

Leg & Policy Update

WA Commerce – AFV TAG

Michael Breish

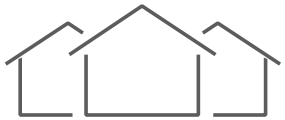
SENIOR ENERGY POLICY SPECIALIST

09/18/2020



Washington State
Department of
Commerce

We strengthen communities



**HOUSING
HOMELESSNESS**



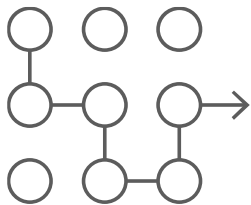
INFRASTRUCTURE



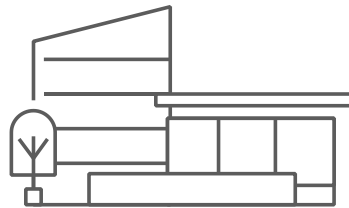
**BUSINESS
ASSISTANCE**



ENERGY



PLANNING



COMMUNITY FACILITIES



**CRIME VICTIMS &
PUBLIC SAFETY**



**COMMUNITY
SERVICES**

2021 State Energy Strategy

Key Transportation Recommendations





Skyline

Spokane

2021 State Energy Strategy

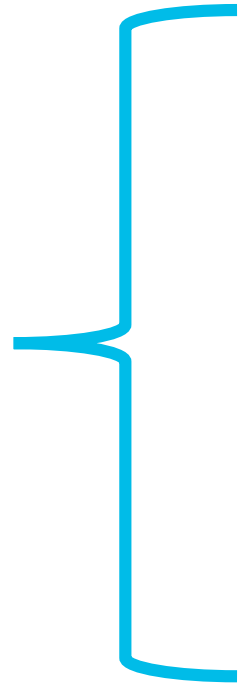
Specific Directives in 2019 Legislation

- Align strategy with clean electricity laws
 - Energy Independence Act (I-937, 2006)
 - Clean Energy Transformation Act (SB 5611, 2019)
 - After 2025, no coal in resource mix
 - By 2030, greenhouse neutral electricity supply
 - By 2045, 100% renewable or non-emitting sources
- Align strategy with greenhouse gas emissions limits (HB 2311, 2020)
 - By 2030, 45% below 1990 levels
 - By 2040, 75% below 1990 levels
 - By 2050, 95% below 1990 levels and achieve net-zero emissions.

Transitioning the Transportation Sector

Move people and goods more efficiently and equitably

Establish specific targets and accountability



Reduce the need for travel

Shift to cleaner modes and fuels

Improve fuel economy

Enact low carbon fuel standard

2021 State Energy Strategy Transportation Recommendations

VMT and GHG Targets

- Adjust and update state VMT reduction targets to reflect existing VMT levels and the state's greenhouse gas emission limits.
- The Legislature should consider transportation efficiency and emission targets to accompany updates to VMT reduction targets.

2021 State Energy Strategy

Transportation Recommendations

Transportation system planning and coordination

- Adopt and apply metrics for state transportation funding linked to key efficiency and equity outcomes.
- Establish, manage and fund a clearinghouse of model code, model rules, policy packages and standardized checklists as a resource for local jurisdictions.

2021 State Energy Strategy

Transportation Recommendations

Remove barriers to transit

- Adopt incentive programs that offset the relative cost of transit and other alternative travel modes.
- Along with increasing and stabilizing transportation funding, the Legislature, local governments and transit agencies should explore options to make transit universally affordable.
- Expand the reach of and funding for Washington's CTR program.

2021 State Energy Strategy

Transportation Recommendations

Support vehicle fuel economy improvements

- Explore whether a state-run vehicle buyback program could cost-effectively and equitably contribute to near-term greenhouse gas reductions, and, if feasible and appropriate, adopt such a program.

