Multiple Agency Fiscal Note Summary

Bill Number: 1819 E S HB	**Title:** Transmission capacity

Estimated Cash Receipts

NONE

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	Fiscal note not available											
Utilities and Transportation Commission	.1	0	0	41,117	.0	0	0	0	.0	0	0	0
Department of Ecology	.9	270,993	270,993	270,993	.0	0	0	0	.0	0	0	0
Total $	**1.0**	**270,993**	**270,993**	**312,110**	**0.0**	**0**	**0**	**0**	**0.0**	**0**	**0**	**0**

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	Fiscal note not available								
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total $	**0.0**	**0**	**0**	**0.0**	**0**	**0**	**0.0**	**0**	**0**

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Kyle Siefering, OFM	**Phone:** (360) 995-3825	**Date Published:** Preliminary 3/19/2025

Individual State Agency Fiscal Note

Bill Number: 1819 E S HB	Title: Transmission capacity	Agency: 215-Utilities and Transportation Commission

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.2	0.0	0.1	0.0	0.0
Account					
Public Service Revolving Account-State 111-1	41,117	0	41,117	0	0
Total $	41,117	0	41,117	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:	Dan Jones	Phone: 360-786-7118	Date: 03/13/2025
Agency Preparation:	Michelle Parish	Phone: 360-664-1158	Date: 03/18/2025
Agency Approval:	Michelle Parish	Phone: 360-664-1158	Date: 03/18/2025
OFM Review:	Kyle Siefering	Phone: (360) 995-3825	Date: 03/19/2025

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.

New Section 1 amends chapter 43.21C RCW, which applies to state and local public agencies conducting State Environmental Policy Act, or SEPA, reviews, and includes a series of utility-related actions, which are categorically exempt from compliance with this Chapter. (No Fiscal Impact)

New Section 2 amends chapter 43.21C RCW, outlining specific project categorial exemptions under Section 1 of this act, and includes notification, consultation, and other requirements for utilities to notify the department of archaeology and historic preservation and federally recognized Indian tribes regarding resources in the right-of-way before commencing projects. The UTC assumes no significant incremental work. (No Fiscal Impact)

Section 3 amends energy planning requirements in RCW 19.280.030 and 2024 c 351 s 9 related to the clean energy action plan, including updates to (2)(e), clarifying that an evaluation must be included where reconductoring under certain conditions would increase ampacity, reduce line loss, and yield meaningful improvements in the system. The UTC assumes modifications to requirements under Section 3, which will necessitate modifications to existing agency rules, including WAC 480-100-600, Part VIII—Planning and Implementation. (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.

UTC assumes no cash receipts will go to the UTC because of this legislation.

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.

Section 3: Simple Rulemaking to Amend Energy Planning Requirements
Simple rulemaking and open meeting to amend energy planning requirements. In FY 2026 (assuming initiation in Q2-2025), the UTC assumes fiscal impact through a simple rulemaking and Open Meeting.

FY 2026: $41,117

(Administrative Law Judge, 0.06 FTE; Director, Regulatory Services 0.02 FTE; Deputy Director, Energy Planning, 0.02 FTE; Policy Advisor, 0.02 FTE; Section Manager, Energy Planning 0.02 FTE; Regulatory Analyst 2, 0.03 FTE; Regulatory Analyst 3, 0.04 FTE; Attorney General, 0.02 FTE)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
111-1	Public Service Revolving Account	State	41,117	0	41,117	0	0
		Total $	41,117	0	41,117	0	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.2		0.1		
A-Salaries and Wages	27,971		27,971		
B-Employee Benefits	9,789		9,789		
C-Professional Service Contracts					
E-Goods and Other Services	3,357		3,357		
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 $	41,117	0	41,117	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 2026	FY 2027	2025-27	2027-29	2029-31
Administrative Law Judge	115,008	0.1		0.0		
Attorney General	237,600	0.0		0.0		
Deputy Director, Energy Planning	122,472	0.0		0.0		
Director, Regulatory Services	144,108	0.0		0.0		
Policy Advisor, Energy	104,568	0.0		0.0		
Regulatory Analyst 2	88,800	0.0		0.0		
Regulatory Analyst 3	100,524	0.0		0.0		
Section Manager, Energy Planning Unit B	110,580	0.0		0.0		
Total FTEs		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.

