate no less than the retail price that the local electric utility charges its customers under RCW 19.29A.090.

This bill defines "qualified alternative energy resource" as the electricity produced from generation facilities located within the state that are fueled by wind, solar energy, geothermal energy, biogas produced during treatment of human or animal waste evolved from landfills, gas produced during the treatment of wastewater, qualified hydropower, and combined heat and power or cogeneration as defined in RCW35.97.010.

The department would be impacted by the increased cost of electricity required for the operation of buildings and other facilities, the lighting of state highways, the operation of traffic signals, and operation of ferry terminals.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

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 Department of General Administration (GA) estimates the statewide average cost of electricity provided by utilities from qualified alternative energy resources to be \$.02/Kilowatt hour (kWh) greater than electricity generated from other resources. GA assumes that 40 percent of state agency electricity consumption is from hydro power. However, state agencies are not currently paying an additional fee for this qualified alternative energy resource. With this legislative proposal, GA assumes the utilities would charge the additional fee for all hydro power.

The department's estimated total electricity consumption in Fiscal Year 2006 was 131.4 million kWh. Assuming future electricity consumption remains constant, additional costs to the department would be \$1.05 million per fiscal year for 52.56 million kWh (40 percent of total kWh).

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	1,051,000	1,051,000	2,102,000	2,102,000	2,102,000
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					
Total:	\$1,051,000	\$1,051,000	\$2,102,000	\$2,102,000	\$2,102,000

III. C - Expenditures By Program (optional)

Program	FY 2008	FY 2009	2007-09	2009-11	2011-13
Capital Facilities (D)	230,000	230,000	460,000	460,000	460,000
Maintenance (M)	623,000	623,000	1,246,000	1,246,000	1,246,000
Misc other programs (Oth)	75,000	75,000	150,000	150,000	150,000
Ferries Operations (X)	123,000	123,000	246,000	246,000	246,000
Total \$	1,051,000	1,051,000	2,102,000	2,102,000	2,102,000

Part IV: Capital Budget Impact

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.

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 461-Department of Ecology
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Part I: Estimates

☒ **No Fiscal Impact**

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: 01/16/2007
Agency Preparation: Janis Moore	Phone: (360) 407-7099	Date: 01/16/2007
Agency Approval: Pat McLain	Phone: (360) 407-7005	Date: 01/22/2007
OFM Review: Kay Baxstrom	Phone: 360-902-0566	Date: 01/23/2007

Part II: Narrative Explanation

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

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

Section 1:

- 1) A state agency served by a public or private utility would be required to purchase 20% of their total electricity in the form of qualified alternative energy resources at a rate no less than retail price that their local electric utility charges.
- 2) State agencies would not be required to purchase qualified alternative energy resources from their local electric utility if the utility were exempt from offering alternative energy.
- 3) Defines "Qualified alternative energy resource ".

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

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.

For FY 2007 Ecology will be purchasing 28% of its electricity from alternative sources under current law, so this bill would require no increase. No impact.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

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.

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 465-State Parks and Recreation Comm
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Fund-State 001-1	203,116	203,116	406,232	406,232	406,232
Total \$	203,116	203,116	406,232	406,232	406,232

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: 01/16/2007
Agency Preparation: Mark Bibeau	Phone: 360 586-6621	Date: 01/17/2007
Agency Approval: Robyn Malmberg	Phone: 360-902-8540	Date: 01/19/2007
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 01/21/2007

Part II: Narrative Explanation

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

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

This bill adds a new section to RCW 19.29A, Business Regulations – Consumers of Electricity. The bill requires state agencies served by a public or private utility to purchase twenty percent of their total electricity in the form of qualified alternative energy resources from their local electric utility.

Fiscal Impact:

Sec. 1. (1) A state agency that is served by a public or private utility must purchase twenty percent of their total electricity in the form of qualified alternative energy resources from their local electric utility. A state agency shall pay for the qualified alternative energy resources at a rate no less than the retail price of qualified alternative energy product that their local electric utility charges its customers.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None

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 definitions contained in the legislation and RCW 19.29ZA.090, state agencies would not have to do anything to meet the 20% target for qualified alternative energy resources. Because of the energy mix we receive from our utility providers, we automatically have about 40% of our total consumption coming from qualified alternative energy resources. So, there would be no fiscal impact in meeting the target.

