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**HOUSE BILL 2814**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** Representatives Smith, McCabe, and Young

AN ACT Relating to studying state policies and programs that impact the affordability of retail electric bills in Washington state; creating a new section; and providing an expiration date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  (1) The legislature finds that maintaining affordable retail electric rates is essential to Washingtonians and their families and brings a competitive advantage to Washington state's economy by attracting and retaining the energy-intensive industries that provide high-wage jobs and encouraging vital infrastructure development. However, the legislature finds that the benefits of relatively low-cost electric power may not be equitably distributed among all classes of retail electric customers in the form of lower electric utility bills. According to the Washington utilities and transportation commission, the number of beneficiaries from investor-owned utility low-income bill assistance programs increased thirty-one percent from 2010 to 2015, despite record growth in the state's economy during the same period. It is therefore the intent of the legislature to study state programs that have an impact on retail electric bills in order to identify opportunities to improve the affordability of electric utility service in Washington state.

(2)(a) The joint legislative audit and review committee must conduct a review of state policies and programs that have a direct or indirect impact on retail electric bills in the state, including but not limited to policies and programs that regulate greenhouse gas emissions from the electric power generation, transmission, and distribution sector of the economy. The review must evaluate, at a minimum, the impact of the following on retail electric bills:

(i) Meeting conservation targets and annual renewable energy targets under chapter 19.285 RCW;

(ii) Providing net metering under chapter 80.60 RCW;

(iii) Mitigating carbon dioxide emissions under chapter 80.70 RCW;

(iv) Meeting the baseload electric generation performance standard under chapter 80.80 RCW; and

(v) Meeting the requirements of any other relevant legislation enacted during the 2018 regular legislative session.

(b) The review must determine the effectiveness of and identify any conflicting objectives among the state policies and programs under review. The review must also evaluate the impact and efficacy of energy-related incentive programs and tax preferences for which all electric utilities in the state may qualify.

(c) The joint legislative audit and review committee must consult with the department of commerce, the department of ecology, the Washington State University extension energy office, the Washington state utilities and transportation commission, and electric utilities in completing the review. The joint legislative audit and review committee may, at its discretion, consult with any other stakeholder groups.

(d) The joint legislative audit and review committee must submit a preliminary report of its findings to the governor and the energy committees of the legislature by December 31, 2018. A final report must be submitted to the governor and the energy committees of the legislature by April 1, 2019.

(e) This section expires June 1, 2019.

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