



OPPOSE

HB 1589 – BANNING NATURAL GAS THROUGH GAS COMPANIES

HEARING WEDNESDAY, MARCH 15 AT 8:00 A.M.

Urging all Members to Sign or to Testify in OPPOSITION of HB 1589 in the Senate Environment, Energy & Technology Committee

HB 1589 - Banning Natural Gas through Gas Companies

Original Bill

- Prohibits gas companies serving more than 500,000 retail natural gas customers in Washington from extending gas service after June 30, 2023.
- Requires a large gas company to file a gas decarbonization plan as part of a multiyear rate plan on or after January 1, 2026, and every four years thereafter, with the aim to achieve the company's proportional share of greenhouse gas emission reductions required under state law.
- Requires a combination utility to file an electrification plan as part of a gas decarbonization plan on or after January 1, 2026.
- Directs the Utilities and Transportation Commission to establish cost targets for gas decarbonization and electrification plans, approve plans that are in the public interest, and adopt depreciation schedules, and a single energy rate base in certain instances.
- Encourages electric utilities to work with large gas companies providing gas service within their service areas to identify opportunities for electrification and providing energy peaking service.

Amended Bill

- Modifies the definition of "electrification" to "the installation by a combination utility of electric end-use equipment provided that installation:
 - o Will result in a net reduction in statewide greenhouse gas emissions over the life of the equipment as compared to the most efficient commercially available natural gas or alternative energy resource alternative; and
 - o Reduces the sales of natural gas by the large gas company. Electrification programs of a combination utility may include, but are not limited to, programs that facilitate deep energy retrofits or the installation of electric air-source heat pumps with gas backups in existing buildings.

- However, electric air-source heat pumps with gas backups may not be part of any plan filed pursuant to section 4 of this act [electrification plans]."
- Modifies the definition of "emissions reduction period" to mean "one of four periods of five calendar years each, with the four periods beginning on January 1st of calendar years 2030, 2035, 2040, 2045, and 2050, respectively."
- Adds language to provide that the terms of a gas decarbonization plan filed by a large gas company shall be binding on any entity that subsequently acquires an ownership interest in all or part of the large gas company's gas storage, transmission, or distribution network.
- Requires that an electrification plan be filed by a large gas company, rather than a combination utility, as part of a gas decarbonization plan.
- Provides that the Utilities and Transportation Commission (UTC) may, rather than must, require a large gas company to achieve the maximum level of greenhouse gas emissions reductions practicable using alternative energy resources at or below the applicable cost target.

Talking Points:

- Recent action of the State Building Code Council did not include an outright ban on natural gas.
- Prohibiting new natural gas for housing will increase the cost of new middle housing between \$6,200 to \$13,100 more per unit. This doesn't include the annual operating costs of using natural gas which is one third of the cost of electricity.
- This bill negatively impacts independent grocers and convenience stores. These stores often rely on natural gas to run refrigeration systems and to offset expensive electrical costs for stores that must have these systems running at certain temperatures at all times, to comply with the health code. The costs for running new grocery stores may exceed what people are willing to pay in food costs, increasing the possibility of food deserts in Washington State.
- In some areas where there is not adequate electrical infrastructure to serve new construction a requirement exists for natural gas to be provided in the land deeds for the undeveloped lots. If this bill were to pass the families who have purchased these lots will not be able to build a home, and their investment could be lost.
- If new natural gas connections are prohibited, it will result in significant cost impacts for struggling hospitality businesses, as the demand for rent for the spaces with existing natural gas service will skyrocket. Rents may become unaffordable for small, locally owned family businesses.
- Many Washington homeowners in the Puget Sound region need access to natural gas in order to have fireplaces and other supplemental heating devices during power outages. They may not have the ability to have woodstoves or woodburning fireplaces because of air quality ordinances.

Sponsors: Representatives: Doglio, Fitzgibbon, Berry, Alvarado, Bateman, Ramel, Peterson, Lekanoff, Hackney, Macri, Kloba

STATUS HB: Senate Environment Committee (Passed House 52-44)

Hearing: [Wednesday, March 15 at 8:00 a.m.](#)
[JA Cherberg Building Room 1](#)

- **Testify in-person**, click [here](#)
- **Testify virtually**, click [here](#)
- To Submit **written testimony**, click [here](#)
- To **Provide opposition** to be noted for the legislative record, click [here](#)

Please note that you must sign in **1 hour before the hearing** to **testify** or **provide position** to be placed on legislative record. After the hearing, you have **24 hours** to **submit written testimony**.

Please also **contact the members** of the
Senate Environment, Energy & Technology Committee Urging them to **OPPOSE**
Banning Natural Gas through Gas Companies
HB 1589

Please take action right away.

Senate Environment, Energy & Technology Committee

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