

Multiple Agency Fiscal Note Summary

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system
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Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

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	Non-zero but indeterminate cost and/or savings. Please see discussion.					
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
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	2.3	2,204,745	2,204,745	2,204,745	4.1	1,467,184	1,467,184	1,467,184	4.0	1,746,228	1,746,228	1,746,228
Utilities and Transportation Commission	.7	0	0	228,738	.0	0	0	0	.0	0	0	0
Department of Archaeology and Historic Preservation	1.0	268,045	268,045	268,045	1.0	262,488	262,488	262,488	1.0	262,488	262,488	262,488
Department of Ecology	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	4.0	2,472,790	2,472,790	2,701,528	5.1	1,729,672	1,729,672	1,729,672	5.0	2,008,716	2,008,716	2,008,716

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Office of State Treasurer	.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
Department of Archaeology and Historic Preservation	.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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Val Terre, OFM	Phone: (360) 280-3073	Date Published: Final 4/16/2025
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Individual State Agency Fiscal Note

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system	Agency: 075-Office of the Governor
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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: Jackie Kauble	Phone: 360-786-7125	Date: 04/09/2025
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 04/14/2025
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 04/14/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 04/15/2025

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 in the substitute do not impact the Office of the Governor's previous fiscal note assumptions.

ESSB 5466 establishes the Washington Electric Transmission Authority to improve transmission reliability, resilience, and affordability.

Sec. 4 creates a board of directors to hire an executive director and advise the authority. The board has ten members with nine of those members appointed by the Governor.

The Office of the Governor doesn't anticipate a fiscal impact with appointing these members.

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

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system	Agency: 090-Office of State Treasurer
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Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

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: Jackie Kauble	Phone: 360-786-7125	Date: 04/09/2025
Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 04/13/2025
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 04/13/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 04/15/2025

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.

- ESSB 5466 AMH APP H2193.1 creates
- 1. the electric transmission operating account, coupled with the general fund as the recipient of the earnings from investments under RCW 43.84.092(4).
 - 2. the electric transmission capital account and allows the account to retain its earnings from investments.

There will be some de-minimis work for OST which can be completed within current practices and resources.

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.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable.

There may be an impact on the debt service limitation calculation. Changes to the earnings credited to the general fund impacts, by an equal amount, general state revenues.

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

Revised

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system	Agency: 103-Department of Commerce
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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	0.3	4.2	2.3	4.1	4.0
Account					
General Fund-State 001-1	445,875	1,758,870	2,204,745	1,467,184	1,746,228
Total \$	445,875	1,758,870	2,204,745	1,467,184	1,746,228

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: Jackie Kauble	Phone: 360-786-7125	Date: 04/09/2025
Agency Preparation: Joseph Piper	Phone: 360-725-3042	Date: 04/14/2025
Agency Approval: Joseph Piper	Phone: 360-725-3042	Date: 04/14/2025
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 04/14/2025

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.

Comparing ESSB 5466 S.E AMH ENVI APP H2193.1 to ESSB 5466:

ESSB 5466 S.E AMH ENVI APP H2193.1 creates a Washington Electric Transmission Authority (Authority) to facilitate electric transmission development in the state. The Authority is run by an executive director with a ten-member board of directors. The board will meet no less than quarterly. The Department of Commerce (Department) will provide staff support to the board. The Department will reimburse travel costs for those advisory board members eligible for reimbursement. The Department (and subsequently the Authority) will perform or adopt regional or federal transmission planning and work with stakeholders, utilities, and transmission developers to build new transmission lines and upgrade existing transmission lines. It has the authority to develop, own, and act as a developer of last resort.

Sections 1 and 2 establish legislative intent to create a Transmission Authority described in the bill and include relevant definitions for terms used in the bill.

Section 3 establishes the purpose of the Transmission Authority and requires the Board of Directors to hire an Executive Director, who may employ staff as necessary to carry out the Authority's duties listed in the section. This section also requires the Authority to update the original transmission needs assessment by October 30, 2031, and no less than every five-year thereafter, and submit an annual report of its activities to the legislature. The Authority must also submit a report of its activities to the Governor and appropriate legislative committees December 1, 2025, and every July 1 thereafter.