The UTC assumes modifications to requirements under Sections 1, which will necessitate modifications to existing agency rules, including WAC 480-100-600, Part VIII—Planning and Implementation.

Individual State Agency Fiscal Note

Bill Number: 1819 E S HB	Title: Transmission capacity	Agency: 461-Department of Ecology

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.0	0.8	0.9	0.0	0.0
Account					
General Fund-State 001-1	151,868	119,125	270,993	0	0
Total $	151,868	119,125	270,993	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:	Dan Jones	Phone: 360-786-7118	Date: 03/13/2025
Agency Preparation:	Sam Weinstein	Phone: (564) 250-2427	Date: 03/17/2025
Agency Approval:	Garret Ward	Phone: 360-789-7938	Date: 03/17/2025
OFM Review:	Lisa Borkowski	Phone: (360) 742-2239	Date: 03/17/2025

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.

Changes between ESHB 1819 and SHB 1819:

Section 1 would be amended to:
- remove the exemption for upgrading an existing transmission line within existing rights-of-way with grid-enhancing technologies and the definition of "grid-enhancing technologies."
- provide exceptions to the exemption for certain series of actions and actions occurring in or under lands covered by water.
- add definitions for "previously disturbed or developed" and "upgrading or rebuilding existing electric powerlines"

These changes would not affect the fiscal impact to Ecology, the same Level 2 rulemaking costs apply.

Changes between SHB 1819 and HB 1819:

The new section added to chapter 43.21C RCW, State Environmental Policy Act (SEPA) would now be in section 1 of the bill. The exemption would cover:

- upgrading or rebuilding existing electric powerlines. Actions would include relocating small segments of the powerlines within existing rights-of-way or within adjacent previously disturbed or developed lands.
- widening existing powerline rights-of-way to meet current electrical standards if the widening remains within previously disturbed or developed lands and only extends into a small area beyond such lands as needed to comply with applicable electrical standards.
- upgrading an existing transmission line within existing rights-of-way with grid-enhancing technologies defined in Section 2.

The categorical exemption would not apply to underwater powerlines.

These changes would now require a Level 2, moderately complex rulemaking, which would increase the fiscal impact to Ecology.

Original narrative:

Section 3 would add a new section to chapter 43.21C RCW, State Environmental Policy Act (SEPA) to exempt any utility actions for upgrading or rebuilding existing transmission lines using reconductoring within existing rights-of-way. It would also add an exemption for widening existing rights-of-way to meet electrical standards if it is done within previously disturbed or developed lands. This would have required Level 1 Rulemaking.

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.

The expenditure impact to Ecology under this bill is estimated to be greater than $50,000 in Fiscal Year (FY) 2026 and FY

2027 to implement the requirements of section 1.

Section 1 would require a level 2 rulemaking to create the new categorial exemptions under chapter 43.21C RCW, SEPA, for upgrading or rebuilding existing electric powerlines, widening existing powerline right-of-way, and upgrading an existing transmission line within existing rights-of-way and align the existing rules with the new exemptions. Ecology assumes rulemaking would commence upon the effective date of the bill.

Ecology estimates that rulemaking would be moderately complex and generate substantial public interest and input. It would require eighteen months, from July 1, 2025, to December 31, 2026. This type of rulemaking would include two preproposal meetings with webinar to gather input from stakeholders and develop the Environmental Justice Assessment and then two public hearings to accept comments on the rule proposal. Ecology estimates no costs for facility rental costs since hearings would be held on-site.

Rulemaking Lead: Ecology estimates that an Environmental Planner 3 would spend 0.65 FTE in FY 2026 and 0.33 FTE in FY 2027 coordinating the rulemaking effort and developing the Environmental Justice Assessment.

Technical Lead: Ecology estimates that an Environmental Planner 5 would spend 0.25 FTE in FY 2026 and 0.13 FTE in FY 2027 to provide SEPA expertise and guidance when developing draft rule language and to engage with Tribes and other interested parties.