The fiscal impact is due to the wording on line 10 of the legislation that says state agencies would have to pay no less than the retail rate for qualified alternative energy. Since the average mix currently purchased has no price difference, it is assumed the 40% qualified alternative energy product would cost the agency the higher rate. The statewide average for the premium of purchasing qualified alternative energy product is about \$0.02 per kWh. The premium can vary widely by region or provider, but for the purpose of calculating the cost, the statewide average is being used.

The agency has a minimum of 1800 meters with 30+ vendors. For the purposes of this fiscal note, agency-wide electricity usage has been extrapolated based on the largest direct vendor, Puget Sound Energy. By comparing the electricity meter readings from December 2004 to November 2005 we were able to compute the annual kilowatt hours (kWh) for the parks that have the electricity supplied by Puget Sound Energy (PSE).

Payments made to PSE account for all Headquarters buildings, the Fort Worden Area, 3 out of 4 region offices, and 26 of the remaining 118 parks (120 total parks – less Fort Worden and Old Fort Townsend). These known electrical usage areas were pro-rated to represent the whole agency.

Average annual kWh usage:
HQ – 474,007
Regions – 342,535
Fort Worden Area – 3,304,296
Remaining 118 Parks – 21,268,624

Total agency kWh usage – 25,389,462

These kWh only represent the utility bills that State Parks is responsible for as a normal course of doing business. The incremental increase (or premium) paid in acquiring an eligible renewable resource is \$0.02/kWh over and above the 'normal' cost of power (per General Administration estimates and assumptions).

Estimated Expenditures:

25,389,462 (kWh) X 40% X \$0.02 = \$203,116

Formula = (Agency's Total Annual Electricity Consumption in kWh) X (percentage of qualified alternative energy resources) X (Premium)

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	203,116	203,116	406,232	406,232	406,232
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					
Total:	\$203,116	\$203,116	\$406,232	\$406,232	\$406,232

Part IV: Capital Budget Impact

None

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.

None

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 477-Department of Fish and Wildlife
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Fund-State 001-1	203,865	183,478	387,343	366,956	366,956
Total \$	203,865	183,478	387,343	366,956	366,956

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: 01/16/2007
Agency Preparation: Kristi Lynett	Phone: 360-902-2237	Date: 01/19/2007
Agency Approval: Ron McQueen	Phone: 360-902-2204	Date: 01/19/2007
OFM Review: Jim Cahill	Phone: 360-902-0569	Date: 01/23/2007

Part II: Narrative Explanation

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

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

This bill requires all state agencies to purchase twenty percent of their total electricity in the form of qualified alternative energy resources from their local electric utility. Currently qualified energy resources account for approximately 40% of our state's energy portfolio.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

NA

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.

Estimated expenditures are calculated based on FY 2006 actual electricity usage throughout all WDFW facilities statewide of 25,483,109 kWh.

It is estimated that WDFW's energy expenditures will decrease by 10% beginning in FY 2009 as the agency implements more conservation measures in response to Executive Order 05-01. The Executive Order mandates all state agencies to reduce their energy use by 10% by September 2009.

WDFW assumes that the premium price for green tags will remain constant over the 3 biennia.

FY 2006	Baseline electric usage	25,483,109 kWh
FY 2008	40% electric use from FY06 baseline	10,193,243 kWh
	Premium Price for Green Tag (\$0.02)	\$203,865
FY 2009	10% reduction in electric usage from FY 2006 baseline	22,934,798 kWh
	40% electric use	9,173,920 kWh
	Premium Price for Green Tag (\$0.02)	\$183,478
FY 2010	FY 09 Baseline	22,934,798 kWh
	40% electric use	9,173,920 kWh
	Premium Price for Green Tag (\$0.02)	\$183,478
FY 2011	FY 09 Baseline	22,934,798 kWh
	40% electric use	9,173,920 kWh
	Premium Price for Green Tag (\$0.02)	\$183,478
FY 2012	FY 09 Baseline	22,934,798 kWh
	40% electric use	9,173,920 kWh
	Premium Price for Green Tag (\$0.02)	\$183,478
FY 2013	FY 09 Baseline	22,934,798 kWh

40% electric use
Premium Price for Green Tag (\$0.02)

9,173,920 kWh
\$183,478

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	203,865	183,478	387,343	366,956	366,956
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					
Total:	\$203,865	\$183,478	\$387,343	\$366,956	\$366,956

Part IV: Capital Budget Impact

NA

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.

