



Chelan PUD
2018 Legislative Update
February 5, 2018

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)
 - c. Status – Signed by governor, Ecology now working on completing their processes

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
 - c. Status – Monitoring at this time

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
 - c. Status – The TED Committee passed:
 - i. a community solar garden bill which is permissive
 - ii. a net metering bill that adds DER planning trigger
 - iii. a distribution resource planning bill
 - iv. a bill modifying the current renewable incentive law that limits legacy systems to 100% cost recovery

4. Carbon pricing and clean energy bills
 - a. Issues –
 - i. Carbon pricing legislation is being 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
 - c. Status –
 - i. Governor request bill (SB 6203) passed the Senate Energy committee Thursday evening
 - ii. Other bills have been introduced to related to clean energy resources for utilities



5. Retail telecom authority for PUDs
 - 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
 - c. Status –
 - i. There are two bills addressing retail authority bill that affects only Kitsap PUD
 - ii. SB 5935 (last year’s bill from Sens. Sheldon and Carlyle) passed with Kitsap language
 - iii. SB 6034, a standalone bill from Sen. Rofles passed out of committee (same language as in 5935).

6. Pole attachments
 - 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
 - ii. Wireless device attachments must be studied further to understand safety and cost recovery issues
 - c. Status- HB 2593 by Rep. Morris, a dispute resolution process a bill for pole attachments, did not advance

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
 - c. Status –
 - i. SB 6187 from Sen. Carlyle is the preferred bill. vehicle
 - ii. HB 2897 is an EV authority bill but tied to perform DER planning. This moved is out of committee.

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.
 - c. Status – PUDs will work on this issue over the interim for a possible bill in 2019



9. Energy Bills

- a. Conservation bill for IOUs only is intended to make more measures EIA applicable
- b. On-bill repayment programs
- c. Changes to options for purchasing alternative power
- d. A post 2020 EIA bill that includes limitations on generation resources

10. General Government/HR/Other

- a. Voting Rights Acts (House and Senate bills)
- b. Wage Equity
- c. Job applicants and arrest records
- d. PERS 2 program defaults
- e. PERS 1 COLA
- f. Dig Law
- g. Prevailing wages

Contacts:

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

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