
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: Z-0002.1/15

ATTY/TYPIST: ML:eab

BRIEF DESCRIPTION: Concerning water power license fees.

1 AN ACT Relating to water power license fees; and amending RCW
2 90.16.050.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 90.16.050 and 2007 c 286 s 1 are each amended to read
5 as follows:

6 (1) Every person, firm, private or municipal corporation, or
7 association hereinafter called "claimant", claiming the right to the
8 use of water within or bordering upon the state of Washington for power
9 development, shall on or before the first day of January of each year
10 pay to the state of Washington in advance an annual license fee, based
11 upon the theoretical water power claimed under each and every separate
12 claim to water according to the following schedule:

13 (a) For projects in operation: For each and every theoretical
14 horsepower claimed up to and including one thousand horsepower, at the
15 rate of eighteen cents per horsepower; for each and every theoretical
16 horsepower in excess of one thousand horsepower, up to and including
17 ten thousand horsepower, at the rate of three and six-tenths cents per
18 horsepower; for each and every theoretical horsepower in excess of ten

1 thousand horsepower, at the rate of one and eight-tenths cents per
2 horsepower.

3 (b) For federal energy regulatory commission projects in operation,
4 the following fee schedule applies in addition to the fees in (a) of
5 this subsection: For each theoretical horsepower of capacity up to and
6 including one thousand horsepower, at the rate of thirty-two cents per
7 horsepower; for each theoretical horsepower in excess of one thousand
8 horsepower, up to and including ten thousand horsepower, at the rate of
9 six and four-tenths cents per horsepower; for each theoretical
10 horsepower in excess of ten thousand horsepower, at the rate of three
11 and two-tenths cents per horsepower.

12 (c) To justify the appropriate use of fees collected under (b) of
13 this subsection, the department of ecology shall submit a progress
14 report to the appropriate committees of the legislature prior to
15 December 31, 2009, and biennially thereafter (~~((until December 31,~~
16 ~~2017)).~~ ~~((+i))~~ The progress report will: ~~((+A))~~ (i) Describe how
17 license fees were expended in the federal energy regulatory commission
18 licensing process during the current biennium, and expected workload
19 and full-time equivalent employees for federal energy regulatory
20 commission licensing in the next biennium; ~~((+B))~~ (ii) include any
21 recommendations based on consultation with the departments of ecology
22 and fish and wildlife, hydropower project operators, and other
23 interested parties; and ~~((+C))~~ (iii) recognize hydropower operators
24 that exceed their environmental regulatory requirements.

25 ~~((+ii) The fees required in (b) of this subsection expire June 30,~~
26 ~~2017. The biennial progress reports submitted by the department of~~
27 ~~ecology will serve as a record for considering the extension of the fee~~
28 ~~structure in (b) of this subsection.))~~

29 (2) The following are exceptions to the fee schedule in subsection
30 (1) of this section:

31 (a) For undeveloped projects, the fee shall be at one-half the
32 rates specified for projects in operation; for projects partly
33 developed and in operation the fees paid on that portion of any project
34 that shall have been developed and in operation shall be the full
35 annual license fee specified in subsection (1) of this section for
36 projects in operation, and for the remainder of the power claimed under
37 such project the fees shall be the same as for undeveloped projects.

1 (b) The fees required in subsection (1) of this section do not
2 apply to any hydropower project owned by the United States.

3 (c) The fees required in subsection (1) of this section do not
4 apply to the use of water for the generation of fifty horsepower or
5 less.

6 (d) The fees required in subsection (1) of this section for
7 projects developed by an irrigation district in conjunction with the
8 irrigation district's water conveyance system shall be reduced by fifty
9 percent to reflect the portion of the year when the project is not
10 operable.

11 (e) Any irrigation district or other municipal subdivision of the
12 state, developing power chiefly for use in pumping of water for
13 irrigation, upon the filing of a statement showing the amount of power
14 used for irrigation pumping, is exempt from the fees in subsection (1)
15 of this section to the extent of the power used for irrigation pumping.

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