Section 4 creates a ten-member Board of Directors to advise the Authority on policies that are consistent with the purposes of this chapter. The Department will provide staff support the advisory board.

Section 5 directs the Department to develop or adopt regional or federal 20-year transmission needs assessment by October 30, 2026, that must: (i) determine high-priority corridors; (ii) identify grid enhancing technologies and advanced reconductoring; (iii) identify and evaluate non-wire solutions such as demand response, energy storage, and energy efficiency; (iv) the Department must complete the first needs assessment by October 30, 2026, that would be \$300,000 in FY27. The Department must provide assistance to local governments and tribal governments that are permitting the construction and operation of transmission projects, such as information on advanced transmission technologies and identifying applicable codes and ordinances that support transmission to provide frameworks for local and tribal governments to consider. The Department must identify appropriate debt financing instruments and submit a report and provide recommendations to the Governor and legislature by November 1, 2025. The estimated cost to contract with public finance counsel would be \$125,000.

Section 6 allows the Authority to adopt rules and operating procedures to implement the authority's responsibilities (except for cost allocation), enter into contracts and agreements, lease, purchase, accept donations of, or otherwise own, hold, improve, or use any property, and to own transmission equipment and systems. The Authority may utilize services of executive departments of the state under mutually agreeable terms. The Authority may serve as SEPA lead for its projects and tribal engagement lead. The Authority must also adopt rules for initial local investment committee fees and annual local investment commitment fees to distribute to counties, cities, towns, and tribes. The Authority would need continued outside counsel and consultants to arrange complex partnership and financing agreements with utilities and developers in FY26 that would be \$200,000 and FY27 that would be \$600,000.

Section 7 creates the new electric transmission operating account in the state treasury.

Section 8 creates the new electric transmission capital account in the state treasury.

Section 9 requires the Authority to keep all critical energy infrastructure information or proprietary technical or business information it obtains to be kept confidential and defines "critical energy infrastructure information" and "critical energy infrastructure".

Section 10 establishes SEPA compliance exemptions for upgrading or rebuilding existing transmission lines, except for underwater transmission lines and defines "previously disturbed or developed land" and "upgrading or rebuilding".

Section 11 requires the permitting jurisdiction, for projects exempt under Section 10, to notify the Department of Archaeology and Historic Preservation (DAHP), then DAHP must notify each federally recognized tribe with rights near the right-of-way to determine whether there are archaeological, cultural, or tribal resources in the right-of-way. Each notified tribe may request a survey of potential cultural, tribal resources within the right-of-way. The survey/plan must be approved or not approved by the tribe within 180 days; if not approved, the project must be reviewed to determine whether it's likely to have probable significant adverse impacts on historical and cultural preservation.

Section 12 requires every county to adopt a permitting process for electric transmission lines. Counties not in compliance must develop a permitting process by: a) six months after the county's next comprehensive plan update if the county is required in RCW 36.70A.130(5) (c) and (d) to conduct a comprehensive plan in 2026 or 2027; and b) December 31, 2027, for all other counties. Those counties included in subsection b) are eligible for a \$12,000 grant to cover the costs of complying with this section. Commerce assumes that the 14 counties covered under subsection b) will apply for this grant from the Department.

Section 13 requires each county to conduct a comprehensive plan to adopt a permitting process for transmission lines within six months of the next comprehensive plan.

Section 14 is a miscellaneous section about operating the treasury account.

Section 15 seems to be the same as Section 13.

Sections 16 – 17 state when certain sections expire and where in code Sections 2-4 and 6-9 will go.

Section 18 is striker changes.

Section 19 Adds a null and void clause, making the bill null and void unless funded in the budget.

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.

To meet the requirements of this bill the Department estimates the following:

Local Government Division Expenditures

Section 12 requires every county to adopt a permitting process for electric transmission lines. Counties not in compliance must develop a permitting process by: a) six months after the county's next comprehensive plan update if the county is required in RCW 36.70A.130(5) (c) and (d) to conduct a comprehensive plan in 2026 or 2027; and b) December 31, 2027, for all other counties. Those counties included in subsection b) are eligible for a \$12,000 grant to cover the costs of complying with this section. Commerce assumes that the 14 counties covered under subsection b) will apply for this grant

from the Department. Estimated annual fiscal impact is:

FY 26: \$67,200

FY 27: \$100,800

0.2 FTE COM2 (417 hours) in FY26-FY28 to provide program data analysis, review and work towards processing payments to vendors. Work will include preparing proposals, and developing monthly summary reports on the program. Provide technical support (reviewing plans, RCWs, policies, statements of work, review criteria) to Commerce Specialist 3s and other senior-level staff or managers (Department)

Energy Division Expenditures

Section 3 establishes the Authority with an Executive Director who may employ staff as necessary.

