

OFFICE OF THE GOVERNOR

P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 902-4111 • www.governor.wa.gov

March 31, 2022

To the Honorable Speaker and Members, The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 8 and 9, Engrossed Substitute House Bill No. 1846 entitled:

"AN ACT Relating to providing a tax preference for rural and nonrural data centers."

Section 8 of Engrossed Substitute House Bill 1846 directs the Department of Commerce to contract with the Pacific Northwest National Laboratory to evaluate Washington's current and future grid resilience and reliability. Ensuring that our electricity grid continues to reliably provide power to Washingtonians is a priority, which is why we have multiple state agencies already working on this issue. The requirements established in Section 8 are redundant to resource adequacy planning efforts already underway at the Utilities and Transportation Commission, the Department of Commerce, and the Northwest Power and Conservation Council. And while we welcome additional resources for scenario planning and modeling, that work should be undertaken by the Northwest Power and Conservation Council, as it aligns with their existing forecasting and modeling work.

Section 9 of this bill is a null and void clause that would nullify Section 8 if no funding is provided for the purposes of Section 8. Although no funding was provided for Section 8, Section 9 is no longer relevant or necessary because I am vetoing Section 8.

For these reasons I have vetoed Sections 8 and 9 of Engrossed Substitute House Bill No. 1846.

With the exception of Sections 8 and 9, Engrossed Substitute House Bill No. 1846 is approved.

Respectfully submitted,

Jay Inslee

Governor