2019 State Legislative Session

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Dec. 3, 2018
Agenda

• Mid-Term Election Summary
  • Federal
  • State
• 2019 Legislative Session
  • Election Implications
  • Legislative Focus
  • Key PUD Issues
What happened with the Mid-term?

- Massive voter engagement – headed for 75% (54% in ‘14)
- State legislative changes in line with prior midterms this century
- Voters still don’t like taxes:
  - 1631 (carbon fee) loses 56%-44%
  - 1634 (ban on new local soda taxes) passes 55%-45%.
### Legislative Majorities

Elections certified by Dec. 6

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<th>Washington State Senate</th>
<th>Washington State House of Representatives</th>
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<td>Democrats</td>
<td>Republicans</td>
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<td>2018</td>
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<td>2019</td>
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2019 Session Overview

• Long session - 105 days
• Begins Jan. 14
• Budget year
• Still waiting on committee structures and assignments
• Speaker Chopp’s last year
Statewide Legislative Focus

• Mental Health
• Education
• Culvert Replacement
• Capital and Operating Budgets
• Forest Health/Wildfires
• Other issues - “waiting” for the shift of the Senate and majority gains
Chelan PUD Legislative Focus

• Broadband Office and funding
  – Safe Harbor
• Forest Health/Wildfires
• Bid Limits
• PERs Early Retirement Exemption
• Electric Vehicles
• Net metering
• Carbon
Statewide Legislative Focus - Carbon

- Energy and climate policy will remain a key topic.
- *Many* lawmakers differentiate between their taxpayers and our ratepayers.
- The 1631 defeat will make it very difficult for most lawmakers to talk about economy-wide carbon pricing – so they will likely default to mandates (sector).

2019 will be a big energy year;

100% Clean expected to advance;

Other proposals all likely to receive lots of attention (net metering, muni-EV, AFOR, LCFS);

Expect the Governor will propose carbon pricing – for the budget;

Governor’s emission reduction agenda likely to include transportation and buildings;

Sector-specific emission reduction legislation anticipated;
Carbon – Chelan’s perspective

• 2017/18 - Resolve model looked at cost, carbon and reliability

• 2018/19 – Deeper look at reliability

• Carbon Goal - seek an approach to reducing carbon that:
  • is least-cost
  • continues place value on existing GHG-Free resources
  • maintains or improves reliability
Questions