

SHB 1896 - S COMM AMD

By Committee on Energy, Environment & Telecommunications

ADOPTED AS AMENDED 4/13/2015

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 19.29A.010 and 2000 c 213 s 2 are each amended to
4 read as follows:

5 The definitions in this section apply throughout this chapter
6 unless the context clearly requires otherwise.

7 (1) "Biomass generation" means electricity derived from burning
8 solid organic fuels from wood, forest, or field residue, or dedicated
9 energy crops that do not include wood pieces that have been treated
10 with chemical preservatives such as creosote, pentachlorophenol, or
11 copper-chrome-arsenic.

12 (2) "Bonneville power administration system mix" means a
13 generation mix sold by the Bonneville power administration that is
14 net of any resource specific sales and that is net of any electricity
15 sold to direct service industrial customers, as defined in section
16 3(8) of the Pacific Northwest electric power planning and
17 conservation act (16 U.S.C. Sec. 839(a)(8)).

18 (3) "Coal generation" means the electricity produced by a
19 generating facility that burns coal as the primary fuel source.

20 (4) "Commission" means the utilities and transportation
21 commission.

22 (5) "Conservation" means an increase in efficiency in the use of
23 energy use that yields a decrease in energy consumption while
24 providing the same or higher levels of service. Conservation includes
25 low-income weatherization programs.

26 (6) "Consumer-owned utility" means a municipal electric utility
27 formed under Title 35 RCW, a public utility district formed under
28 Title 54 RCW, an irrigation district formed under chapter 87.03 RCW,
29 a cooperative formed under chapter 23.86 RCW, or a mutual corporation
30 or association formed under chapter 24.06 RCW, that is engaged in the
31 business of distributing electricity to more than one retail electric
32 customer in the state.

1 (7) "Declared resource" means an electricity source specifically
2 identified by a retail supplier to serve retail electric customers. A
3 declared resource includes a stated quantity of electricity tied
4 directly to a specified generation facility or set of facilities
5 either through ownership or contract purchase, or a contractual right
6 to a stated quantity of electricity from a specified generation
7 facility or set of facilities.

8 (8) "Department" means the department of (~~community, trade, and~~
9 ~~economic development~~) commerce.

10 (9) "Electricity information coordinator" means the organization
11 selected by the department under RCW 19.29A.080 to: (a) Compile
12 generation data in the Northwest power pool by generating project and
13 by resource category; (b) compare the quantity of electricity from
14 declared resources reported by retail suppliers with available
15 generation from such resources; (c) calculate the net system power
16 mix; and (d) coordinate with other comparable organizations in the
17 western interconnection.

18 (10) "Electric meters in service" means those meters that record
19 in at least nine of twelve calendar months in any calendar year not
20 less than two hundred fifty kilowatt-hours per month.

21 (11) "Electricity product" means the electrical energy produced
22 by a generating facility or facilities that a retail supplier sells
23 or offers to sell to retail electric customers in the state of
24 Washington, provided that nothing in this title shall be construed to
25 mean that electricity is a good or product for the purposes of Title
26 62A RCW, or any other purpose. It does not include electrical energy
27 generated on-site at a retail electric customer's premises.

28 (12) "Electric utility" means a consumer-owned or investor-owned
29 utility as defined in this section.

30 (13) "Electricity" means electric energy measured in kilowatt-
31 hours, or electric capacity measured in kilowatts, or both.

32 (14) "Fuel mix" means the actual or imputed sources of
33 electricity sold to retail electric customers, expressed in terms of
34 percentage contribution by resource category. The total fuel mix
35 included in each disclosure shall total one hundred percent.

36 (15) "Geothermal generation" means electricity derived from
37 thermal energy naturally produced within the earth.

38 (16) "Governing body" means the council of a city or town, the
39 commissioners of an irrigation district, municipal electric utility,
40 or public utility district, or the board of directors of an electric

1 cooperative or mutual association that has the authority to set and
2 approve rates.

