H-4124.1

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**HOUSE BILL 2966**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** Representatives Muri and Fey

AN ACT Relating to electrification of transportation infrastructure; amending RCW 35.92.355; adding a new section to chapter 35.92 RCW; adding a new section to chapter 54.16 RCW; and creating a new section.

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

NEW SECTION. **Sec.**  The legislature finds that programs for the electrification of transportation allow electric utilities to optimize the use of electric grid infrastructure, to better manage electric loads, and to better manage the integration of variable renewable energy and energy storage resources. These programs provide cost-effective energy efficiency due to the benefits they provide in energy savings, more efficient use of energy resources, and more cost-efficient use of electric distribution system resources and infrastructure that can result in cost savings and benefits for all ratepayers.

The legislature further finds that as with traditional energy conservation programs that provide financing for more efficient use of energy in existing buildings and structures, programs that directly provide for electrification of transportation or that provide for financing of such electrification can enable utilities and their customers to achieve more efficient use of energy resources and electric distribution system and infrastructure.

**Sec.**  RCW 35.92.355 and 1993 c 204 s 5 are each amended to read as follows:

The conservation of energy in all forms and by every possible means is found and declared to be a public purpose of highest priority. The legislature further finds and declares that all municipal corporations, quasi municipal corporations, and other political subdivisions of the state which are engaged in the generation, sale, or distribution of energy should be granted the authority to develop and carry out programs which will conserve resources, reduce waste, and encourage more efficient use of energy and energy infrastructure by consumers.

In order to establish the most effective statewide program for energy conservation and energy infrastructure efficiency, the legislature hereby encourages any company, corporation, or association engaged in selling or furnishing utility services to assist their customers in the acquisition and installation of materials and equipment, for compensation or otherwise, for the conservation ((~~or~~)) and more efficient use of energy and energy infrastructure. The use of appropriate tree plantings for energy conservation is encouraged as part of these programs.

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

(1) Any city or town engaged in the generation, sale, or distribution of energy is authorized, within limits established by the Constitution of the state of Washington, to assist its customers in financing the acquisition and installation of materials and equipment, for compensation or otherwise, for the electrification of transportation, and to offer programs, services, or investment in the electrification of transportation for its customers that benefit all the ratepayers, pursuant to an electrification of transportation plan adopted by the city or town if the cost, program, service, or investment demonstrates a benefit to the ratepayers.

(2) Except where otherwise authorized, this assistance is limited to:

(a) Providing an inspection of the structure or equipment, either directly or through one or more inspectors under contract, to determine and inform the owner of the estimated cost of purchasing and installing materials and equipment for which financial assistance will be approved;

(b) Providing a list of businesses that sell and install the materials and equipment within or in close proximity to the service area of the city or town. Each of the businesses must have requested to be included on the list and must have the ability to provide the products in a workmanlike manner and to utilize the materials in accordance with the prevailing national standards;

(c) Arranging to have approved materials and equipment installed by a private contractor whose bid is acceptable to the owner of the residential structure and verifying the installation; and

(d) Arranging or providing financing or incentives for the purchase and installation of approved materials and equipment. The materials and equipment must be purchased from a private business and must be installed by a private business or the owner.

(3) If financing is provided in the form of a loan, pay back must be in the form of incremental additions to the utility bill, billed either together with use charges or separately. Loans may not exceed two hundred forty months in length.

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

(1) A district is authorized, within limits established by the Constitution of the state of Washington, to assist its customers in financing the acquisition and installation of materials and equipment, for compensation or otherwise, for the electrification of transportation, and to offer programs, services, or investment in the electrification of transportation for its customers that benefit all ratepayers, pursuant to an electrification of transportation plan adopted by the district if the cost, program, service, or investment demonstrates a benefit to the ratepayers.

(2) Except where otherwise authorized, this assistance is limited to:

(a) Providing an inspection of the structure or equipment either directly or through one more inspectors under contract, to determine and inform the owner of the estimated cost of purchasing and installing materials and equipment for which financial assistance will be approved;

(b) Providing a list of businesses that sell and install the materials and equipment within or in close proximity to the service area of the district. Each of the businesses must have requested to be included on the list and must have the ability to provide the products in a workmanlike manner and to utilize the materials in accordance with the prevailing national standard;

(c) Arranging to have approved materials and equipment installed by a private contractor whose bid is acceptable to the owner of the residential structure and verifying the installation; and

(d) Arrange or providing financing or incentives for the purchase and installation of approved materials and equipment. The materials and equipment must be purchased from a private business and must be installed by a private business or the owner.

(3) If financing is provided in the form of a loan, pay back must be in the form of incremental additions to the utility bill, billed either together with use charges or separately. Loans may not exceed two hundred forty months in length.

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