Chelan PUD 2018 Legislative Top Preliminary Issues

- 1. Capital Budget 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)

2. Supplemental Budget

- a. Issues
 - i. The legislature may again need to address basic education funding
 - ii. This issue could lead to special sessions in 2018
- b. Needs
 - i. No operating budget needs for Chelan PUD
 - ii. A short session can contain legislative activities
- 3. Distributed Generation and distribution system planning
 - a. Issue There will likely be a push for a requirement or at least permissive legislation to perform 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

4. Carbon pricing

- a. Issues
 - i. Carbon pricing legislation will again be considered this session
 - ii. Proponents for reducing GHG emissions may have an initiative ready for 2018 if not satisfied with legislative actions.
- b. Need Least-cost carbon reduction policies that provide for reliable power delivery
- 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
- 6. Pole attachments (Including wireless equipment)
 - a. Issue There may be an effort by service providers to standardize rates across the state which would lead to electric ratepayers subsidizing telecom companies cost of attaching to poles
 - b. Needs
 - i. No rate changes are needed; we support the current rate setting methods, regulations and dispute resolution options for all customers



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ii. Wireless device attachments must be studied further to understand safety and cost recovery issues

7. Electric Vehicle Incentives

- a. Issue Municipal utilities and PUDs are seeking legislative clarity for allowing incentives to be offered to customers for electric vehicles and related infrastructure
- b. Need Ensure legislation does not obligate PUDs nor limit or alter our current authorities

8. Bid limits

- a. Issue Current RCW require PUDs to contract work when associated material costs exceed \$150,000.
- b. Need Change the limitations to reflect inflationary increases and to allow PUD crews to perform more work on systems they must maintain.

Contacts:

Tracy Yount: 509-661-4353 tracy.yount@chelanpud.org

Shaun Seaman: 509-661-4459 shaun.seaman@chelanpud.org