



Chelan PUD
Legislative Update
March 4, 2019

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
 1. *SSB 5223 is in rules (Concerns but amendments pending to take us to neutral)*
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



- b. Need - Least-cost carbon reduction policies that provide for reliable power delivery
- c. Status –

- i. SB 5116 (clean energy)
 - 1. *The substitute bill passed out of the Senate Mar. 1, 28-19*
 - 2. *Schedule for public hearing in House Energy Committee Mar. 5*
- ii. HB 1211 (clean energy)
 - 1. *This bill will not be advancing*

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-
 - i. *ESHB 1428 passed out of House 96-0 and now in the Senate Environment and Energy and Technology Committee (Concerns)*

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. SSB 5336 includes utility authorities and tax incentives for EV purchases.
 - 1. *5336 is out of its policy committee and amended to include PUDs (Neutral)*
 - ii. SHB 1512 provides utilities explicit authorization to pursue EV programs.
 - 1. *1512 is now in Rules (Support)*
 - iii. HB 1127 is an EV authority bill but tied to perform DER planning.
 - 1. *Did not advance.*

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 is now in rules (Support)*
 - ii. *SSB 5305 passed out of the Senate 49-0 and is on the House Rural Development, Agriculture, & Natural Resources committee (Support)*



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 under the safe harbor provision
 - 1. *SHB 1498 now in Rules (Concerns)*
 - 2. *SSB 551 passed out of Ways and Means with WPUDA amendments for use of an expert panel and 12 months of safe harbor protection. (Support)*

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. *SHB 1222 now in Rules (Support)*
 - ii. *SSB 5191 has not moved out Senate Local Government – awaiting an omnibus bill (Support)*

10. Other Energy/Carbon Bills

- a. SSB 5588 - Renewable hydrogen
 - I. *Now in the House (Support)*
- b. SSB 5293/SHB 1257 - Building energy efficiency
 - I. *5293 in Rules (Neutral)*
 - II. *1257 in Appropriations (Neutral)*
- c. SSB 5115/SHB 1444 - Appliance efficiency
 - I. *5115 in Ways and Means (Neutral)*
 - II. *1444 in Rules (Neutral)*
- d. SHB 1113 - Greenhouse gas emission limits
 - I. *In Appropriations (Neutral)*
- e. HB 1642 - On-bill repayment programs (now voluntary)
 - I. *In Rules (Neutral)*

11. General Government/HR/Other

- a. SSB 5090 - Wage and salary information



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- I. In Rules (Neutral)*
- b. SB 5360/ SHB 1308 - PERS program defaults
 - I. 5360 in Rules (Opposed)*
 - II. 1308 in Rules (Opposed)*
- c. SB 5400 / HB 1390 - PERS 1 COLA
 - I. 1390 still in policy committee (will likely by NTIB) (Opposed)*
- d. HB 1006 - Dig Law (now a workgroup bill)
 - I. Still in Appropriations (Neutral)*
- e. SSB 5766/ HB 1743 - Prevailing wages
 - I. 5766 In Rules (Support)*
 - II. 1743 Passed the House 95-0 (Support)*
- f. HB 1380 - Assault of utility workers
 - I. Passed the House 95-0 (Support)*
- g. HB 1515 - Independent contractors (Now a study bill)
 - I. In Rules (Neutral)*
- h. SB 5456 Steel requirements in certain public works
 - I. Not advancing*
- i. HB 1832 - Public fleet electrification
 - I. Still in House Sate Transportation (Opposed)*

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