1.00 FTE WMS3 Director (2088 hours) in FY27-FY31 to employ staff for the Office and oversee as the primary director. (Authority)

1.00 FTE Administrative Assistant 4 (2088 hours) in FY27-FY31 to assist with the bookkeeping and administrative tasks associated with the Office. (Authority)

1.00 FTE Management Analysis Lead 4 (2088 hours) in FY27-FY31 for permitting/SEPA lead work and staff the board of directors. (Authority)

1.00 FTE WMS1 (2088 hours) in FY27-FY31 primarily tasked with tribal and local government outreach and engagement. (Department)

0.10 FTE WMS1 (208 hours) in FY26 primarily tasked with costs associated with establishing the Authority in FY26. (Department)

Section 4 establishes a board of directors of government, industry, and advocacy representatives. The board of directors' staff are included in the staff required by Section 3.

Section 5 requires the Department to conduct a 20-year transmission plan, assist local and tribal governments, and draft a legislative proposal for bonding, among other activities such as:

- 1) 20-year transmission needs assessment by October 30, 2026: \$300,000 (FY27) (every five years thereafter). This figure is an estimate based on current market trends. The assessment will be completed by an external consultant contracted through the Department. (Department)
- 2) Provide assistance to local government and tribal governments and manage and lead outreach and engagement for the Office (WMS1 in Section 3 above). All meetings will be virtual and will not require travel reimbursement. (Department)
- 3) Consult with public finance counsel to develop a legislative proposal on debt financing authority. The estimated cost to contract with public finance counsel would be \$125,000 (FY26). (Department)

Section 6 requires the Authority to adopt rules to implement the bill, enter into contracts and agreements, lease, purchase, accept donations of, or otherwise own, hold, improve, or use any property, and to own transmission equipment and systems. This will require rulemakings on at least six topics (some could likely be combined) which will be completely separated but will rely on the same staff outlined below.

- (1) Outside counsel and consultants in FY26-FY27 to develop contractual arrangements and agreements for projects, leases, purchases, and competitive bidding would be \$200,000 for FY26 and \$600,000 for FY27. (Authority)
- (2) Serve as state environmental policy act lead—1.00 FTE Management Analysis Lead 4 (above) (Authority)
- (3) Serve as tribal consultation lead—1.00 FTE WMS1 (above) (Department)

Rulemaking

- “Qualified transmission builder or operator”

- When the Authority may proceed to construction in the absence of a qualified transmission builder or operator
- Develop transparent process for competitively request for proposals, evaluating proposals, and selecting buyer of transmission facility
- Eminent domain
- Selection of and participation in projects
- Local investment fees

Total Expenditures

Salaries and Benefits

FY26: \$33,916

FY27-FY28: \$547,532 per fiscal year

FY29-FY31: \$527,550 per fiscal year

Professional Services

FY26: \$325,000

FY27: \$900,000

FY31: \$300,000

Goods and Other Service

FY26: \$4,300

FY27-FY28: \$14,200 per fiscal year

FY29-FY31: \$12,000 per fiscal year

Travel

FY26: \$300

FY27-FY28: \$4,200 per fiscal year

FY29-FY31: \$4,000 per fiscal year

Capital Outlays

FY26: \$8,000

FY27: \$12,000

FY29: \$8,000

FY30: \$12,000

Grants

FY26: \$67,200

FY27: \$100,800

Intra-Agency Reimbursements

FY26: \$11,159

FY27-FY28: \$180,138 per fiscal year

FY29-FY31: \$173,564 per fiscal year

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Total Costs

FY26: \$449,875

FY26: \$ 1,758,870

FY26: \$ 746,070

FY26: \$ 725,114

FY26: \$ 729,114
FY26: \$ 1,017,114

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	445,875	1,758,870	2,204,745	1,467,184	1,746,228
Total \$			445,875	1,758,870	2,204,745	1,467,184	1,746,228