The following positions would complete an economic and regulatory analysis of the rule:
Economic Analyst 3, 0.2 FTE in FY 2027
Regulatory Analyst 2, 0.05 FTE in FY 2027

SUMMARY: The estimated expenditure impact to Ecology under this bill would be $270,993 and 1.8 FTEs in FY 2026 and 2027.

Level 2 Rulemaking is estimated to require:
FY 2026: $151,868 and 1.0 FTEs
FY 2027: $119,125 and 0.8 FTEs

THE TOTAL EXPENDITURE IMPACT to Ecology under this bill is estimated to be:
FY 2026: $151,868 and 1.0 FTEs
FY 2027: $119,125 and 0.8 FTEs

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.
Benefits are the agency average of 33.7% of salaries.
Goods and Services are the agency average of $5,552 per direct program FTE.
Travel is the agency average of $2,398 per direct program FTE.
Equipment is the agency average of $1,074 per direct program FTE.
Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.9% of direct program salaries and benefits, and is shown as object 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT App Development - Journey.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	151,868	119,125	270,993	0	0
		Total $	151,868	119,125	270,993	0	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.0	0.8	0.9		
A-Salaries and Wages	82,766	64,953	147,719		
B-Employee Benefits	27,892	21,889	49,781		
C-Professional Service Contracts					
E-Goods and Other Services	4,997	3,886	8,883		
G-Travel	2,159	1,679	3,838		
J-Capital Outlays	967	752	1,719		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead	33,087	25,966	59,053		
Total $	151,868	119,125	270,993	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 2026	FY 2027	2025-27	2027-29	2029-31
ECONOMIC ANALYST 3	95,652		0.2	0.1		
ENVIRONMENTAL PLANNER 3	86,712	0.7	0.3	0.5		
ENVIRONMENTAL PLANNER 5	105,612	0.3	0.1	0.2		
FISCAL ANALYST 2		0.1	0.1	0.1		
IT APP DEVELOPMENT-JOURNEY		0.1	0.0	0.1		
REGULATORY ANALYST 2	88,800		0.1	0.0		
Total FTEs		1.0	0.8	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.

Section 1 of the bill would create a categorical exemption in SEPA for upgrading or rebuilding existing transmission and

distribution lines, as well as associated infrastructure. This would overlap with existing exemptions in WAC 197-11-800(23) and would require a level 2 rulemaking to align and avoid overlap.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1819 E S HB	**Title:** Transmission capacity

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☐ Cities:
- ☐ Counties:
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☒ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 250-5931	Date: 03/14/2025
Leg. Committee Contact: Dan Jones	Phone: 360-786-7118	Date: 03/13/2025
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 03/14/2025
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 03/19/2025

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This note is on ES HB 1819 and compares it to S HB 1819.

CHANGES BETWEEN THIS VERSION AND THE PRIOR VERSION OF THE BILL:
This version of the bill makes technical changes regarding certain categorically exempt utility-related actions under the State Environmental Policy Act (SEPA). Additional amendments are made to integrated resource plan (IRP) requirements for electric utilities with more than 25,000 customers.

These changes do not affect the fiscal impacts discussed below.

SUMMARY OF CURRENT BILL:
This legislation provides categorial exemptions under the State Environmental Policy Act (SEPA) for certain electric utility upgrades and improvements. Electric companies with more than 25,000 customers must evaluate where reconductoring would yield meaningful improvements to the grid.

This legislation would take effect 90 days after adjournment of the session in which the bill is passed.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This legislation would have an indeterminate, but de minimus, expenditure impact on local governments.

The Chelan Public Utility District does not anticipate a fiscal impact from this legislation. The PUD currently includes an analysis of potential upgrades and other improvements, to include transmission lines, that will increase efficiencies in IRP updates. The Local Fiscal Note Program (LGFN) assumes that other local government utilities will incorporate this requirement into the current IRP planning timeline.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This bill would not impact local government revenues.

SOURCES
Chelan Public Utility District