

Initiative 2066: Promoting energy choice by protecting access to gas for Washington homes and businesses



August, 2024

Understanding the initiative to prevent the phase-out of natural gas service in Washington

What I-2066 does

Initiative 2066 seeks to ensure that the state's utilities continue to provide natural gas service.

If passed, the initiative would update state law to:

- Require that the state's gas utilities, including those owned by a city or town, provide natural gas service to anyone in their service area that requests it.
- Prevent cities and towns from prohibiting, penalizing, or discouraging the use of natural gas in any building.
- Prevent the state energy code from prohibiting, penalizing, or discouraging the use of natural gas in any building, such as for heating, appliances, and other equipment.
- Eliminate portions of state law that help Puget Sound Energy (PSE), Washington's largest utility, plan its transition away from natural gas service.

City impacts

I-2066 preempts city home rule authority to determine the scope of services a city or town utility provides. It also preempts cities from enacting policies to disincentivize the use of natural gas within their jurisdictional boundaries.

Cities would be required to reverse any policies they have in place that disincentivize natural gas use, such as construction requirements on new buildings.

Some cities' greenhouse gas (GHG) reduction targets may come into conflict with the new state law.

Cities required to plan under the Growth Management Act could no longer assume the phasing out of natural gas to achieve their GHG emissions goals and would need to revise their planning work.

Cities may lose, or miss opportunities to receive, funding that supports them and members of their communities in switching from natural gas to electric service.

Background

State climate and energy goals

Washington state has set goals to limit and reduce GHG emissions and decarbonize the energy sector. The state has codified in statute several climate- and energy-related targets:

GHG reduction limits

- By 2030: 45% below 1990 levels
- By 2040: 70% below 1990 levels
- By 2050: 95% below 1990 levels

Clean Energy Transformation Act

- By 2026: Electric utilities must eliminate coal-fired resources
- By 2030: Retail sales of electricity must be GHG-neutral
- By 2045: Retail electricity sources must be non-emitting or renewable
- Energy code
- By 2031: Construct homes and building with zero fossil-fuel GHG emissions

continued on back ►

Contact: **Brandy DeLange**
Government Relations Advocate
brandyd@awcnet.org

Brianna Morin
Policy Analyst
briannam@awcnet.org

State climate and energy goals continued...

To help the state reach these goals, the Legislature has enacted various programs and requirements to incentivize and constrain action within the sectors with the greatest emissions, such as transportation and buildings. For example, the Climate Commitment Act, the state's cap-and-invest program, requires Washington's largest emitters, including utilities, to cap their emissions and reduce them over time. The state's energy code and the Clean Buildings Performance Standard set requirements for energy efficiency in residential and commercial buildings across Washington.

House Bill 1589

In 2024, the Legislature enacted **HB 1589**, which helps Puget Sound Energy (PSE) plan for decarbonization and tapering its natural gas service, to comply with the state's climate and energy targets. The law does not ban natural gas in Washington.

I-2066 reverses many of the provisions of the law, including those that allow PSE to assess the potential for electrification within geographic areas and achieving cost-effective electrification for natural gas customers. It also repeals the provision allowing the utility to combine its natural gas and electric customers into one rate plan.

AWC's role in initiatives

This information is intended for educational purposes only. AWC does not take positions in support or in opposition to ballot initiatives. AWC's role is to provide factual information that can be shared with elected officials, staff, and local communities. City elected officials may take positions on ballot measures, including statewide initiatives, using specific exceptions to the prohibition on use of public resources. City officials should familiarize themselves with Public Disclosure Commission rules regarding ballot measures.

Contact:

Brandy DeLange
Government Relations Advocate
brandyd@awcnet.org

Brianna Morin
Policy Analyst
briannam@awcnet.org