

---

**SUBSTITUTE HOUSE BILL 2814**

---

**State of Washington**

**65th Legislature**

**2018 Regular Session**

**By** House Technology & Economic Development (originally sponsored by Representatives Smith, McCabe, and Young)

READ FIRST TIME 02/02/18.

1 AN ACT Relating to studying state policies and programs that  
2 impact the affordability of retail electric bills in Washington  
3 state; creating a new section; and providing an expiration date.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that maintaining  
6 affordable retail electric rates is essential to Washingtonians and  
7 their families and brings a competitive advantage to Washington  
8 state's economy by attracting and retaining the energy-intensive  
9 industries that provide high-wage jobs and encouraging vital  
10 infrastructure development. However, the legislature finds that the  
11 benefits of relatively low-cost electric power may not be equitably  
12 distributed among all classes of retail electric customers in the  
13 form of lower electric utility bills. According to the Washington  
14 utilities and transportation commission, the number of beneficiaries  
15 from investor-owned utility low-income bill assistance programs  
16 increased thirty-one percent from 2010 to 2015, despite record growth  
17 in the state's economy during the same period. It is therefore the  
18 intent of the legislature to study state programs that have an impact  
19 on retail electric bills in order to identify opportunities to  
20 improve the affordability of electric utility service in Washington  
21 state.

1           (2)(a) In order to facilitate a study of state policies and  
2 programs that have an impact on the affordability of retail electric  
3 bills in the state, the joint legislative audit and review committee  
4 must submit a report that contains an inventory of state policies,  
5 programs, incentives, and tax preferences that may have a direct or  
6 indirect impact on retail electric rates in the state, including but  
7 not limited to items that regulate greenhouse gas emissions from the  
8 electric power generation, transmission, and distribution sector of  
9 the economy. The inventory must include, but not be limited to, the  
10 following:

11           (i) Meeting conservation targets and annual renewable energy  
12 targets under chapter 19.285 RCW;

13           (ii) Providing net metering under chapter 80.60 RCW;

14           (iii) Meeting the baseload electric generation performance  
15 standard under chapter 80.80 RCW; and

16           (iv) Meeting the requirements of other state legislation enacted  
17 with the intent of controlling greenhouse gas emissions, including  
18 any state energy-related incentive programs and tax preferences for  
19 which electric utilities may qualify.

20           (b) The report must also include an assessment of potential  
21 methods for estimating impacts, including costs and benefits, on  
22 retail electric rates of the policies, programs, incentives, and tax  
23 preferences identified in the inventory. The assessment must include  
24 a description of techniques, data requirements, costs, and suggested  
25 timelines for pursuing future rate impact analyses.

26           (c) The joint legislative audit and review committee must consult  
27 with the department of commerce, the department of ecology, the  
28 Washington State University extension energy office, the Washington  
29 state utilities and transportation commission, and electric utilities  
30 in completing the inventory under (a) of this subsection and the  
31 assessment under (b) of this subsection. The joint legislative audit  
32 and review committee may, at its discretion, consult with any other  
33 stakeholder groups.

34           (d) The joint legislative audit and review committee must submit  
35 the report required under this subsection to the energy committees of  
36 the legislature by December 31, 2018.

37           (e) This section expires June 1, 2019.

--- END ---