



TO: Elizabeth Pauli, City Manager
FROM: Kathleen Drew, Chair, Energy Facility Site Evaluation Council (EFSEC)
COPY: IPS Committee Members
SUBJECT: Proposed Changes to State's Energy Facility Site Evaluation Council
DATE: November 14, 2018

SUMMARY:

The purpose of this memo is to inform the City of Tacoma's Infrastructure, Planning and Sustainability committee of EFSEC's proposed agency request bill to the 2019 state legislature. That bill includes adding clean energy to statutory intent, streamlining the energy facility application process for renewable energy, and creating standing Council membership positions for local government and the tribes. We are seeking input from stakeholders and interested parties on this proposal. We also anticipate review of EFSEC's jurisdictional authority in 2019.

BACKGROUND:

The Energy Facility Site Evaluation Council was established in 1970 to provide "one-stop" licensing and oversight for major energy facilities within one state agency. The Council consists of a Governor-appointed Chair and standing members from the departments of Ecology, Fish and Wildlife, Natural Resources, Commerce, and the Utilities and Transportation Commission. When EFSEC reviews proposed energy facility projects, members may be appointed from the county, city and port where the project is located. The participating representative of the Port is a non-voting member of the Council. The Council's determination must balance protecting the environment, health and safety of the community in conjunction with providing abundant energy at a reasonable cost. The Council makes a recommendation to the Governor who makes the final decision to approve or reject a project.

If site certification is granted, EFSEC administers oversight of the construction and operation of its permitted facilities throughout their full lifecycle through a site certification agreement. The US Environmental Protection Agency has delegated federal authority to EFSEC to issue federal NPDES and PSD permits. The EFSEC site certification agreement is issued in lieu of any other state or local permits but EFSEC must include conditions protecting local government interests that recognize the purpose of local laws and ordinances. EFSEC also manages environmental and safety oversight of its permitted facilities and contracts with the state's Ecology, Health, and Military departments to monitor those facilities.

ISSUE:

As the newly appointed EFSEC Chair, Governor Inslee requested that I undertake a review of EFSEC to reassess its scope and role, process and procedures and Council membership in light of the many changes occurring in the energy industry. After meeting with legislators and industry, environmental and local governmental organizations, EFSEC has proposed an agency request bill. The bill supports the transition to clean, renewable energy by 1) adding clean energy as one of the elements EFSEC must balance, 2) streamlining the processes for renewable energy processes, and 3) enhancing engagement with local governments and tribes. The bill creates three permanent, standing members on the Council for counties, cities, and tribes. However, this measure replaces the positions that are specific to a project under review.



The bill adds a requirement to notify local governments and tribes and to “ensure meaningful participation and input during siting review and compliance monitoring.”

Although not included in the bill, our conclusion is that EFSEC’s jurisdictional authority of energy facilities needs to be updated. We would like to engage the Council Committee members in discussing future energy facilities and what EFSEC’s oversight and jurisdiction should include.

ALTERNATIVES:

This is an information briefing only. There are no alternatives presented.

FISCAL IMPACT:

This is an information briefing only. There is no fiscal impact.

RECOMMENDATION:

This is an information briefing only. There is no recommendation.