
ENGROSSED SUBSTITUTE SENATE BILL 6187

State of Washington

65th Legislature

2018 Regular Session

By Senate Energy, Environment & Technology (originally sponsored by Senators Palumbo, Carlyle, McCoy, Hobbs, Wellman, Sheldon, Hawkins, Mullet, Conway, and Brown)

READ FIRST TIME 01/24/18.

1 AN ACT Relating to the electrification of transportation; adding
2 a new section to chapter 35.92 RCW; adding a new section to chapter
3 54.16 RCW; and creating a new section.

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

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

6 (1) Programs for the electrification of transportation have the
7 potential to allow electric utilities to optimize the use of electric
8 grid infrastructure, improve the management of electric loads, and
9 better manage the integration of variable renewable energy resources.
10 Depending upon each utility's unique circumstances, electrification
11 of transportation programs may provide cost-effective energy
12 efficiency, through more efficient use of energy resources, and more
13 efficient use of the electric delivery system. Electrification of
14 transportation may result in cost savings and benefits for all
15 ratepayers.

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

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

3 (3) The utilities and transportation commission is authorized to
4 allow an incentive rate of return on investment on capital
5 expenditures for electric vehicle supply equipment for an electrical
6 company regulated under chapter 80.28 RCW. Similar legislative
7 clarity is important for consumer-owned utilities to offer incentive
8 programs and services in the electrification of transportation for
9 its customers. It is the intent of the legislature to achieve parity
10 among all electric utilities, so each electric utility, depending on
11 its unique circumstances, can determine its appropriate role in the
12 development of electrification of transportation infrastructure.

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

15 (1) The governing authority of an electric utility formed under
16 this chapter may adopt an electrification of transportation plan
17 that, at a minimum, establishes a finding that utility outreach and
18 investment in the electrification of transportation infrastructure
19 is: Cost-effective, as determined using a methodology that assesses
20 both the expected benefits and expected costs to ratepayers served by
21 the utility.

22 (2) In adopting an electrification of transportation plan under
23 subsection (1) of this section, the governing authority may consider
24 some or all of the following: (a) The applicability of multiple
25 options for electrification of transportation across all customer
26 classes; (b) the impact of electrification on the utility's load, and
27 whether demand response or other load management opportunities,
28 including direct load control and dynamic pricing, are operationally
29 appropriate; (c) system reliability and distribution system
30 efficiencies; (d) interoperability concerns, including the
31 interoperability of hardware and software systems in electrification
32 of transportation proposals; and (e) overall customer experience.

33 (3) The governing authority of an electric utility formed under
34 this chapter may, upon making a cost-effectiveness determination in
35 accordance with subsection (1) of this section, offer incentive
36 programs in the electrification of transportation for its customers,
37 including advertising programs to promote the utility's services,
38 incentives, or rebates. Incentive programs offered under this

1 subsection may not increase costs to ratepayers in excess of one-
2 quarter of one percent.

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

5 (1) The commission of a public utility district may adopt an
6 electrification of transportation plan that, at a minimum,
7 establishes a finding that outreach and investment in the
8 electrification of transportation infrastructure is: Cost-effective,
9 as determined using a methodology that assesses both the expected
10 benefits and expected costs to customers served by the district.

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

23 (3) The commission of a public utility district may, upon making
24 a cost-effectiveness determination in accordance with subsection (1)
25 of this section, offer incentive programs in the electrification of
26 transportation for its customers, including advertising programs to
27 promote the district's services, incentives, or rebates. Incentive
28 programs offered under this subsection may not increase costs to
29 customers in excess of one-quarter of one percent.

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