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	4.2	2.3	4.1	4.0
A-Salaries and Wages	25,239	415,321	440,560	816,057	801,472
B-Employee Benefits	8,677	132,211	140,888	259,025	253,628
C-Professional Service Contracts	325,000	900,000	1,225,000		300,000
E-Goods and Other Services	4,300	14,200	18,500	26,200	24,000
G-Travel	300	4,200	4,500	8,200	8,000
J-Capital Outlays	4,000	12,000	16,000	4,000	12,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	67,200	100,800	168,000		
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	11,159	180,138	191,297	353,702	347,128
9-					
Total \$	445,875	1,758,870	2,204,745	1,467,184	1,746,228

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 Assistant 4	62,888		1.0	0.5	1.0	1.0
Commerce Specialist 2	72,924	0.2	0.2	0.2	0.1	
Management Analyst 4	88,794		1.0	0.5	1.0	1.0
WMS Band 1	106,543	0.1	1.0	0.6	1.0	1.0
WMS Band 3	142,511		1.0	0.5	1.0	1.0
Total FTEs		0.3	4.2	2.3	4.1	4.0

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Energy Division (500)	349,719	1,629,114	1,978,833	1,438,228	1,746,228
Local Government Division (600)	96,156	129,756	225,912	28,956	
Total \$	445,875	1,758,870	2,204,745	1,467,184	1,746,228

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 6 of the bill requires the Authority, as created in section Title 43 RCW, to implement new rules:

- “Qualified transmission builder or operator”
- When the Authority may proceed to construction in the absence of a qualified transmission builder or operator
- Develop transparent process for competitively request for proposals, evaluating proposals, and selecting buyer of transmission facility
- Eminent domain
- Selection of and participation in projects
- Initial local investment fee and annual local investment fee

Individual State Agency Fiscal Note

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system	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 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.7	0.7	0.7	0.0	0.0
Account					
Public Service Revolving Account-State 111-1	114,369	114,369	228,738	0	0
Total \$	114,369	114,369	228,738	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: Jackie Kauble	Phone: 360-786-7125	Date: 04/09/2025
Agency Preparation: Michelle Parish	Phone: 360-664-1158	Date: 04/14/2025
Agency Approval: Michelle Parish	Phone: 360-664-1158	Date: 04/14/2025
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 04/14/2025

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.

Sections 1 create the Washington electric transmission authority to: (a) Improve reliability and resilience, including during extreme weather events; (b) Increase access to low-cost renewable energy; (c) Achieve clean electricity requirements and greenhouse gas 31emissions limits; (d) Support economic growth; and (e) Maintain affordable energy rates. NEW: adds federally recognized tribes to list of parties the authority must engage with. (No Fiscal Impact)

Section 2 creates definitions that apply to the Washington electric transmission authority. NEW: Removes “grid-enhancing technologies” and “reconductoring with advanced conductors” from list of definitions (No Fiscal Impact)

Section 3: NEW subsection (2)(3) and (4) - changes the purpose of the authority to prioritize support for new transmission projects that connect renewables and non-emitting resources to the grid and community microgrids, distributed energy resources and energy conservation to encourage rather than support. Adds new subsection (7), clarifying that the authority and any eligible facilities acquired by the authority are not subject to the supervision, regulation, control, or jurisdiction of the Washington utilities and transportation commission, provided that nothing in this act shall be interpreted to allow an electrical company regulated under Title 80 RCW to include the cost of eligible facilities in its rate base without the approval of the Washington utilities and transportation commission. (No Fiscal Impact)

Sections 4 through 11 add requirements to the Department of Commerce related to development of a 20-year transmission needs assessment NEW: pushes the date of the first needs assessment to be due Oct. 30, 2027; delegates rulemaking authority to the authority; creates an electric transmission operating account; creates the board of directors- NEW: adds one member with consumer-owned utility experience and one member with investor-owned utility experience; outlines in Part II application of the State Environmental Policy Act (SEPA); and amends chapters not directly applicable to the commission. (No Fiscal Impact)

NEW: Removes the Incentive Rate of Return for Electric Transmission Investment. (Removes fiscal impact)
NEW: adds a County Permits for Electric Transmission Projects section which outlines the county permitting process and timeline for electric transmission line activities.

