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**SUBSTITUTE HOUSE BILL 2814**

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

**By** House Technology & Economic Development (originally sponsored 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) In order to facilitate a study of state policies and programs that have an impact on the affordability of retail electric bills in the state, the joint legislative audit and review committee must submit a report that contains an inventory of state policies, programs, incentives, and tax preferences that may have a direct or indirect impact on retail electric rates in the state, including but not limited to items that regulate greenhouse gas emissions from the electric power generation, transmission, and distribution sector of the economy. The inventory must include, but not be limited to, the following:

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

(ii) Providing net metering under chapter 80.60 RCW;

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

(iv) Meeting the requirements of other state legislation enacted with the intent of controlling greenhouse gas emissions, including any state energy-related incentive programs and tax preferences for which electric utilities may qualify.

(b) The report must also include an assessment of potential methods for estimating impacts, including costs and benefits, on retail electric rates of the policies, programs, incentives, and tax preferences identified in the inventory. The assessment must include a description of techniques, data requirements, costs, and suggested timelines for pursuing future rate impact analyses.

(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 inventory under (a) of this subsection and the assessment under (b) of this subsection. 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 the report required under this subsection to the energy committees of the legislature by December 31, 2018.

(e) This section expires June 1, 2019.

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