

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5168 SB	<b>Title:</b> Energy independence act
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## Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Auditor	0	0	(176,963)	0	0	(235,950)	0	0	(235,950)
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>(176,963)</b>	<b>0</b>	<b>0</b>	<b>(235,950)</b>	<b>0</b>	<b>0</b>	<b>(235,950)</b>

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Auditor	.6	0	0	(176,962)	.8	0	0	(235,950)	.8	0	0	(235,950)
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Utilities and Transportation Commission	.1	0	0	34,871	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.7</b>	<b>0</b>	<b>0</b>	<b>(142,091)</b>	<b>0.8</b>	<b>0</b>	<b>0</b>	<b>(235,950)</b>	<b>0.8</b>	<b>0</b>	<b>0</b>	<b>(235,950)</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Auditor	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

NONE

<b>Prepared by:</b> Gwen Stamey, OFM	<b>Phone:</b> (360) 790-1166	<b>Date Published:</b> Final 2/10/2023
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5168 SB	<b>Title:</b> Energy independence act	<b>Agency:</b> 095-Office of State Auditor
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Municipal Revolving Account-State 413-1	(58,988)	(117,975)	(176,963)	(235,950)	(235,950)
<b>Total \$</b>	(58,988)	(117,975)	(176,963)	(235,950)	(235,950)

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	0.8	0.6	0.8	0.8
<b>Account</b>					
Municipal Revolving Account-State 413-1	(58,987)	(117,975)	(176,962)	(235,950)	(235,950)
<b>Total \$</b>	(58,987)	(117,975)	(176,962)	(235,950)	(235,950)

### 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.

Legislative Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/02/2023
Agency Preparation: Charleen Patten	Phone: 564-999-0941	Date: 02/07/2023
Agency Approval: Janel Roper	Phone: 564-999-0820	Date: 02/07/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/08/2023

## 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.*

Section 4 (2) and Section 6(1)(a)(b) – amends RCW 19.285.040(2) and RCW 19.285.050(1) by removing language from the bill to align the Energy Independence Act with the Clean Energy Transformation Act.

Section 12 – adds the effective date of January 1, 2024.

### 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.*

This bill would reduce the scope of the compliance audits of qualifying utilities with the Energy Independence Act by eliminating its annual renewable energy requirements.

There are 13 consumer-owned utilities that are currently required to comply with RCW 19.285.040(2). Based on current audit budgets, we estimate this legislation would decrease audit effort by 55 hours per utility or 715 hours annually. Fiscal Year 24 would be reduced by fifty percent of the annual estimate due to the effective date of January 1, 2024.

Cash receipts are calculated multiplying the estimated hours by the current Energy Independence Act billing rate of \$165.00 per hour. Actual future cash receipts will be dependent on the applicable billing rate for that fiscal year.

### 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.*

The reduction in scope of the compliance audits of qualifying utilities will result in approximately .25 audit FTE the first year and .5 audit FTE in future years. Additional overhead and management portions of an FTE and related expenditures are calculated in order to balance expenditures to projected cash receipts.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
413-1	Municipal Revolving Account	State	(58,987)	(117,975)	(176,962)	(235,950)	(235,950)
<b>Total \$</b>			(58,987)	(117,975)	(176,962)	(235,950)	(235,950)

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	0.8	0.6	0.8	0.8
A-Salaries and Wages	(34,998)	(69,997)	(104,995)	(139,994)	(139,994)
B-Employee Benefits	(11,143)	(22,286)	(33,429)	(44,572)	(44,572)
C-Professional Service Contracts					
E-Goods and Other Services	(12,846)	(25,692)	(38,538)	(51,384)	(51,384)
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-					
<b>Total \$</b>	(58,987)	(117,975)	(176,962)	(235,950)	(235,950)

**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
Admn/Overhead	72,000	0.1	0.2	0.2	0.2	0.2
Assistant State Auditor 5	106,105	0.3	0.5	0.4	0.5	0.5
Program Manager	125,628	0.1	0.1	0.1	0.1	0.1
<b>Total FTEs</b>		0.4	0.8	0.6	0.8	0.8

**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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5168 SB	<b>Title:</b> Energy independence act	<b>Agency:</b> 100-Office of Attorney General
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Operating Expenditures from:**

NONE

**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.

Legislative Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/02/2023
Agency Preparation: Allyson Bazan	Phone: 360-586-3589	Date: 02/06/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/06/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/06/2023

## 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.*

The AGO Public Council Unit (PCU) has reviewed this bill and determined it will not significantly increase or decrease the division's workload. This bill contains provisions that eliminate certain requirements under the existing Energy Independence Act and Clean Energy Transformation Act (CETA) that would likely require some additional analysis and argument relating to the prudence of certain costs incurred by the Utilities and Transportation Commission (UTC). New legal services are nominal and costs are not included in this request.

