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**SUBSTITUTE SENATE BILL 6187**

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**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.

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

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

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

21        (3) The commission of a public utility district may, upon making  
22   a cost-effectiveness determination in accordance with subsection (1)  
23   of this section, offer incentive programs in the electrification of  
24   transportation for its customers, including advertising programs to  
25   promote the district's services, incentives, or rebates.

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