NA

Individual State Agency Fiscal Note

Bill Number: 1036 HB	Title: Renewable energy	Agency: 540-Employment Security Department
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
General Fund-Federal 001-2	10,248	10,248	20,496	20,496	20,496
Unemployment Compensation Administration Account-Federal 119-2	30,362	30,362	60,724	60,724	60,724
Administrative Contingency Account-State 120-1	1,130	1,130	2,260	2,260	2,260
Employment Service Administrative Account-State 134-1	3,060	3,060	6,120	6,120	6,120
Total \$	44,800	44,800	89,600	89,600	89,600

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: 01/16/2007
Agency Preparation: Pamela Ames	Phone: 360-586-8009	Date: 01/18/2007
Agency Approval: Elise Greef	Phone: 360-902-9423	Date: 01/23/2007
OFM Review: Tammy Hay	Phone: 360-902-0553	Date: 01/24/2007

Part II: Narrative Explanation

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

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

This bill establishes new guidelines for purchasing renewable energy.

Sec. 1 (New Section)

Except as provided under subsection (2) of this section, a state agency that is served by the public or private utilities must purchase twenty percent of their total electricity in the form of qualified alternative energy resources from their local electric utility.

Currently ESD does not purchase green power due to the fiscal impact. General Administration (GA) assumes a price premium for qualified alternative energy resource that is \$.02 per kWh higher than the standard rate.

Therefore, ESD fiscal impacts are calculated as 20 percent of current power consumption at a \$.02 per kWh higher rate.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None.

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.

Assumptions used for fiscal impacts are as follows:

Approximately 11.2 million kWh energy consumed per year, based on average energy usage of 40+ facilities for which the agency purchases power;

Increase in cost per kWh for alternative energy = \$.02 per kWh per General Administration (GA) assumption;

Distribution of costs based on current proportion of funds paying utility costs.

Twenty percent of total power usage would be 2.24 million kWh of energy to be purchased at the higher cost. The estimated impact, then, would be 2,240,000 X \$.02 = \$44,800 per year.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	44,800	44,800	89,600	89,600	89,600
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					
Total:	\$44,800	\$44,800	\$89,600	\$89,600	\$89,600

Part IV: Capital Budget Impact

None.

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.

None.

Individual State Agency Fiscal Note

Revised

Bill Number: 1036 HB	Title: Renewable energy	Agency: 699-Community/Technical College System
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

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: 01/16/2007
Agency Preparation: Deborah Frazier-LP	Phone: 360-704-4391	Date: 01/19/2007
Agency Approval: Mary Alice Grobins	Phone: 360-704-4388	Date: 01/22/2007
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 01/22/2007

Part II: Narrative Explanation

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

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

This bill requires state agencies served by a public or private utility to purchase a percentage of their total electricity in the form of qualified alternative energy resources from their local electric utility. Agencies shall pay a rate no less than the retail price of a qualified alternative energy product that their local electric utility charges.

Qualified alternative energy resources include wind, solar energy, geothermal energy, biogas, wave and tidal action, qualified hydropower, etc.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Cash receipts collected by the community and technical colleges are not impacted by this bill.

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.

Expenditures for the community and technical colleges would be impacted by this bill, but are indeterminate.

This bill requires state agencies served by a public or private utility to purchase a percentage of their total electricity in the form of qualified alternative energy resources from their local electric utility.

REVISED PER UPDATED ASSUMPTIONS FROM GA:

In FY 2006 the community and technical colleges (CTCs) spent approximately \$11 million for electricity. Based on the average statewide rate for power of .06 kWh, the CTCs approximate usage in FY 2006 was over 183,000,000 kWh. 40 percent of this usage would be 73,200,000 kWh.

$73,200,000 \text{ kWh} \times .020$ (current cost of renewable energy credits) = an additional expenditure of approximately \$1,464,000

Part III: Expenditure Detail

Part IV: Capital Budget Impact

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.