

# HOUSE BILL REPORT

## SSB 5628

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### As Passed House-Amended:

April 15, 1997

**Title:** An act relating to the regulation of securities issuances by electrical and natural gas companies.

**Brief Description:** Authorizing the utilities and transportation commission to exempt electrical and natural gas companies from securities regulation.

**Sponsors:** Senate Committee on Energy & Utilities (originally sponsored by Senators Hochstatter, Deccio, Brown and Strannigan).

### Brief History:

#### Committee Activity:

Energy & Utilities: 3/25/97, 3/26/97 [DP].

#### Floor Activity:

Passed House-Amended: 4/15/97, 95-0.

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## HOUSE COMMITTEE ON ENERGY & UTILITIES

**Majority Report:** Do pass. Signed by 13 members: Representatives Crouse, Chairman; DeBolt, Vice Chairman; Mastin, Vice Chairman; Poulsen, Ranking Minority Member; Morris, Assistant Ranking Minority Member; Bush; Cooper; Honeyford; Kastama; Kessler; Mielke; Mulliken and B. Thomas.

**Staff:** Margaret Allen (786-7110).

**Background:** In 1988, the Legislature gave the Washington Utilities and Transportation Commission (WUTC) authority to approve tariffs for investor-owned utilities that include banded rates for nonresidential natural gas or electricity customers.

A banded rate has a minimum and maximum rate, with the minimum rate covering the cost of the product or service. A banded rate gives a utility some pricing flexibility (such as to respond to changes in the cost of natural gas or electricity) by allowing the utility to set its own charge for a product or service, as long as the charge does not fall outside of the band.

**Summary of Bill:** The authority of the WUTC to approve tariffs that include banded rates for nonresidential natural gas or electricity customers is extended to tariffs that include banded rates for residential customers.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For (original bill):** This bill is enabling legislation that authorizes the WUTC to grant an exemption. The bill will allow companies to act rapidly when called upon to do so by the marketplace.

**Testimony Against:** None.

**Testified:** (Pro) Ron Newbry, PacifiCorp.