NEW Section 13: Requires counties to conduct a comprehensive pan update in RCW 360.70A.130(5) (No Fiscal Impact)

s 14 through 15 amend and reenact RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12 and 13, directing earnings of investments of surplus balance; these sections establish the electric transmission capital account, treasury income account, and outline associated requirements. (No Fiscal Impact)

Sections 16 through 18 set expiration requirements. (No Fiscal Impact)

NEW Sec. 19 creates a null and void section if specific funding is not authorized.

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 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.

Commission participation in two separate Commerce rulemakings.
Department of Commerce expects two separate rulemakings, each taking about six months and requiring six hybrid meetings to complete. This will require staff participation, including data and policy analysis. Staff anticipates this work to begin July 1, 2025.

FY2026 and FY2027 - \$114,369 per FY
(Section Manager | Energy Rates & Services, 0.11 FTE; Deputy Director | Energy Rates & Services, 0.05 FTE; Policy Advisor, 0.13 FTE; Regulatory Analyst 3, 0.29 FTE; Attorney General, 0.05 FTE; Director | Regulatory Services, 0.04 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	114,369	114,369	228,738	0	0
Total \$			114,369	114,369	228,738	0	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.7	0.7	0.7		
A-Salaries and Wages	77,802	77,802	155,604		
B-Employee Benefits	27,231	27,231	54,462		
C-Professional Service Contracts					
E-Goods and Other Services	9,336	9,336	18,672		
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 \$	114,369	114,369	228,738	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
Attorney General	237,600	0.1	0.1	0.1		
Deputy Director, Energy Rates and Services	117,912	0.1	0.1	0.1		
Director, Regulatory Services	144,108	0.0	0.0	0.0		
Policy Advisor, Energy	104,568	0.1	0.1	0.1		
Regulatory Analyst 3	100,524	0.3	0.3	0.3		
Section Manager, Energy Rates and Services Unit A	104,688	0.1	0.1	0.1		
Total FTEs		0.7	0.7	0.7		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.

UTC assumes that it will participate in the Commerce rulemaking.

Individual State Agency Fiscal Note

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system	Agency: 355-Department of Archaeology and Historic Preservation
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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	1.0	1.0	1.0	1.0
Account					
General Fund-State 001-1	136,801	131,244	268,045	262,488	262,488
Total \$	136,801	131,244	268,045	262,488	262,488

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: Jackie Kauble	Phone: 360-786-7125	Date: 04/09/2025
Agency Preparation: Diann Lewallen	Phone: 360-407-8121	Date: 04/10/2025
Agency Approval: Allyson Brooks	Phone: 360-586-3066	Date: 04/10/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 04/15/2025

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.

Section 11 requires that, for projects exempt under section 10 of this act, the permitting jurisdiction will notify the department of archaeology and historic preservation (DAHP) that the project is exempt under section 10 of this act. DAHP is required to notify affected federally recognized tribes in the area where the right-of-way exists within 7 days of receiving the notification from the permitting jurisdiction. Each notified federally recognized tribe then has 30 days to notify DAHP if they wish to request a survey to identify potential tribal, archaeological, historic, sacred, or cultural resources within the impacted right-of-way. If a resource survey is requested, DAHP must coordinate with the tribes and the project applicant to conduct the survey. The permitting jurisdiction and DAHP must work with the project applicant and the tribes to develop a plan to avoid, mitigate or minimize harm to any affected resources. Affected tribes will have 180 days to approve or disapprove the plan. Approved plans will become a condition of the approved permit and disapproved plans are subject to RCW 43.21C to determine whether the project is likely to have a probable significant adverse impact on historical and cultural preservation. Information provided by federally recognized Indian tribes must be kept confidential and exempt from public disclosure under chapter 42.56 RCW.

The DAHP anticipates and increase in the number of reviews that would fall under executive order 21-02 and increased notifications from utilities required in section 11 of the bill. DAHP estimates .2 FTE of an environmental planner 5, .6 FTE of an environmental planner 4, and .2 FTE of a cartographer to manage the increased workload.

