
HOUSE BILL 1895

State of Washington

64th Legislature

2015 Regular Session

By Representatives Smith, Tarleton, and Young

Read first time 02/02/15. Referred to Committee on Technology & Economic Development.

1 AN ACT Relating to smart grid technology reporting; and adding a
2 new section to chapter 80.28 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 80.28
5 RCW to read as follows:

6 (1) An electrical company must file with the commission a smart
7 grid technology report by September 1st of each even-numbered year
8 through September 1, 2026.

9 (2) Unless otherwise ordered by the commission, the reporting
10 requirement in subsection (1) of this section expires after the
11 filing of the report due September 1, 2026.

12 (3) At a minimum, a smart grid technology report must include:

13 (a) A description of the smart grid technologies that the
14 electrical company has integrated or has considered for integration
15 into its system, and the electrical company's evaluation of such
16 technologies;

17 (b) The goal or purpose of the smart grid technologies considered
18 by the electrical company;

19 (c) Total costs of the deployment and use of smart grid
20 technologies, including meter or other equipment costs, installation

1 costs, and any incremental administration costs, including the cost
2 of changes to data storage, processing, and billing systems;

3 (d) Overall cost-effectiveness of smart grid technologies planned
4 to be implemented and, to the extent it can be quantified, possible
5 impacts on customer bills;

6 (e) Operational savings associated with meter reading or other
7 electrical company functions;

8 (f) Effects on employment anticipated from operational savings
9 associated with meter reading or other electrical company functions;

10 (g) Effects on system capability to meet or modify energy or peak
11 loads;

12 (h) Effects on service reliability, including storm damage
13 response and recovery, outage frequency and duration, and voltage
14 quality;

15 (i) Effects on integration of new utility loads, such as
16 recharging batteries in electrically powered vehicles;

17 (j) Cyber and physical security of utility operational
18 information;

19 (k) Cyber and physical security of customer information and
20 effects, if any, on existing consumer protection policies;

21 (l) A description of what energy use data is collected from
22 customers by the electrical company's smart grid technologies;

23 (m) An assessment of the potential privacy impacts of collecting
24 customer information and of sharing energy use data in an aggregated
25 or disaggregated form with private data brokers;

26 (n) Interoperability and upgradability of technology and
27 compliance with applicable national standards;

28 (o) Customer acceptance and behavioral response;

29 (p) Tariff and rate design changes necessary to implement the
30 technology;

31 (q) Nonquantifiable societal benefits, if any;

32 (r) Economic considerations recognizing the factors in (a)
33 through (q) of this subsection;

34 (s) Identification of any smart grid technologies that may be
35 cost-effective and available for the electrical company and its
36 customers during the subsequent ten-year period; and

37 (t) A description of the electrical company's plans and timeline
38 for implementing any smart grid technologies during the two years
39 immediately following submission of the report.

1 (4) Each smart grid technology report must include information on
2 the electrical company's progress on any smart grid technologies
3 scheduled for implementation as stated in its previously filed report
4 and any smart grid pilot project the electrical company has
5 undertaken.

6 (5) The smart grid technology report may include:

7 (a) The electrical company's assessment of the risk of investment
8 in smart grid technologies and any recommendations for regulatory
9 treatment, supported by the electrical company's rationale for such
10 treatment; and

11 (b) Any other factors considered by the electrical company.

12 (6) To the extent that some of the information required or
13 allowed to be included in a smart grid technology report is also
14 included in other reports, such as the electrical company's most
15 recent integrated resource plan under chapter 19.280 RCW, the
16 electrical company may incorporate that information by specific
17 reference.

18 (7) The commission may consider the information contained in a
19 smart grid technology report when it evaluates, in rate and other
20 appropriate proceedings, the performance of the electrical company
21 and its investments in transmission, distribution, and metering
22 infrastructure.

23 (8) For the purposes of this section:

24 (a) "Smart grid function" means one or more of the following:

25 (i) The ability to develop, store, send, and receive digital
26 information concerning electricity use, costs, prices, time of use,
27 nature of use, storage, or other information relevant to management
28 of the electricity grid, electrical company operations, or customer
29 energy use.

30 (ii) The ability to sense local disruptions or changes in power
31 flows on the electricity grid and to communicate such information
32 instantaneously and automatically for purposes of enabling automatic
33 protective responses or to inform the electrical company to make
34 manual changes to sustain reliability and security or improve
35 efficiency of grid operations.

36 (iii) The ability of the electrical company to deliver signals,
37 measurements, or communications to allow an end-use load device to
38 respond automatically or in a manner programmed by its owner or
39 operator without human action.

1 (iv) The ability to use digital information to operate functions
2 on the electricity grid that were previously electromechanical or
3 manual.

4 (v) The ability to use digital controls to manage and modify
5 electricity demand, enable congestion management, assist in voltage
6 control, provide operating reserves, or provide frequency regulation.

7 (vi) The ability to use two-way communication to enable different
8 customer contracts or programs, such as real time prices or demand
9 response programs.

10 (vii) The ability to manage new, end-use services to reduce
11 operating or power costs, improve reliability, or improve energy
12 efficiency, such as charging electric vehicles.

13 (viii) The ability to use real time measurement of power
14 generated from customer-owned power facilities to reduce operating or
15 power costs, improve energy efficiency, or improve reliability.

16 (ix) The ability to use digital information to improve the
17 reliability or efficiency of generating equipment in an integrated
18 manner to improve flexibility, functionality, interoperability, cyber
19 security, situational awareness, and operational efficiency of the
20 transmission and distribution system.

21 (b) "Smart grid pilot" means a project designed to test the
22 feasibility of smart grid technologies or customer acceptance of such
23 technologies.

24 (c) "Smart grid technologies" means any technology intended to
25 improve the reliability or efficiency, or to reduce the operating
26 costs, of electrical transmission and distribution systems by
27 enabling one or more smart grid functions. Smart grid technologies
28 include but are not limited to measurement devices, communication
29 equipment, information processing equipment and software, and control
30 devices.

31 (d) "Smart grid technology report" or "report" means a report
32 describing the electrical company's evaluation of, and any
33 implementation plans for, smart grid technologies.

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