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## SENATE BILL 6187

State of Washington 65th Legislature 2018 Regular Session

By Senators Palumbo, Carlyle, McCoy, Hobbs, Wellman, Sheldon, Hawkins, Mullet, Conway, and Brown

Read first time 01/10/18. Referred to Committee on Energy, Environment & Technology.

- 1 AN ACT Relating to the electrification of transportation; adding
- 2 a new section to chapter 35.92 RCW; adding a new section to chapter
- 3 54.16 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. **Sec. 1.** The legislature finds that:
- 6 (1) Programs for the electrification of transportation have the 7 potential to allow electric utilities to optimize the use of electric grid infrastructure, improve the management of electric loads, and 8 9 better manage the integration of variable renewable energy resources. Depending upon each utility's unique circumstances, electrification 10 11 transportation programs may provide cost-effective energy 12 efficiency, through more efficient use of energy resources, and more 13 efficient use of the electric delivery system. Electrification of 14 transportation may result in cost savings and benefits for all
  - (2) State policy can achieve the greatest return on investment in reducing greenhouse gas emissions and improving air quality by expediting the transition to alternative fuel vehicles, including electric vehicles. Potential benefits associated with electrification of transportation include the monetization of environmental

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1 attributes associated with carbon reduction in the transportation 2 sector.

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(3) The utilities and transportation commission is authorized to allow an incentive rate of return on investment on capital expenditures for electric vehicle supply equipment for an electrical company regulated under chapter 80.28 RCW. Similar legislative clarity is important for consumer-owned utilities to offer incentive programs and services in the electrification of transportation for its customers. It is the intent of the legislature to achieve parity among all electric utilities, so each electric utility, depending on its unique circumstances, can determine its appropriate role in the development of electrification of transportation infrastructure.

## NEW SECTION. Sec. 2. A new section is added to chapter 35.92 RCW to read as follows:

- (1) The governing authority of an electric utility formed under this chapter may adopt an electrification of transportation plan that, at a minimum, establishes a finding that utility outreach and investment in the electrification of transportation infrastructure is: Cost-effective, as determined using a methodology that assesses both the expected benefits and expected costs to ratepayers served by the utility.
- (2) In adopting a transportation of electrification plan under subsection (1) of this section, the governing authority may consider some or all of the following: (a) The applicability of multiple options for electrification of transportation across all customer classes; (b) the impact of electrification on the utility's load, and whether demand response or other load management opportunities, including direct load control and dynamic pricing, are operationally appropriate; (c) system reliability and distribution efficiencies; (d) interoperability concerns, including interoperability of hardware and software systems in electrification of transportation proposals; and (e) overall customer experience.
- (3) The governing authority of an electric utility formed under this chapter may, upon making a cost-effectiveness determination in accordance with subsection (1) of this section, offer incentive programs in the electrification of transportation for its customers, including advertising programs to promote the utility's services, incentives, or rebates.

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NEW SECTION. Sec. 3. A new section is added to chapter 54.16 RCW to read as follows:

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- (1) The commission of a public utility district may adopt an electrification of transportation plan that, at a minimum, establishes a finding that outreach and investment in the electrification of transportation infrastructure is: Cost-effective, as determined using a methodology that assesses both the expected benefits and expected costs to customers served by the district.
- (2) In adopting a transportation of electrification plan under subsection (1) of this section, the commission of a public utility district may consider some or all of the following: (a) applicability of multiple options for electrification of transportation across all customer classes; (b) the impact of electrification on the district's load, and whether demand response or other load management opportunities, including direct load control and dynamic pricing, are operationally appropriate; reliability distribution system efficiencies; and interoperability concerns, including the interoperability of hardware and software systems in electrification of transportation proposals; and (e) overall customer experience.
- (3) The commission of a public utility district may, upon making a cost-effectiveness determination in accordance with subsection (1) of this section, offer incentive programs in the electrification of transportation for its customers, including advertising programs to promote the district's services, incentives, or rebates.

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