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 DAHP will need approximately .2 FTE environmental planner 5, .6 FTE environmental planner 4, and .2 FTE cartographer 1 to process an anticipated increase in the number of reviews falling under executive order 21-02 and increased notifications from the utility companies.

On-going costs:
In FY26 an Environmental Planner 5 at range 67 step L is expected to make \$105,612 per year, plus related benefits estimated at \$32,382 per year, at current benefits rates. The agency needs .2 of an FTE so salary costs are estimated at \$21,122, plus benefits of \$6,476.

In FY26 an Environmental Planner 4 at range 63 step L is expected to make \$95,652 per year, plus related benefits estimated at \$30,692 per year, at current benefits rates. The agency needs .6 of an FTE so salary costs are estimated at \$57,391, plus benefits of \$18,415.

In FY26 a Cartographer 1 at range 42 step L is expected to make \$56,880 per year, plus related benefits estimated at \$24,113 per year, at current benefits rates. The agency needs .2 of an FTE so salary costs are estimated at \$11,376, plus benefits of \$4,823.

Goods and services for 1 FTE are estimated at \$6,201 per fiscal year for communications, payroll processing, training, supplies and other staff costs. Travel costs are estimated at \$5,440 per year.

One-time Costs:

Purchase of furniture and equipment for the new FTE is estimated at \$5,557 in FY26.

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	136,801	131,244	268,045	262,488	262,488
Total \$			136,801	131,244	268,045	262,488	262,488

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	89,889	89,889	179,778	179,778	179,778
B-Employee Benefits	29,714	29,714	59,428	59,428	59,428
C-Professional Service Contracts					
E-Goods and Other Services	6,201	6,201	12,402	12,402	12,402
G-Travel	5,440	5,440	10,880	10,880	10,880
J-Capital Outlays	5,557		5,557		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	136,801	131,244	268,045	262,488	262,488

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
Cartographer 1	56,880	0.2	0.2	0.2	0.2	0.2
Environmental Planner 4	95,652	0.6	0.6	0.6	0.6	0.6
Environmental Planner 5	105,612	0.2	0.2	0.2	0.2	0.2
Total FTEs		1.0	1.0	1.0	1.0	1.0

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.

Individual State Agency Fiscal Note

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system	Agency: 461-Department of Ecology
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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: Jackie Kauble	Phone: 360-786-7125	Date: 04/09/2025
Agency Preparation: Sam Weinstein	Phone: (564) 250-2427	Date: 04/10/2025
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 04/10/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 04/10/2025

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.

Compared to AMH ENVI H2048.1, AMH APP H2193.1 would do the following:

Section 11 would differ from AMH ENVI H2048.1 in the following ways:

- The plan to avoid or mitigate the adverse impact of a project must be approved by both the affected Tribe(s) and project proponent to become a condition of a permit; and
- If either an affected Tribe or the project proponent does not approve of the plan, the project will be required to undergo limited SEPA review.

These changes would require updates to Ecology's SEPA policy and guidance, but updates would occur as part of standard annual SEPA updates. The bill as amended would therefore remain as having no fiscal impact.

Compared to ESSB 5466, the changes in the striker to ESSB 5466 would do the following:

Section 10 would differ from the section in ESSB 5466 in the following ways:

- Exemption would apply to existing transmission lines of 115 kilovolts or higher;
- Reference to advanced conductors and grid-enhancing technologies would be removed;
- Exceptions to the exemption would include: activities wholly or partly located on lands covered by water; and exceptions and limitations adopted by Ecology in regulation;
- Definitions would be added for "previously disturbed or developed" and "upgrading or rebuilding;"

Section 11 would differ in the following ways:

- A permitting jurisdiction would be required to notify the Department of Architecture and Historic Preservation (DAHP) of a project that is exempt under section 10;
- Within seven business days, DAHP would be required to notify each federally recognized Indian Tribe with tribal lands and/or lands with rights reserved or protected by federal treaty, statute, or executive order in the area where the right-of-way exists;
- Each notified Tribe would have 30 days to request a survey to identify adversely impacted resources;
- Within 180 days of identifying those resources, the permitting jurisdiction, DAHP, the project applicant, and Tribe would need to develop a plan to avoid or mitigate the adverse impact;
- A plan approved by the Tribes would be made a permit condition; if a plan was not approved, the project would undergo a SEPA review limited to the impact on historical and cultural preservation;
- The permitting jurisdiction may recover costs accrued under this section from the project applicant.