2021 State Energy Strategy

Transportation Recommendations

Set clear and ambitious statewide targets

- Set targets for EV and FCV adoption, differentiated by vehicle class.
- The Legislature should direct and fund a comprehensive BEV charging and FCV fueling infrastructure needs assessment.
- Set explicit targets for charging and refueling infrastructure deployment and provide state funding for infrastructure deployment.

2021 State Energy Strategy

Transportation Recommendations

Set clear and ambitious statewide targets

- For light-duty vehicles (cars and trucks): a minimum of 22% of new vehicle sales by 2025, 85% of new vehicle sales by 2030, and 100% of new vehicle sales by 2035
- For medium- and heavy-duty vehicles: a minimum of 30% of new vehicle sales by 2030, and 100% of new vehicles sales by 2050
- For drayage trucks and off-road vehicles: 100% of new vehicle sales by 2035

2021 State Energy Strategy

Transportation Recommendations

Improve planning and oversight of BEV charging and FCV fueling infrastructure

- Establish a permanent BEV charging and FCV fueling infrastructure planning and development entity.
- Identify major BEV charging and FCV fueling infrastructure projects with significant public benefit and provide these with direct public investment
- Support, and further enable electric utilities to support, EVSE in underserved urban and rural communities

2021 State Energy Strategy

Transportation Recommendations

Accelerate the market for BEVs and FCVs

- Continue efforts to convert state-owned vehicle fleets to EVs and expand the current goal beyond 50% of new state passenger vehicle purchases
- The Legislature should pursue accelerative policies, including financial incentives, loan programs, fleet targets and outreach campaigns for public and private fleets.

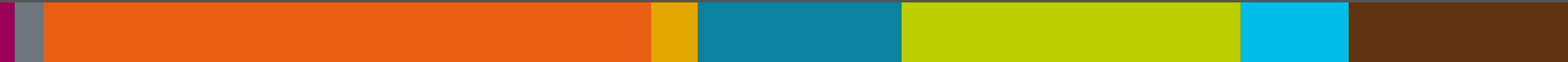
2021 State Energy Strategy

Transportation Recommendations

Hydrogen

- Electric grid services (storage, frequency and voltage response, CCGT)
- Industrial: feedstock replacement
- Transportation: Heavy-duty vehicles and maritime vessel
- **Commerce should work with utilities, industrial firms, federal agencies and other stakeholders to accelerate the development of hydrogen production and should encourage pilot projects and research activities**

2021 Legislative Session



Essentials

Policy Bills	Budget Provisos
Carbon Price	Transportation Budget
ICE vehicles are a felony	Capital Budget
EVs for grandmas	Operating Budget

Policy Bills - House

- HB 1075 – TNC Emissions
- HB 1091 – LCFS
- HB 1099 – Updates to GMA
- HB 1204 – 2030 ICE Phase-out
- HB ? – EV mapping and forecasting + Utility forecasting
- More, less relevant/important bills

Policy Bills - Senate

- SB 5000 – Hydrogen FCV sales tax exemption
- SB 5085 – Electric motorcycle + no more \$75
- SB 5126 – Climate Commitment Act (C&T)
- SB 5141 – EJ Taskforce Recommendations
- SB 5192 – EVSE Regulations + Tracking

Transpo Budget - Governor

- \$318m (over four years) for electric ferries:
 - funds second Jumbo Mark II vessel conversion
 - second new vessel construction
 - funds three charging stations
- \$3.25m for HSR coordinating body
- \$15m for Green Capital Transit Program
- \$1m/year for ZEVIPP
- \$1.5m for EV education and awareness

Capital Budget - Governor

- \$20m for ETS II
- \$5m for maritime electrification

Transpo Budget – Senator Saldaña

REVENUES

Estimated State Revenues: 12 year plan (FY 2022-FY 2033)		Evergreen Draft 12/1/20 12 year plan
1	Carbon Fee	5,140
2	Vehicle Emissions Fee	4,273
3	Fuel Tax (3 cents + Index for Inflation & Reduced Consumption)	3,633
4	Luxury Yacht Tax	536
5	Enhanced Driver's License & Ident card	137
6	3-day trip permit fees (unlicensed drivers or oversized loads)	40
7	Motorhome Weight Fee	20
8	Drone Registration Fee	2
9	Transiton EVs and Hybrids Into New RUC System	-
10	Interest Income/Miscellaneous	19
11	Subtotal	13,800
12	Estimated Bond Proceeds	1,500
13	Total Resources	15,300

