
SUBSTITUTE HOUSE BILL 2897

State of Washington

65th Legislature

2018 Regular Session

By House Technology & Economic Development (originally sponsored by Representatives Morris and Tarleton)

READ FIRST TIME 02/02/18.

1 AN ACT Relating to electric utility plans for distributed energy
2 resources and transportation electrification; adding a new section to
3 chapter 35.92 RCW; adding a new section to chapter 54.16 RCW; and
4 creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that:

7 (1) Programs for electrification of transportation have the
8 potential to allow electric utilities to optimize the use of electric
9 distribution grid infrastructure, improve the management of electric
10 loads, and better manage the integration of variable renewable energy
11 resources. The legislature finds that, depending upon each utility's
12 unique circumstances, electrification of transportation programs may
13 provide cost-effective energy efficiency or defer capital investment
14 needed to accommodate unmanaged variable electricity supply and
15 demand. Electrification of transportation may result in cost savings
16 and system benefits for all ratepayers.

17 (2) State policy can achieve the greatest return on investment in
18 reducing greenhouse gas emissions and improving air quality by
19 expediting the transition to alternative fuel vehicles, including
20 electric vehicles. Potential benefits associated with electrification
21 of transportation include the monetization of environmental

1 attributes associated with carbon reduction in the transportation
2 sector.

3 (3) Under RCW 80.28.360, the utilities and transportation
4 commission is authorized to allow an incentive rate of return on
5 investment for electric vehicle supply equipment that is deployed by
6 electrical companies for the system benefit of ratepayers. Similar
7 legislative clarity is important for consumer-owned utilities to
8 offer incentive programs and services in the electrification of
9 transportation for its customers. It is the intent of the legislature
10 to achieve parity among all electric utilities, so each utility,
11 depending on its unique circumstances, can determine its appropriate
12 role in the development of electrification of transportation
13 infrastructure.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 35.92
15 RCW to read as follows:

16 (1)(a) The governing authority of an electric utility formed
17 under this chapter may adopt a transportation electrification plan
18 that, at a minimum, establishes a finding that utility outreach and
19 investment in the electrification of transportation infrastructure
20 is: (i) Cost-effective, as determined using a methodology that
21 assesses both the expected system benefits and expected costs to
22 ratepayers served by the utility on the intra-distribution system;
23 and (ii) within the limits established by the Constitution of the
24 state of Washington.

25 (b)(i) In order to develop a transportation electrification plan,
26 the governing authority must first engage in a planning process that
27 accomplishes the goals for distributed energy resources planning
28 recommended in the report published on December 31, 2017, by the
29 Washington utilities and transportation commission on current
30 practices in distributed energy resources planning.

31 (ii) For a utility that elects to support public high-powered
32 fast charging for electric vehicles exclusively, the planning process
33 required under (b)(i) of this subsection may focus on identifying and
34 targeting appropriate circuits on the utility's distribution system
35 for siting electric vehicle charging infrastructure of fifty
36 kilowatts and above, or other increments of the utility's
37 distribution system.

38 (2) In adopting a transportation electrification plan under
39 subsection (1)(a) of this section, the governing authority may

1 consider some or all of the following: (a) The applicability of
2 multiple options for electrification of transportation across all
3 customer classes; (b) the impact of electrification on the utility's
4 distribution load, and whether demand response or other load
5 management opportunities, including direct load control and dynamic
6 pricing, are operationally appropriate; (c) system reliability and
7 distribution system efficiencies; (d) interoperability concerns,
8 including the interoperability of hardware and software systems in
9 electrification of transportation proposals; and (e) overall customer
10 experience.

11 (3) The governing authority of an electric utility formed under
12 this chapter may, upon making a cost-effectiveness determination in
13 accordance with subsection (1)(a) of this section, offer programs in
14 the electrification of transportation for its customers, including
15 advertising programs to promote the utility's or third-party
16 services, incentives, or rebates.

17 (4) For the purposes of this section, "system benefit" means a
18 situation where system-wide financial, reliability, and quality
19 benefits of the electrification of transportation are conferred
20 equally among all ratepayers on the intra-distribution system.

21 NEW SECTION. **Sec. 3.** A new section is added to chapter 54.16
22 RCW to read as follows:

23 (1)(a) The commission of a public utility district may adopt a
24 transportation electrification plan that, at a minimum, establishes a
25 finding that district outreach and investment in the electrification
26 of transportation infrastructure is: (i) Cost-effective, as
27 determined using a methodology that assesses both the expected system
28 benefits and expected costs to ratepayers served by the district on
29 the intra-distribution system; and (ii) within the limits established
30 by the Constitution of the state of Washington.

31 (b)(i) In order to develop a transportation electrification plan,
32 the commission of a public utility district must first engage in a
33 planning process that accomplishes the goals for distributed energy
34 resources planning recommended in the report published on December
35 31, 2017, by the Washington utilities and transportation commission
36 on current practices in distributed energy resources planning.

37 (ii) For a public utility district that elects to support public
38 high-powered fast charging for electric vehicles exclusively, the
39 planning process required under (b)(i) of this subsection may focus

1 on identifying and targeting appropriate circuits on the district's
2 distribution system for siting electric vehicle charging
3 infrastructure of fifty kilowatts and above, or other increments of
4 the district's distribution system.

5 (2) In adopting a transportation electrification plan under
6 subsection (1)(a) of this section, the commission may consider some
7 or all of the following: (a) The applicability of multiple options
8 for electrification of transportation across all customer classes;
9 (b) the impact of electrification on the district's distribution
10 load, and whether demand response or other load management
11 opportunities, including direct load control and dynamic pricing, are
12 operationally appropriate; (c) system reliability and distribution
13 system efficiencies; (d) interoperability concerns, including the
14 interoperability of hardware and software systems in electrification
15 of transportation proposals; and (e) overall customer experience.

16 (3) The commission of a public utility district may, upon making
17 a cost-effectiveness determination in accordance with subsection
18 (1)(a) of this section, offer programs in the electrification of
19 transportation for its customers, including advertising programs to
20 promote the district's or third-party services, incentives, or
21 rebates.

22 (4) For the purposes of this section, "system benefit" means a
23 situation where system-wide financial, reliability, and quality
24 benefits of the electrification of transportation are conferred
25 equally among all ratepayers on the intra-distribution system.

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