3 (17) "High efficiency cogeneration" means electricity produced by
4 equipment, such as heat or steam used for industrial, commercial,
5 heating, or cooling purposes, that meets the federal energy
6 regulatory commission standards for qualifying facilities under the
7 public utility regulatory policies act of 1978.

8 (18) "Hydroelectric generation" means a power source created when
9 water flows from a higher elevation to a lower elevation and the flow
10 is converted to electricity in one or more generators at a single
11 facility.

12 (19) "Investor-owned utility" means a company owned by investors
13 that meets the definition of RCW 80.04.010 and is engaged in
14 distributing electricity to more than one retail electric customer in
15 the state.

16 (20) "Landfill gas generation" means electricity produced by a
17 generating facility that uses waste gases produced by the
18 decomposition of organic materials in landfills.

19 (21) "Natural gas generation" means electricity produced by a
20 generating facility that burns natural gas as the primary fuel
21 source.

22 (22) "Northwest power pool" means the generating resources
23 included in the United States portion of the Northwest power pool
24 area as defined by the western systems coordinating council.

25 (23) "Net system power mix" means the fuel mix in the Northwest
26 power pool, net of: (a) Any declared resources in the Northwest power
27 pool identified by in-state retail suppliers or out-of-state entities
28 that offer electricity for sale to retail electric customers; (b) any
29 electricity sold by the Bonneville power administration to direct
30 service industrial customers; and (c) any resource specific sales
31 made by the Bonneville power administration.

32 (24) "Oil generation" means electricity produced by a generating
33 facility that burns oil as the primary fuel source.

34 (25) "Proprietary customer information" means: (a) Information
35 that relates to the source, technical configuration, destination, and
36 amount of electricity used by a retail electric customer, a retail
37 electric customer's payment history, and household data that is made
38 available by the customer solely by virtue of the utility-customer
39 relationship; and (b) information contained in a retail electric
40 customer's bill.

1 (26) "Renewable resources" means electricity generation
2 facilities fueled by: (a) Water; (b) wind; (c) solar energy; (d)
3 geothermal energy; (e) landfill gas; or (f) biomass energy based on
4 solid organic fuels from wood, forest, or field residues, or
5 dedicated energy crops that do not include wood pieces that have been
6 treated with chemical preservatives such as creosote,
7 pentachlorophenol, or copper-chrome-arsenic.

8 (27) "Resale" means the purchase and subsequent sale of
9 electricity for profit, but does not include the purchase and the
10 subsequent sale of electricity at the same rate at which the
11 electricity was purchased.

12 (28) "Retail electric customer" means a person or entity that
13 purchases electricity for ultimate consumption and not for resale.

14 (29) "Retail supplier" means an electric utility that offers an
15 electricity product for sale to retail electric customers in the
16 state.

17 (30) "Small utility" means any consumer-owned utility with
18 twenty-five thousand or fewer electric meters in service, or that has
19 an average of seven or fewer customers per mile of distribution line.

20 (31) "Solar generation" means electricity derived from radiation
21 from the sun that is directly or indirectly converted to electrical
22 energy.

23 (32) "State" means the state of Washington.

24 (33) "Waste incineration generation" means electricity derived
25 from burning solid or liquid wastes from businesses, households,
26 municipalities, or waste treatment operations.

27 (34) "Wind generation" means electricity created by movement of
28 air that is converted to electrical energy.

29 (35) "Private customer information" includes a retail electric
30 customer's name, address, telephone number, and other personally
31 identifying information.

32 **Sec. 2.** RCW 19.29A.020 and 1998 c 300 s 3 are each amended to
33 read as follows:

34 Except as otherwise provided in RCW 19.29A.040, each electric
35 utility must provide its retail electric customers with the following
36 disclosures in accordance with RCW 19.29A.030:

37 (1) An explanation of any applicable credit and deposit
38 requirements, including the means by which credit may be established,
39 the conditions under which a deposit may be required, the amount of

1 any deposit, interest paid on the deposit, and the circumstances
2 under which the deposit will be returned or forfeited.