The AGO Utilities and Transportation Commission (AGO-UTC) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the UTC. The enactment of this bill will not impact the provision of legal services to the UTC as it will require only minimal rulemaking upfront and then simplify the UTC's ongoing work by streamlining processes at the UTC and eliminating some legal requirements made obsolete by the enactment of CETA in 2019. New legal services are nominal and costs are not included in this request.

### 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.*

### 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.*

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

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

NONE

### 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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5168 SB	<b>Title:</b> Energy independence act	<b>Agency:</b> 103-Department of Commerce
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Operating Expenditures from:**

NONE

**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.

Legislative Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/02/2023
Agency Preparation: Dan Nguyen	Phone: (206) 454-2207	Date: 02/07/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 02/07/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/10/2023

## 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.*

This bill would remove the renewable energy requirements from the Energy Independence Act.

The Department of Commerce (department) does not execute or implement the activities stated in SB 5168; therefore this legislation does not affect the department and there is no fiscal impact.

### 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.*

### 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.*

There is no fiscal impact to the department. The department does not execute or implement the activities stated in SB 5168.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

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

NONE

### 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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5168 SB	<b>Title:</b> Energy independence act	<b>Agency:</b> 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	0.2	0.0	0.1	0.0	0.0
<b>Account</b>					
Public Service Revolving Account-State 111-1	34,871	0	34,871	0	0
<b>Total \$</b>	34,871	0	34,871	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.

Legislative Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/02/2023
Agency Preparation: Amy Andrews	Phone: 360-481-1335	Date: 02/07/2023
Agency Approval: Amy Andrews	Phone: 360-481-1335	Date: 02/07/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/07/2023

## 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.*

The cumulative effect of Sections 2-11 of the bill is to make the Energy Independence Act (EIA) in RCW 19.285 exclusive to conservation, rather than conservation and renewable energy, as the latter is now comprehensively covered by the Clean Energy Transformation Act.

In the short run, UTC assumes that the removal of renewable resource references from the law will likely marginally incrementally increase Staff workload in order to streamline documents, references, and training related to the EIA, such that they no longer implicate renewables, and solely conservation. However, in the medium-to-long term, UTC assumes the administrative burden reduced by removing these references from transforming the EIA into a conservation-specific law will decrease workload, however, the work associated with renewable energy resources remains due to CETA requirements.

### 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.*

A simple rulemaking would be required to align current commission rules with the language of this measure.

FY24 One-time expenditure on simple rulemaking (WAC 480-109)

\$34,871

(Administrative Law Judge, 0.06 FTE; Director Regulatory Services, 0.02 FTE; Deputy Director, Regulatory Services, 0.02 FTE; Policy Adviser, 0.02 FTE; Deputy Asst. Director, Regulatory Services, 0.02 FTE; Regulatory Analyst 2, 0.03 FTE; Regulatory Analyst 3, 0.04 FTE). Attorney General costs are included in Object E.

## 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	34,871	0	34,871	0	0
<b>Total \$</b>			34,871	0	34,871	0	0

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2		0.1		
A-Salaries and Wages	23,722		23,722		
B-Employee Benefits	8,302		8,302		
C-Professional Service Contracts					
E-Goods and Other Services	2,847		2,847		
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-					
<b>Total \$</b>	34,871	0	34,871	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	0.0		0.0		
Deputy Asst. Director   Regulatory Services	101,136	0.0		0.0		
Deputy Director   Regulatory Services	117,996	0.0		0.0		
Director, Regulatory Services	134,532	0.0		0.0		
Policy Advisor	100,008	0.0		0.0		
Regulatory Analyst 2	82,896	0.0		0.0		
Regulatory Analyst 3	93,840	0.0		0.0		
<b>Total FTEs</b>		0.2		0.1		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.*

Sections 2-11 require a simple rulemaking (likely adoption-by-reference) to remove references to renewable energy in WAC 480-109, such that it only covers conservation resources.