Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Appropriations Committee

HB 2370

Brief Description: Funding low-income home energy assistance.

Sponsors: Representative Green; by request of Governor Gregoire.

Brief Summary of Bill

• Appropriates \$7.6 million from the Public Service Revolving Account to the Washington Utilities and Transportation Commission for use in the Low-Income Home Energy Assistance Program during the 2005-07 biennium.

Hearing Date: 1/9/06

Staff: Owen Rowe (786-7391).

Background:

The Washington Utilities and Transportation Commission (WUTC) collects regulatory fees payable by all types of public service companies and deposits them into the Public Service Revolving Fund. Except for expenses payable out of the Pipeline Safety Account, all expenses of operation of the WUTC is paid out of the Public Service Revolving Fund.

The WUTC filed a complaint against the Qwest Communications Company in August, 2003 after a several year investigation. The complaint centered on the failure of Qwest to file with the WUTC the "interconnection agreements" between Qwest and 13 competitive local exchange carriers. Interconnection agreements set conditions that allow telephone companies to connect with other telephone companies' systems. This enables customers to call outside the service area of the telephone company they are using. Washington law requires that the WUTC approve the agreements to ensure that telephone companies are complying with these agreements and that competition is not negatively affected in the marketplace. The WUTC served its order on Qwest on February 28, 2005, which included a fine of \$7,824,000. The fine was paid on April 14, 2005.

The Department of Community, Trade and Economic Development (CTED) manages the Low-Income Home Energy Assistance Program (LIHEAP). The LIHEAP program is a federally funded block grant that provides money to help low-income households make home heating more affordable, and avoid shutoff of utility services during the winter.

Summary of Bill:

The sum of \$7.6 million is appropriated from the Public Service Revolving Fund to the Washington Utilities and Transportation Commission for the Low-Income Energy Assistance Program during the 2005-07 biennium.

Appropriation: The sum of \$7.6 million is appropriated from the Public Service Revolving Fund to the Washington Utilities and Transportation Commission.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.