3 (2) A complete, itemized listing of all rates and charges for
4 which the customer is responsible, including charges, if any, to
5 terminate service, the identity of the entity responsible for setting
6 rates, and an explanation of how to receive notice of public hearings
7 where changes in rates will be considered or approved.

8 (3) An explanation of the metering or measurement policies and
9 procedures, including the process for verifying the reliability of
10 the meters or measurements and adjusting bills upon discovery of
11 errors in the meters or measurements.

12 (4) An explanation of bill payment policies and procedures,
13 including due dates, applicable late fees, and the interest rate
14 charged, if any, on unpaid balances.

15 (5) An explanation of the payment arrangement options available
16 to customers, including budget payment plans and the availability of
17 home heating assistance from government and private sector
18 organizations.

19 (6) An explanation of the method by which customers must give
20 notice of their intent to discontinue service, the circumstances
21 under which service may be discontinued by the utility, the
22 conditions that must be met by the utility prior to discontinuing
23 service, and how to avoid disconnection.

24 (7) An explanation of the utility's policies governing the
25 confidentiality of private and proprietary customer information,
26 including the circumstances under which the information may be
27 disclosed and ways in which customers can control access to the
28 information.

29 (8) An explanation of the methods by which customers may make
30 inquiries to and file complaints with the utility, and the utility's
31 procedures for responding to and resolving complaints and disputes,
32 including a customer's right to complain about an investor-owned
33 utility to the commission and appeal a decision by a consumer-owned
34 utility to the governing body of the consumer-owned utility.

35 (9) An annual report containing the following information for the
36 previous calendar year:

37 (a) A general description of the electric utility's customers,
38 including the number of residential, commercial, and industrial
39 customers served by the electric utility, and the amount of
40 electricity consumed by each customer class in which there are at

1 least three customers, stated as a percentage of the total utility
2 load;

3 (b) A summary of the average electricity rates for each customer
4 class in which there are at least three customers, stated in cents
5 per kilowatt-hour, the date of the electric utility's last general
6 rate increase or decrease, the identity of the entity responsible for
7 setting rates, and an explanation of how to receive notice of public
8 hearings where changes in rates will be considered or approved;

9 (c) An explanation of the amount invested by the electric utility
10 in conservation, nonhydrorenewable resources, and low-income energy
11 assistance programs, and the source of funding for the investments;
12 and

13 (d) An explanation of the amount of federal, state, and local
14 taxes collected and paid by the electric utility, including the
15 amounts collected by the electric utility but paid directly by retail
16 electric customers.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 19.29A
18 RCW to read as follows:

19 (1) An electric utility may not sell private or proprietary
20 customer information.

21 (2) An electric utility may not disclose private or proprietary
22 customer information with or to its affiliates, subsidiaries, or any
23 other third party for the purposes of marketing services or product
24 offerings to a retail electric customer who does not already
25 subscribe to that service or product, unless the utility has first
26 obtained the customer's written or electronic permission to do so.

27 (3) The utility must:

28 (a) Obtain a retail electric customer's prior permission for each
29 instance of disclosure of his or her private or proprietary customer
30 information to an affiliate, subsidiary, or other third party for
31 purposes of marketing services or products that the customer does not
32 already subscribe to; and

33 (b) Maintain a record for each instance of permission for
34 disclosing a retail electric customer's private or proprietary
35 customer information.

36 (4) An electric utility must retain the following information for
37 each instance of a retail electric customer's consent for disclosure
38 of his or her private or proprietary customer information if provided
39 electronically:

1 (a) The confirmation of consent for the disclosure of private
2 customer information;

3 (b) A list of the date of the consent and the affiliates,
4 subsidiaries, or third parties to which the customer has authorized
5 disclosure of his or her private or proprietary customer information;
6 and

7 (c) A confirmation that the name, service address, and account
8 number exactly matches the utility record for such account.

