



1. Centennial Grant funding for the Peshastin project

a. Issue - Upgrades to the wastewater plant to meet State mandated environmental requirements.

b. Need - We are seeking grant funding. (60% of project costs)

**Update – Provided a Fact Sheet on this project to Sen. Hawkins for his continued discussions with senate budget writers. Met with House budget staff and will meet with Senate budget staff this week.**

2. Fuel Mix Disclosure

a. Issues –

i. Current methodology inaccurately assigns too much carbon to the energy we use to serve load

ii. Other legislative proposals use it to assign carbon content

b. Needs –

i. Modify the current process to openly and accurately reflect fuel sources

ii. Do not use to assign carbon obligations to utilities

**Update – Department of Commerce cancelled a meeting with stakeholders that was scheduled for February 22 because they felt it would be redundant. Rep. Morris has indicated he was considering a holding work session on the subject after opposite House cutoff.**

3. Distributed Generation and distribution system planning

a. Issue – There will likely be a push for the expansion of distributed generation and a requirement to perform related distribution system planning

b. Need – Maintain Local Control, allow for individual needs of utilities to be served through our system planning processes currently in place

**Update – HB 1048 sponsored by Rep. Morris is considered NTIB and was moved out of his committee on March 1. It was thought Rep. Morris would incorporate distributed energy planning concepts into this bill but the amendments to the bill primarily address program cost limits, dates and limits to community solar payments.**

4. SAO issues

a. Issues –

i. SAO imposed restrictions on unit priced contracts

ii. Requirement to use an auditing standard that we feel is not needed and adds costs and may be incompatible with bond and power agreements

b. Needs –

i. Retain our ability to continue efficient unit price contracting (tree trimming, paving)

ii. Do not make changes to current audit regulations

**Update – The bill to address PUD unit price contracts, has passed the Senate and is now in the House.**



5. Retail telecom authority

a. Issue – Current law prohibits PUDs from serving existing customers in the event the retail service provider is unable to do so

b. Need – legislate a "Safe Harbor" provision to allow continued customer service

**Update – All bills on retail authority did not move out of committees and are dead for this session**

6. Pole attachments (Including wireless equipment)

a. Issue – There may be an effort by service providers to standardize rates across the state

b. Need – No change is needed; we support the current rate setting methods and regulations

**Update – The Senate bill, SB 5711, which includes pole attachment language, is the current vehicle being promoted by the telecommunication companies. This bill is primarily aimed at making it easier for telecommunications companies to expand a small wireless 4G cell networks in urban areas which the industry hopes will make the next generation of equipment easier to deploy. This bill includes a section that would repeal the pole attachment language for PUDs in current statute which was adopted in 2008 and replace it with language that would drastically alter the pole attachment law, reduce cost for the telecommunications companies and pass those cost onto PUD customers. Sen. Sheldon has introduced an amendment that would strike the PUD pole attachment language. Another proposed amendment would require a review of pole attachment rates charged by utilities and the impact of broadband deployment in rural Washington.**

7. Fire liability

a. Issue - Utilities may be held liable for hazards (off right-of-way danger trees we cannot address)

b. Need - Not to be held liable for hazards we cannot address

**Update – Rep. Dent has convened a fire caucus which primarily deals with the operational aspects of fighting wildfires. Rep. Kretz has suggested Dave Arbaugh check with Rep. Dent about getting into those meetings. Also, the new Commissioner of Public Lands is indicating interest in opening a dialogue about the fire liability issue, probably after the legislative session. The Commissioner will attend the WPUA April meeting.**

8. Back-billing

a. Issue – Proposed legislation intended to limit back billing customers for utility errors to six months

b. Need – No need for change - retain local control within the current law.

**Update - No activity this session**

9. Hydraulic Project Approval (HPA) fees

a. Issue - WDFW is seeking to increase fees above the current \$150 per project

b. Need – We will monitor proposals to determine the appropriateness of proposed changes.



**Update - The HPA fee bill has been introduced and the requesting agency (WDFW) has recognized that changes are needed to gain support for the bill. A substitute bill has removed the penalties language but still includes conflicting language on project types. Although the bill has not advanced out of its committee, it is likely considered NTIB so we may see more activity on the bill later in the session.**

10. Funding aquatic invasive species program

- a. Issue - WDFW is seeking to fully fund their proposed Aquatic Invasive Species program
- b. Need – We support an adequately funded program that protects the state from invasive species and provides for actions if species are detected.

**Update – Both the House and Senate versions of the bill have moved out of their respective committees but have not progressed to the respective floor calendars. Both are likely to be considered NTIB though. Substitute bills in each chamber removed controversial language which shipping interests have opposed.**

11. Public Works Trust Fund

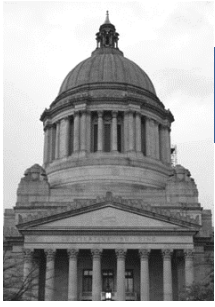
- a. Issue – The current fund is no longer able to provide adequate funding
- b. Need – A stable and sustainable funding mechanism for public infrastructure projects in Washington State

**Update – It appears efforts to unify the various approaches to address infrastructure funding are paying off. HB 1677 looks to become an omnibus bill and is supported by the Public Works Board. This bill, as currently written, addresses programmatic issues but no fiscal issues. Senate bill 5033, amended with components of 5088 is advancing as well. The Senate bills rely on bonding mechanisms to fund the program.**

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**Other Key issues**

- 1. **HB 1334 is environmental community bill for the next phase of the Energy Independence act did not advance.**
- 2. **There are numerous HR related bills (i.e. retirement, equal pay and leave issues) we are tracking closely. Of note:**
  - a. **HB 1116 - Implementing family and medical leave insurance**
  - b. **SB 5545 - Requiring public employee collective bargaining sessions to be open meetings**
  - c. **SB 5836 - Enhancing enforcement of the equal pay act**
- 3. **Electric Vehicles – Seattle City Light/PUD bill did not advance nor did efforts to add EVs to a senate bill. Efforts are focusing on a pilot program bill with a tax credit making the bill NTIB**
- 4. **Carbon bills that are still active (others may be NTIB and be advanced at a later date)**
  - a. **HB 1144 - Amending state greenhouse gas emission limits**
  - b. **SB 5127 - Establishing a carbon pollution tax and investment program**
- 5. **SB 5624 would add requirements for information on electric customer bills**
- 6. **SB 5128, referred to as the Kapstone bill has been amended to satisfy hydro concerns**
- 7. **HB 2087 Roadway worker safety**



## Chelan PUD 2017 Legislative Top "10" – March 6 Update

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