SUBSTITUTE SENATE BILL 5430

State of Washington 69th Legislature 2025 Regular Session

By Senate Environment, Energy & Technology (originally sponsored by Senators Chapman, Short, Boehnke, Liias, Dozier, and Nobles)

READ FIRST TIME 02/18/25.

1 AN ACT Relating to approval of electric utility wildfire 2 mitigation plans; amending RCW 80.24.010; adding a new section to 3 chapter 80.28 RCW; creating a new section; and repealing RCW 4 80.28.440.

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

6 NEW SECTION. Sec. 1. It is the intent of the legislature to 7 provide for the safe, efficient, and reliable transmission and distribution of electric power at affordable rates. Preparation for 8 9 and response to wildfire risk is an increasingly important element of 10 planning conducted by electric utilities. Proper preparation is 11 crucial to position electric utilities to respond to wildfire risk. 12 It is essential to make sure these risks are addressed, as needed, 13 but also within appropriate cost parameters to keep electric power 14 affordable to the public. This legislation is designed to direct the 15 prudent use of resources by electric utilities to mitigate and 16 respond to wildfire risk within costs that can be justified as fair, 17 reasonable in order to balance wildfire risk just, and with 18 affordable electric rates.

19 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 80.28 20 RCW to read as follows:

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1 (1) (a) Each electrical company must file a wildfire mitigation plan with the commission as soon as practicable after the effective 2 3 date of this section, unless the company has previously filed a wildfire mitigation plan with the commission prior to the effective 4 date of this section. An electrical company that has previously filed 5 6 a wildfire mitigation plan with the commission must file a plan update as soon as practicable after the effective date of this 7 section. To the extent practicable, a company should try to align the 8 timing of filing a plan and plan updates with the filing of a 9 multiyear rate plan under RCW 80.28.425. The company shall update a 10 11 plan no less frequently than every three years. The company shall 12 provide a copy of its wildfire mitigation plan and updates to the department of natural resources and the utility wildland fire 13 prevention advisory committee created in RCW 76.04.780 in the format 14 15 prescribed under RCW 76.04.185 to be posted on the committee's 16 website.

(b) Nothing in this subsection prohibits an electrical company from updating its wildfire mitigation plan more often than required under (a) of this subsection.

20 The commission must approve, reject, or approve with (2) conditions, after holding at least one public workshop and a public 21 22 meeting, an electrical company's wildfire mitigation plan within 120 23 days or plan update within 90 days of the filing of such plan or plan update. The commission shall issue an order approving or approving 24 with conditions the plan or plan update if the commission finds that 25 26 the plan or plan update is based on reasonable and prudent practices is designed to meet all applicable standards adopted or 27 and 28 established by rule or order of the commission, as well as other applicable laws and regulations. The commission may, in approving 29 with conditions the plan or plan update, make modifications to the 30 31 plan or plan update that the commission reasonably finds represent a 32 reasonable balancing of mitigation costs with the resulting reduction 33 of wildfire risk. The commission shall issue an order explaining any modifications at the time the plan or plan update is approved. In 34 evaluating a plan or plan update, the commission may consult with and 35 information from federal, tribal, 36 consider state, or local governmental entities, utilities, industry organizations, and groups 37 representing utility customers. The commission shall describe the 38 39 nature of its consultations with third parties in its order approving 40 or approving with conditions a plan or plan update.

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(3) The commission must adopt rules to implement this section.
The rules must:

3 (a) Provide that a workshop be held pursuant to subsection (2) of 4 this section that will involve local fire protection districts, 5 utilities, affected landowners, and groups representing utility 6 customers; and

7 (b) Include, but need not be limited to, procedures and standards 8 regarding vegetation management, including guidelines for determining 9 fair market landowner compensation when appropriate, public safety 10 power shutoffs and service restoration, pole materials, circuitry, 11 and monitoring systems.

(4) The commission is not liable for an electrical company's 12 implementation of its wildfire mitigation plan. There is no liability 13 14 on the part of, and no cause of action of any nature may arise against, the state, commission, commissioners, commission staff, or 15 16 commission representatives, agents, or consultants for the death of 17 or injury to persons, or property damage, for any action taken by 18 them in the performance of their powers and duties exercised under this section. 19

20 Sec. 3. RCW 80.24.010 and 2024 c 351 s 13 are each amended to 21 read as follows:

22 (1) Every public service company subject to regulation by the commission shall, on or before the date specified by the commission 23 24 for filing annual reports under RCW 80.04.080, file with the commission a statement on oath showing its gross operating revenue 25 from intrastate operations for the preceding calendar year or portion 26 27 thereof and pay to the commission a fee equal to one-tenth of one percent of the first \$50,000 of gross operating revenue, plus four-28 tenths of one percent of any gross operating revenue in excess of 29 30 \$50,000, except that a large combination utility as defined in RCW 80.86.010 shall pay a fee equal to ((0.001)) <u>0.1</u> percent of the first 31 \$50,000 of gross operating revenue, plus ((0.005)) 0.5 percent of any 32 gross operating revenue in excess of \$50,000: PROVIDED, That the 33 commission may, by rule, set minimum fees that do not exceed the cost 34 of collecting the fees. The commission may by rule waive any or all 35 of the minimum fee established pursuant to this ((section)) 36 subsection (1). 37

38 (2) The percentage rates of gross operating revenue to be paid in 39 any year may be decreased by the commission for any class of

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1 companies subject to the payment of such fees, by general order entered before March 1st of such year, and for such purpose such 2 companies shall be classified as follows: Electrical, gas, water, 3 telecommunications, and irrigation companies shall constitute class 4 one. Every other company subject to regulation by the commission, for 5 6 which regulatory fees are not otherwise fixed by law shall pay fees 7 as herein provided and shall constitute additional classes according to kinds of businesses engaged in. 8

9 <u>(3) The commission shall collect a reasonable fee from an</u> 10 <u>electrical company in addition to the fee in subsection (1) of this</u> 11 <u>section for the purposes of section 2 of this act.</u>

12 <u>(4)</u> Any payment of the fee imposed by <u>subsection (1) of</u> this 13 section made after its due date shall include a late fee of two 14 percent of the amount due. Delinquent fees shall accrue interest at 15 the rate of one percent per month.

16 <u>NEW SECTION.</u> Sec. 4. RCW 80.28.440 (Wildfire mitigation plan-17 Review/revision) and 2023 c 132 s 3 are each repealed.

18 <u>NEW SECTION.</u> Sec. 5. If any provision of this act or its 19 application to any person or circumstance is held invalid, the 20 remainder of the act or the application of the provision to other 21 persons or circumstances is not affected.

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