9 (5) This section does not require customer permission for or
10 prevent disclosure of private or proprietary customer information by
11 an electric utility to a third party with which the utility has a
12 contract where such contract is directly related to conduct of the
13 utility's business, provided that the contract prohibits the third
14 party from further disclosing any private or proprietary customer
15 information obtained from the utility to a party that is not the
16 utility and not a party to the contract with the utility.

17 (6) This section does not prevent disclosure of the essential
18 terms and conditions of special contracts.

19 (7) This section does not prevent the electric utility from
20 inserting any marketing information into the retail electric
21 customer's billing package.

22 (8) An electric utility may collect and release retail electric
23 customer information in aggregate form if the aggregated information
24 does not allow any specific customer to be identified.

25 (9) The legislature finds that the practices covered by this
26 section are matters vitally affecting the public interest for the
27 purpose of applying the consumer protection act, chapter 19.86 RCW. A
28 violation of this section is not reasonable in relation to the
29 development and preservation of business and is an unfair or
30 deceptive act in trade or commerce and an unfair method of
31 competition for the purpose of applying the consumer protection act,
32 chapter 19.86 RCW.

33 (10) The statewide minimum privacy policy established in
34 subsections (1) through (8) of this section must, in the case of an
35 investor-owned utility, be enforced by the commission by rule or
36 order.

37 NEW SECTION. **Sec. 4.** A new section is added to chapter 19.29A
38 RCW to read as follows:

1 (1) A person may not capture or obtain private or proprietary
2 customer information for a commercial purpose unless the person:

3 (a) Informs the retail electric customer before capturing or
4 obtaining private or proprietary customer information; and

5 (b) Receives the retail electric customer's written or electronic
6 permission to capture private or proprietary customer information.

7 (2) A person who legally possesses private or proprietary
8 customer information that is captured for a commercial purpose may
9 not sell, lease, or otherwise disclose the private or proprietary
10 customer information to another person unless:

11 (a) The retail electric customer consents to the disclosure;

12 (b) The private or proprietary customer information is disclosed
13 to an electric utility or other third party as necessary to effect,
14 administer, enforce, or complete a financial transaction that the
15 retail electric customer requested, initiated, or authorized,
16 provided that the electric utility or third party maintains
17 confidentiality of the private or proprietary customer information
18 and does not further disclose the information except as permitted
19 under this subsection (2); or

20 (c) The disclosure is required or expressly permitted by a
21 federal statute or by a state statute.

22 (3) For the purposes of this section, "person" means any
23 individual, partnership, corporation, limited liability company, or
24 other organization or commercial entity, except that "person" does
25 not include an electric utility.

26 (4) Except as provided in section 5 of this act, the legislature
27 finds that the practices covered by this section are matters vitally
28 affecting the public interest for the purpose of applying the
29 consumer protection act, chapter 19.86 RCW. A violation of this
30 section is not reasonable in relation to the development and
31 preservation of business and is an unfair or deceptive act in trade
32 or commerce and an unfair method of competition for the purpose of
33 applying the consumer protection act, chapter 19.86 RCW.

34 NEW SECTION. **Sec. 5.** A new section is added to chapter 19.29A
35 RCW to read as follows:

36 This chapter does not apply to energy benchmarking programs
37 authorized by: (1) Federal law; (2) state law; or (3) local laws that
38 are consistent with the personally identifying information
39 requirements of RCW 19.27A.170."

SHB 1896 - S COMM AMD

By Committee on Energy, Environment & Telecommunications

ADOPTED AS AMENDED 4/13/2015

1 On page 1, line 2 of the title, after "information;" strike the
2 remainder of the title and insert "amending RCW 19.29A.010 and
3 19.29A.020; and adding new sections to chapter 19.29A RCW."

--- END ---