



1. Capital Budget - Centennial Grant funding for the Peshastin project
 - a. Issue - Upgrades to the wastewater plant to meet State mandated environmental requirements.
 - b. Hydro Research Institute (HRI) Funding
 - c. Need - We are seeking additional grant and loan funding for the Peshastin WW project and funding for the HRI
 - d. Status –
 - i. Proposed Capital budget includes \$35M for this fund – Peshastin is second of the priority list.
 - ii. Working with legislators on HRI funding
2. Operating Budget
 - a. Issues –
 - i. The legislature is facing a governor’s budget request that exceeds \$5 billion over the last biennial budget. Requesting new revenue sources
 - ii. This issue could lead to special sessions
 - b. Needs –
 - i. No operating budget needs for Chelan PUD at this point
 - c. Status – Monitoring at this time
3. Distributed generation and customer billing
 - a. Issue – There are bills related to net metering and information included on customer bills.
 - b. Need – Maintain local control, allow for individual needs of utilities to be served through our system planning processes currently in place
 - c. Status –
 - i. a net metering bill to increase the cap to four from 0.5 percent of 1996 peak
 - ii. a bill to address local and state tax information on bills (Chelan currently complies)
 - iii. a bill provision to include 12 months of kwh consumption on the monthly bill
4. Carbon pricing and clean energy bills
 - a. Issues –
 - i. Carbon pricing legislation is being considered this session
 1. 100 percent Clean energy
 2. Low carbon fuel standard
 3. Building efficiency
 4. Transportation electrification
 5. Hydrofluorocarbon (primarily refrigerants) reductions
 - b. Need - Least-cost carbon reduction policies that provide for reliable power delivery



- c. Status –
 - i. SB 5116 (clean energy) the substitute bill passed out of the Senate Energy committee Jan. 29 and is now in Ways and Means
 - ii. HB 1211 (clean energy) was heard in House Environment and Energy Committee Jan. 22 and scheduled for executive action this week

5. Fuel Mix Disclosure Report
 - a. Issue – The intent is to modernize the fuel mix disclosure report and to simplify the process
 - b. Needs
 - i. Utilities want to align the report with related efforts such as clean energy legislation
 - ii. Wait until clean energy issues are resolved
 - c. Status- Substitute HB 1428 passed out of committee on Jan. 31

6. Electric Vehicle Incentives and infrastructure
 - a. Issue – Gov. Inslee included transportation electrification as part of his carbon agenda. Municipal utilities and PUDs are seeking legislative clarity for allowing programs and 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 5336/HB 1664 includes utility authorities and tax incentives for EV purchases
 - ii. HB 1512 provides utilities explicit authorization to pursue EV programs
 - iii. HB 1127 is an EV authority bill but tied to perform DER planning.

7. Wildfire liability
 - a. Issue- PUDs are seeking changes in how wildfire investigations are performed and utility exposure to liabilities related to wildfires caused by electric systems
 - b. Need – Legislation to develop a taskforce to develop recommendations related to reducing wildfires including investigations, communications, managing danger trees. Address utility liability concerns.
 - c. Status – Note that both substitute bills deleted language that addressed the liability issue
 - i. SHB 1334 heard in House Rural Development committee on Jan. 30 and scheduled for executive action Feb. 6
 - ii. SSB 5305 heard in Senate Ag, Water and Natural Resources committee on Jan. 31

8. Broadband access
 - a. Issue – Governor’s request legislation to expand broadband access to un and underserved areas by providing grants and loans
 - b. Need – Include a “Safe Harbor” provision to allow continued customer service for PUDs
 - c. Status –
 - i. HB 1498 and SB 5511 are the two bills addressing this issue



- ii. Chelan is seeking to increase the time period allocated to find a new provider
- iii. HB 1498 heard on Jan 30 and scheduled for executive action next week
- iv. SB 551 to be heard Feb. 5

9. Bid limits

- d. Issue – Current RCW require PUDs to contract for purchases and work when associated material costs exceed \$25,000 and \$150,000 respectively
- e. Need – Change the limitations to reflect inflationary increases and to allow PUDs to purchase more materials and supplies and to perform more work without the need to use contracts.
- f. Status –
 - i. HB 1222 was heard Jan. 29 and is scheduled for executive action Feb. 6
 - ii. SB 5191 heard on Jan 31

10. Other Energy/Carbon Bills

- a. Renewable hydrogen
- b. Building energy efficiency
- c. Appliance efficiency
- d. Greenhouse gas emission limits
- e. On-bill repayment programs

11. General Government/HR/Other

- a. Wage and salary information
- b. PERS program defaults
- c. PERS 1 COLA
- d. Dig Law
- e. Prevailing wages
- f. Assault of utility workers

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