Transpo Budget – Senator Saldaña

EXPENDITURES

State Expenditures 12 year plan (FY 2022-FY 2033)		Evergreen Draft 12/1/20 12 year plan
1	Programmatic Preservation & Maintenance	1,900
2	Deferred Preservation: I-5 Columbia River Bridge	450
3	Deferred Preservation: US 2 Trestle	1,400
4	Storm Water Improvements	500
5	Watershed Level Fish Passage Barrier Removal	3,200
6	Reconnecting WA/COVID-19 impacts	1,000
7	Expansion of 2042 Green Investments	375
8	Expansion of existing multimodal grant programs	2,000
9	Clean Fuel and Just Transitions (electrification of ferries, statewide vehicle replacement, all metrics based investments)	2,500
10	Estimated debt payments (12 years)	1,000
11	Total Spending	14,325

Bill/Budget Tracker

Transpo Bill Tracking 011521.xlsx - Excel

	A	I	J	K
1	Clean Transpo Bills 2021			
	<i>Title</i>	Concerning the Washington climate commitment act	Implementing the recommendations of the environmental justice task force	Supporting access to electric vehicle supply equipment
2				
3	<i>Bill Number(s)</i>	SB 5126	SB 5141	SB 5192
4	<i>Commerce Priority</i>			High
5	<i>Committee Engagement</i>	Sign in	?	Testify
6				
7	Prime Sponsor	Carlyle, Saldana	Saldana, Lovelett	Das, Lovelett
8	Bill Version	SB 5126	SB 5141	SB 5192
9	Current Committee	Senate EE&T	Senate EE&T	Senate Transpo
10	Next Hearing	1/19/21 (hearing)	1/20/21 (hearing)	N/A
11	Summary	<p>Establishes a cap and trade program for GHG emissions. Directs Governor to prepare a strategic plan for climate which could affect future agency roles. Ecology establishes and operates the cap and trade program. Allowances are auctioned and the Legislature appropriates the revenue.</p> <p>Provide a comprehensive program to meet state GHG limits and improve environmental justice and environmental health.</p> <p>Establishes an EJ advisory panel to advise on projects funded with allowance revenue. Includes findings related to environmental justice and health. Reserves funds to provide a working families tax credit and protect low-income utility customers. Requires an EJ analysis by agencies when allocating allowance revenues. Requires tribal consultation.</p> <p>The Climate Commitment Task Force could develop revised structure of climate and energy work across agencies.</p>	<p>The purpose of the bill is to incorporate EJ principles into the work of covered agencies, including assessing the impact of significant agency actions, community engagement, tribal consultation, create transparency in EJ reporting and accountability through an environmental justice advocate function (Sec. 22). The EJ Council will both provide technical assistance and assess agency compliance with the bill and agency plans.</p>	<p>Strengthens EVSE (charging infrastructure) accessibility, operations and maintenance through Dept. of Ag regulations/enforcement and Commerce EVSE database.</p> <p>This bill requires Dept. of Ag's Weights and Measures unit to regulate information about all costs associated with use, payment methods, and interoperability of all publicly available charging infrastructure to alleviate the aforementioned issues. To generate insight and status of charging infrastructure across the state, Commerce is required to create rule regarding an inventory of all publicly available EVSE throughout Washington.</p> <p>This bill advances equity through consumer advocacy, protection and accessibility of charging infrastructure. By requiring certain levels of interoperability, payment methods, and information visibility, consumers will be more informed about charger costs.</p>

Questions?



More leg updates to come in March!

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Commerce

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