

Individual State Agency Fiscal Note

Bill Number: 5620 SB	Title: EV charging/line extensions	Agency: 215-Utilities and Transportation Commission
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8	0.0	0.9	0.0	0.0
Account					
Public Service Revolving Account-State 111-1	287,445	0	287,445	0	0
Total \$	287,445	0	287,445	0	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

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Agency Approval: Amy Andrews	Phone: 360-481-1335	Date: 02/07/2023
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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Sec. 1 states the intent of the legislature to require the UTC to adopt a policy providing guidance to regulated electric companies regarding how to recover the costs of line extension on the utility's side of the customer's meter. There is no fiscal impact.

Sec. 2 requires, by Jan. 1, 2024, the UTC to adopt by rule a policy to provide guidance to electrical companies in recovery of costs through rates for the installation, maintenance, and operation of electrical distribution infrastructure, as well as, treatment of the infrastructure, associated designs, engineering, and construction that may be necessary on the utility's side of the meter to connect commercial customers. By July 1, 2024, the companies will file tariff revisions to address the recovery of eligible costs under the new policy. UTC assumes additional workload between July 1, 2023, and July 1, 2024, including an extensive rulemaking and policy updates.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

None

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

To implement the provisions of section 2 of the bill, the UTC will conduct an extensive rulemaking to add a section in RCW 80.28.

Extensive Rulemaking to adopt policy for line extension and cost recovery for RCW 80.28

Section 2(1) establishes a requirement for the UTC to adopt by rule a policy to provide guidance to electrical companies in recovery of costs through rates for the installation, maintenance, and operation of electrical distribution infrastructure, as well as, treatment of the infrastructure, associated designs, engineering, and construction that may be necessary on the utility's side of the meter to connect commercial customers.

FY2024 – Total Cost \$276,533

(Administrative Law Judge, 0.06 FTEs; Director/Regulatory Services, 0.02 FTEs; Policy Advisor, 0.02 FTEs, Deputy Asst. Director/Regulatory Services, 0.02 FTEs; Regulatory Analyst 2, 0.03 FTEs; Regulatory Analyst 3, 0.04 FTEs; Asst. Director/Policy, 0.02 FTEs)

Commission Staff Workload Addition with Cost Recovery Tariff Revisions

Section 2(2) requires electric companies to file proposed tariff revisions to recover costs eligible under the policy established in rulemaking.

FY2024 – Total Cost \$10,912

(Deputy Asst. Director | Regulatory Services, 0.01 FTE; Regulatory Analyst 3, 0.04 FTE; Regulatory Analyst 2, 0.02 FTE; Policy Advisor, 0.01 FTE)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
111-1	Public Service Revolving Account	State	287,445	0	287,445	0	0
Total \$			287,445	0	287,445	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8		0.9		
A-Salaries and Wages	175,225		175,225		
B-Employee Benefits	61,329		61,329		
C-Professional Service Contracts					
E-Goods and Other Services	50,891		50,891		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	287,445	0	287,445	0	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Law Judge	119,088	0.1		0.0		
Asst. Director, Policy	110,064	0.1		0.1		
Commissioner	168,012	0.0		0.0		
Deputy Asst. Director Regulatory Services	101,136	0.5		0.2		
Deputy Director Regulatory Services	117,996	0.1		0.0		
Director, Administrative Law & Policy	134,772	0.0		0.0		
Paralegal 3	78,900	0.0		0.0		
Policy Advisor	100,008	0.4		0.2		
Regulatory Analyst 2	82,896	0.3		0.2		
Regulatory Analyst 3	93,840	0.2		0.1		
Total FTEs		1.8		0.9		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

The UTC assumes an extensive new rulemaking beginning FY 2024 to add a new section to WAC 480-100 and the development of a policy statement is required before electric companies file tariff revisions by July 1, 2024.