As with ESSB 5466, these changes would require updates to Ecology's SEPA policy and guidance, but updates would occur as part of standard annual SEPA updates. The bill as amended would therefore remain as having no fiscal impact.

Compared to SSB 5466, the changes in ESSB 5466 would do the following:

Section 10 would use new language, adding a new section to chapter 43.21C RCW, State Environmental Policy Act (SEPA), creating SEPA categorical exemptions for existing transmission lines over 115 kilovolts, except on lands covered by water or underwater, in existing rights-of-way. The exemptions would cover upgrading or rebuilding an existing transmission line by reconductoring the line with advanced conductors and upgrading using grid-enhancing technologies. The exemptions would also cover relocating segments of transmission lines in existing rights-of-way or within adjacent disturbed or developed lands and for widening an existing right-of-way to meet electrical standards and only within previously disturbed or developed lands.

Section 11 would amend SEPA to require that the Washington Electric Transmission Authority provide notice of an exempted project to the Department of Architecture and Historic Preservation (DAHP) and each Tribe with usual and accustomed areas in the area where the right-of-way exists before starting an exempted project. In prior versions, the utility would have been required to provide this notification.

These changes would require updates to Ecology's SEPA policy and guidance, but these would occur as part of standard SEPA policy and guidance updates. The change would therefore bring the fiscal impact of the bill down to no fiscal impact.

Compared to SB 5466, the changes in SSB 5466 would do the following:

This bill would create a new Washington Electric Transmission Authority to support planning and expansion of new transmission and distributed energy. Commerce would be required to prepare request legislation to establish bonding authority for the Authority. Commerce would also be required to develop a 20-year needs assessment of the existing transmission system and roadmap. The bill would also create a State Environmental Policy Act (SEPA) categorical exemptions for improving existing powerlines.

Section 10 would expand the SEPA categorical exemptions to upgrading or rebuilding existing electric powerlines. Exempted actions would include relocating small segments of the powerlines within existing rights-of-way or within adjacent previously disturbed or developed lands. Actions would also include 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. Exemptions would include 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.

The changes in SSB 5466 would have increased the fiscal impact to Ecology.

Original narrative:

This bill would create a new Washington Electric Transmission Office within the Department of Commerce to conduct long-term planning and to coordinate and develop transmission projects. It would also create an Electric Transmission Advisory Board to advise on transmission needs and other policies. The bill would establish mechanisms for funding and authorities for the Office's activities. The bill would also create a State Environmental Policy Act (SEPA) categorical exemption for improving existing transmission lines within existing rights-of-way.

Section 10 would add a new section to chapter 43.21C RCW, SEPA, creating SEPA categorical exemptions for existing transmission lines in existing rights-of-way. The exemptions would cover upgrading or rebuilding an existing transmission line by reconductoring the line with advanced conductors and upgrading using grid-enhancing technologies. Ecology assumes rulemaking would be necessary to create new categorical exemptions under chapter 43.21C RCW.

The only work required in ESSB 5466 would be general updates to policy and guidance, for which Ecology already has ongoing funding. This bill would have no additional fiscal impact to Ecology.

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5466 SB 5466-S.E AMH APP H2193.1	Title: Electric transmission system
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: All cities. Potential local investment commitment fee revenue for high voltage projects. Potential reduction in SEPA compliance costs.
- ☒ Counties: All counties. Same as above. Potential grant revenue.
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☒ Legislation provides local option: Counties may apply for a planning grant.
- ☒ Key variables cannot be estimated with certainty at this time: The number of high voltage projects to be developed by the authority. Local investment commitment fee structure. The number of projects that are categorically exempt from SEPA. The number of counties that are not in compliance with transmission permitting requirements.

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 250-5931	Date: 04/14/2025
Leg. Committee Contact: Jackie Kauble	Phone: 360-786-7125	Date: 04/09/2025
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 04/14/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 04/14/2025

Part IV: Analysis

A. SUMMARY OF BILL

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

This note is on 5466-S.E AMH APP H2193.1 and compares it to 5466-S.E AMH H2048.1.

