
**Technology, Energy &
Communications Committee**

HB 2179

Brief Description: Providing for the resolution of disputes between electrical suppliers regarding electrical service to customers.

Sponsors: Representative Morris.

Brief Summary of Bill

- Provides procedures for resolving disputes between electric utilities regarding electrical service to customers.

Hearing Date: 3/1/05

Staff: Sarah Dylag (786-7109).

Background:

Under current law, electric utilities and cooperatives can enter into agreements with other electric utilities and cooperatives for the designation of the boundaries of adjoining service areas, for establishing procedures to extend service in adjoining areas not currently served by either utility, and for purchase or sale of duplicating utility facilities. When an agreement involves an investor-owned utility, the agreement must be approved by the Washington Utilities and Transportation Commission (Commission).

In addition, under the Growth Management Act, certain counties and cities develop comprehensive land use plans outlining the coordinated land use policy of the county or city. The comprehensive land use planning process includes adopting development regulations, such as zoning ordinances, critical areas ordinances, and binding site plan ordinances. The state has three growth management hearings boards to hear matters related to the Growth Management Act. Each board can hear matters pertaining to the cities and counties located within its jurisdictional boundaries.

Summary of Bill:

When a dispute arises between electric utilities regarding an existing service entrance or a new service entrance, the dispute can be resolved by the Commission, if the dispute involves an investor-owned utility, or by the governing board of a consumer-owned utility, if the dispute involves only consumer-owned utilities.

When the dispute involves an investor-owned utility, either party to the dispute can request the Commission to conduct an investigation, and the Commission can resolve the dispute after a hearing. If the Commission determines that the disputed issue is already covered by an approved agreement, the Commission will issue an order based on that agreement.

When a dispute arises that involves only consumer-owned utilities, either party may request the governing board of the consumer-owned utility where the service area in question is located to conduct an investigation, and the governing board can resolve the dispute after a hearing. The governing board must give consideration to policies set forth in a county or city's comprehensive land use plans, capital facility plans, and development regulations.

The Commission or the governing board must also consider a number of other factors:

- The intent expressed in current law that duplication of electric lines and service is uneconomical and may affect public safety;
- The geographical boundaries of existing service lines and capacity;
- Any safety issues involved with extending service to the customer;
- Any visual or aesthetic impacts;
- The extent to which extending service will require uneconomic duplication of facilities.
- The length of time in which a utility has provided service in the area;
- Any existing agreements approved by the Commission under current law;
- Consistency with development of the region;
- Any natural geographical boundaries;
- Compatibility with the interests of all customers; and
- Any other relevant factors.

Unless the above factors require otherwise, if the dispute is about providing new service and more than one electric utility is available to service the property, the utility with the closest service line is entitled to serve the property.

The Commission or the governing board may use alternative dispute resolution, including arbitration, mediation, or the assignment of settlement judges.

The existing growth management hearings boards are also given authority to conduct hearings to resolve disputes.

Appropriation: None.

Fiscal Note: Requested on February 27, 2005.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.