

2020 Legislative Session Update

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Overview

- 60 day session – Ends March 12
- First cut off for policy bills is Feb. 7
- First cut off for fiscal bills is Feb. 11



Engagement Issues

- Non-Oil Turbine Hub Lubricating Research and Development funding – Chelan Requested Bill
- Energy Legislation
- HR Legislation and Other

Research Objective

Advance non-oil turbine hub lubricating technology to achieve a 40-year design life.



Technology Status

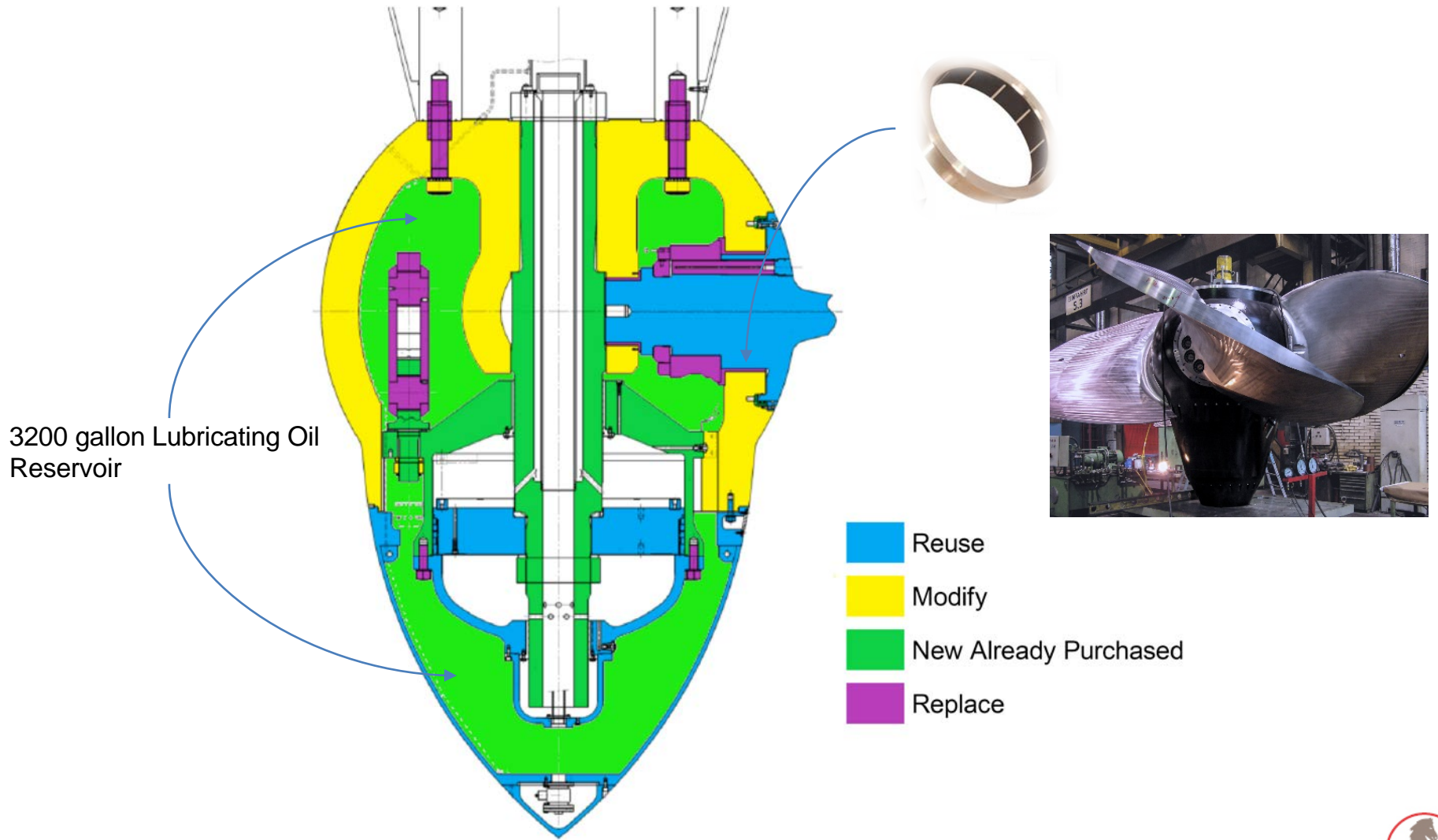
- Non-oil lubricating technology is currently used in Sweden, Japan, with some testing in the US.
- Current non-oil lubricating technology has not achieved the same expected design life as oil-lubricated turbine hubs. (varies by application and technology used)



Investment Value

- Would lead to removal of substantial amounts of lubricating oil currently with a single barrier to the river.
 - Rocky Reach, 89% of oil (3,200 gal/unit) would be removed from the turbine hub. The remaining 11% is secondarily contained in a closed systems that is continuously monitored.
 - Rock Island, 90% of the oil (2,000 gal/unit) would be removed from the turbine hub. The remaining 10% is secondarily contained in a closed systems that is continuously monitored.

Kaplan Turbine Hub



3200 gallon Lubricating Oil Reservoir

- Blue Reuse
- Yellow Modify
- Green New Already Purchased
- Purple Replace

Why Now?

- Rehabilitation projects underway at Rocky Reach and Rock Island
- Advancements in metallurgy and coatings from industry and bushing technology adapted from DOD helicopter rotors and submarine shafts



Legislative Objective

- Partner with the State of Washington to fund an R&D program intended to extend the design life of non-oil turbine hub lubricating technology.
- State Contribution
 - Remittance of State portion of the Sales Tax (6.5%)
- PUD Contribution
 - Cost for R&D program development, design issues, monitoring, testing and risks damage to the units resulting in outages and repairs.



5-year Tax Remittance Estimate

	2021	2022	2023	2024	2025
Rock Island Taxable Project Cost	\$24M	\$24M	\$24M	\$24M	\$24M
Rocky Reach Taxable Project Cost	\$2M	\$6M	\$8M	0	0
Annual Tax Remittance	\$1.7M	\$1.95M	\$2.1M	\$1.6M	\$1.6M
5-year Total					\$8.8M



HB2825

- Prime Sponsor: Representative Goehner
- Leveraging substantial progress made last session By Senator Hawkins on SB6012
- Strong list of sponsors
 - 16 Sponsors
 - 6 Democrats and 10 Republicans
 - 4 on Environment Committee (including the Chair and Majority Assistant Whip)
 - 3 on Finance (Including Chair)
- Bill set for hearing Feb. 7 in House Finance Committee
- Bill not subject to Committee Cutoff Dates



Energy Bills

- Utility Disclosures
 - Requires certain notifications for rate increases. This bill was envisioned to have state agencies such as Commerce perform certain measures.
- CETA Reliability Study
 - Require an assessment of electric system reliability.
 - Industry seeking changes to third party performance of assessment or annual hearings on system needs.
- Community Solar
 - Provides for increased incentives
 - Includes requirements change to meter aggregation from annual to monthly.

Human Resources

- Long Term Care
 - Proposal would prevent workers from going back on state plan if exempted at any time



Other Bills

- Broadband Office Funding
 - Legislation for adequate funding.
- Forest Health
 - Commissioner Franz Proposal \$5 per insurance policy.
 - Links 10-year Wildland Fire Protection Strategic Plan and Forest Health Plan
 - Consistent revenue approach
 - WPUDA supported a similar bill last year
 - Senate proposal is focused on Forest Health with less certainty around funding from Bonds



Questions?

