

SENATE BILL REPORT

SB 6187

As of January 15, 2018

Title: An act relating to the electrification of transportation.

Brief Description: Concerning the electrification of transportation.

Sponsors: Senators Palumbo, Carlyle, McCoy, Hobbs, Wellman, Sheldon, Hawkins, Mullet, Conway and Brown.

Brief History:

Committee Activity: Energy, Environment & Technology: 1/17/18.

Brief Summary of Bill

- Authorizes the governing bodies of a municipal utility or a public utility district commission to adopt a transportation electrification plan that, at a minimum, establishes a finding that utility outreach and investment in the electrification of transportation infrastructure is cost-effective to ratepayers.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TECHNOLOGY

Staff: Kimberly Cushing (786-7421)

Background: Municipal Utilities. Municipal utilities in Washington are authorized to provide residents with gas, electricity, water, and other services that are charged by rates or fixed prices. A municipality that intends to acquire or construct a public utility must generally submit the matter for a public vote.

Public Utility Districts (PUDs). Formed in 1931 by Initiative 1, PUDs are municipal corporations authorized to provide electricity, water and sewer services, and wholesale telecommunications. There are 28 operating PUDs in Washington.

Incentive Rate of Return for Investment. In 2015, the Legislature authorized the Utilities and Transportation Commission to allow an incentive rate of return on investment on capital expenditures for electric vehicle supply equipment (EVSE) for investor-owned utilities. The capital expenditures may not increase costs to ratepayers in excess of 0.25 percent.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: The Legislature intends to achieve parity among all electric utilities, so that each electric utility can determine its appropriate role in the development of electrification of transportation infrastructure.

The governing bodies of a municipal utility or a public utility district commission, i.e., consumer-owned utilities (COUs), are authorized to adopt a transportation electrification plan (plan) that, at a minimum, establishes a finding that utility outreach and investment in the electrification of transportation infrastructure is cost-effective. The cost-effectiveness must assess both the expected benefits and costs to utility ratepayers.

When adopting a plan, the the governing body of a COU may consider the following:

- applicability of multiple options across all customer classes;
- impact on the utility's load, and whether demand response or load management opportunities are operationally appropriate;
- system reliability and distribution system efficiencies;
- interoperability concerns; and
- overall customer experience.

Upon making a cost-effectiveness determination in a plan, the governing body of a COU may offer incentive programs for the electrification of transportation for its customers.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.