CHANGES BETWEEN THIS VERSION AND THE PRIOR VERSION OF THE BILL:

This version of the bill includes the following changes:

- The reference to distribution systems in the definition of “nonwire alternative” is removed.
- Modifies the responsibilities of the Washington Electric Transmission Authority (authority) to include consultation and coordination with electric utilities that serve retail customers where an authority project is located.
- Modifies the SEPA categorical exemptions and makes technical changes to the DAHP approval process for projects under section 10 of this act.
- Reduces the amount of grant funding that counties may receive to develop an electrical transmission line permitting process that is in compliance with this section from \$40,000 to \$12,000.
- Adds a new section which states that if funding is not appropriated by June 30, 2025, this act is null and void.

These changes affect the fiscal impacts discussed below.

SUMMARY OF CURRENT BILL:

This legislation creates the Washington Electric Transmission Authority (authority) to improve the reliability and capacity of the electric transmission system in Washington state and assigns certain duties and responsibilities to the authority and the Department of Commerce. Certain SEPA categorical exemptions are provided for existing electric transmission powerline upgrades or rebuilding activities. The Department of Commerce will prepare a 20-year transmission needs assessment to, in part, determine which counties are not in compliance with electric transmission permitting process requirements. Counties not in compliance must adopt or amend, by ordinance, these requirements into their development regulations, zoning regulations, and other official controls according to timelines established in the act. Certain counties would be eligible to receive a \$12,000 planning grant. A rulemaking process will include utilities and local governments.

If funding is not appropriated by June 30, 2025, this act is null and void.

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.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND THE PREVIOUS BILL VERSION:

This version of the bill reduces the amount of grant funding that counties may apply for to modify or adopt, by ordinance, permitting provisions that incorporate the requirements in this act into their development regulations, zoning regulations and other official controls.

EXPENDITURE IMPACTS OF CURRENT BILL:

The Department of Commerce has indicated that it will be analyzing and identifying which counties are not currently in compliance with the permitting requirements in this act as part of the "needs assessment" described in Sec. 5 of the bill. Until this list is assembled, it is not known whether a county will need to amend its current permitting process or adopt a new permitting process. These costs will include administrative, legal, and possibly professional services and would vary by jurisdiction. These costs are indeterminate.

The typical cost to adopt an ordinance per county jurisdiction ranges from \$3,450 to \$11,350 for a complex ordinance with a hearing of the same complexity. These costs include costs for draft ordinances, advisory commission meeting and recommendation, finalized ordinance, publication of ordinance, and general public information. There would be further costs associated with enforcing or executing the ordinance. It is unknown how many counties are currently in compliance

with the permitting provisions in this act, so these costs are indeterminate.

It is assumed that counties will incur costs associated with preparing and submitting a state grant application. These costs will likely include administrative costs and other grant writing expenses including legal consultation, and county commissioners' approval. Grant writing expenses will vary by jurisdiction and cannot be estimated. Also, counties may choose to apply for a grant and is therefore a local option. The Local Government Fiscal Note Program assumes to impact to expenditures due to the application process.

The amount of costs or cost savings related to the categorical exemption from SEPA will vary by project and cannot be estimated. The expenditure impact is indeterminate.

Assumptions released by the Department of Commerce state that rulemaking will include utilities and local governments. Two separate rulemakings are expected, each taking about six months and requiring six hybrid meetings to complete. For the purposes of this fiscal note, the Local Government Fiscal Note Program assumes that there will be no travel costs incurred by utilities and participation in the advisory group is included in current staffing responsibilities. Therefore, there is no fiscal impact to local governments.

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.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Counties may apply for a \$12,000 grant from Commerce to develop a permitting process for electrical transmission line activities.

REVENUE IMPACTS OF CURRENT BILL:

It is unknown how many counties how many counties are currently eligible to receive grant funds until the department completes the needs assessment described in Sec. 5. Also, applying for such a grant is up to the discretion of each county, and is therefore a local option.

Impact fees will be distributed to counties, cities, towns, and tribes in proportion to the project's impact and will be transferred with the title if the project is sold. These revenues cannot be estimated until the rulemaking is completed and are therefore indeterminate.

The revenue impacts of this legislation are indeterminate.

SOURCES

Association of Washington Cities (AWC)

Department of Commerce

Local Government Unit Cost Model (2025)