
HOUSE BILL 1127

State of Washington

66th Legislature

2019 Regular Session

By Representatives Morris, Ryu, Wylie, and Young

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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 new sections.

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 electrification of transportation have the
7 potential to allow electric utilities to optimize the use of electric
8 distribution infrastructure, improve the management of electric
9 loads, and better manage the integration of variable renewable energy
10 resources. The legislature finds that, depending upon each utility's
11 unique circumstances, electrification of transportation programs may
12 provide cost-effective energy efficiency or defer capital investment
13 needed to accommodate unmanaged variable electricity supply and
14 demand. Electrification of transportation may result in cost savings
15 and system benefits for all 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 NEW SECTION. **Sec. 2.** A new section is added to chapter 35.92
4 RCW to read as follows:

5 (1) The governing authority of an electric utility formed under
6 this chapter may adopt a transportation electrification plan that, at
7 a minimum, establishes a finding that: (a) If the electric utility is
8 acquiring new resources as indicated in its most recent plan
9 developed pursuant to chapter 19.280 RCW, utility outreach and
10 investment in the electrification of transportation infrastructure is
11 cost-effective, as determined using a methodology that assesses both
12 the expected system benefits and expected costs to ratepayers served
13 by the utility on the distribution system; or (b) if the electric
14 utility is not acquiring new resources as indicated in its most
15 recent plan developed pursuant to chapter 19.280 RCW, utility
16 outreach and investment in the electrification of transportation
17 infrastructure is cost-effective, as determined using a methodology
18 that assesses both the expected system benefits and expected costs to
19 ratepayers served by the utility on the distribution system and long-
20 term contracted wholesale electricity supply that will result in a
21 greater ratepayer benefit than the individual benefit from the
22 program cost.

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

35 (3) The governing authority of an electric utility formed under
36 this chapter may, upon making a cost-effectiveness determination in
37 accordance with subsection (1) of this section, offer programs in the
38 electrification of transportation for its customers, including

1 advertising programs to promote the utility's or third-party
2 services, incentives, or rebates.

3 (4) For the purposes of this section, "system benefit" means a
4 situation where financial, reliability, and quality benefits of the
5 electrification of transportation are conferred equally among all
6 ratepayers on the distribution system or among the utility's resource
7 generation portfolio.

8 (5) For the purposes of this section, "distribution system" means
9 all of the distribution lines, substations, switches, and other
10 distribution hardware contiguously connected at voltages below ninety
11 kilovolts that are owned and operated by a single utility.

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

14 (1) The commission of a public utility district may adopt a
15 transportation electrification plan that, at a minimum, establishes a
16 finding that: (a) If the district is acquiring new resources as
17 indicated in its most recent plan developed pursuant to chapter
18 19.280 RCW, district outreach and investment in the electrification
19 of transportation infrastructure is cost-effective, as determined
20 using a methodology that assesses both the expected system benefits
21 and expected costs to ratepayers served by the district on the
22 distribution system; or (b) if the district is not acquiring new
23 resources as indicated in its most recent plan developed pursuant to
24 chapter 19.280 RCW, district outreach and investment in the
25 electrification of transportation infrastructure is cost-effective,
26 as determined using a methodology that assesses both the expected
27 system benefits and expected costs to ratepayers served by the
28 utility on the distribution system and long-term contracted wholesale
29 electricity supply that will result in a greater ratepayer benefit
30 than the individual benefit from the program cost.

31 (2) In adopting a transportation electrification plan under
32 subsection (1) of this section, the commission may consider some or
33 all of the following: (a) The applicability of multiple options for
34 electrification of transportation across all customer classes; (b)
35 the impact of electrification on the district's distribution load,
36 and whether demand response or other load management opportunities,
37 including direct load control and dynamic pricing, are operationally
38 appropriate; (c) system reliability and distribution system
39 efficiencies; (d) interoperability concerns, including the

1 interoperability of hardware and software systems in electrification
2 of transportation proposals; and (e) overall customer experience.

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

9 (4) For the purposes of this section, "system benefit" means a
10 situation where financial, reliability, and quality benefits of the
11 electrification of transportation are conferred equally among all
12 ratepayers on the distribution system or among the utility's resource
13 generation portfolio.

14 (5) For the purposes of this section, "distribution system" means
15 all of the distribution lines, substations, switches, and other
16 distribution hardware contiguously connected at voltages below ninety
17 kilovolts that are owned and operated by a single utility.

18 NEW SECTION. **Sec. 4.** (1) The department of commerce, subject to
19 availability of amounts appropriated for this specific purpose, shall
20 arrange for a study of utility capital expenditures projected to be
21 driven by growth in distributed resources, including photovoltaic
22 systems, electric vehicles, and any other customer-owned technologies
23 identified as likely to cause a shift in capital expenditures. The
24 study must survey each of the state's utilities and must include a
25 low and high adoption scenario for each resource.

26 (2) If specific funding for the purposes of this section,
27 referencing this section by bill or chapter number and section
28 number, is not provided by June 30, 2019, in the omnibus
29 appropriations act, this section is null and void.

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