

**SENATE BILL REPORT**

**SB 6144**

**AS REPORTED BY COMMITTEE ON ENERGY & UTILITIES, JANUARY 31, 1992**

**Brief Description:** Regulating public service company tariff charge reduction or waiver.

**SPONSORS:** Senators Thorsness, Sutherland, Saling and Stratton

**SENATE COMMITTEE ON ENERGY & UTILITIES**

**Majority Report:** That Substitute Senate Bill No. 6144 be substituted therefor, and the substitute bill do pass.

Signed by Senators Thorsness, Chairman; Jesernig, Nelson, Patterson, Roach, Stratton, and Sutherland.

**Staff:** Phil Moeller (786-7445)

**Hearing Dates:** January 28, 1992; January 30, 1992; January 31, 1992

**BACKGROUND:**

Telecommunications utilities regulated by the Utilities and Transportation Commission (UTC) are required to file with the UTC the rates, charges or tolls that are charged to customers. Generally these charges are subject to some form of approval by the UTC.

Telecommunications utilities are limited in providing free or reduced price services. There is concern that these limitations should be defined more precisely to allow telecommunications utilities the ability to promote a service with free or reduced rates.

**SUMMARY:**

A utility tariff that temporarily reduces or waives existing charges shall be considered a tariff that decreases a rate, charge, rental, or toll. If the utility files with the Utilities and Transportation Commission (UTC) necessary documentation, the UTC may not suspend such a tariff. The service time for a reduced tariff is limited to no more than 60 days.

**EFFECT OF PROPOSED SUBSTITUTE:**

It is clarified that the services affected by a tariff include custom calling service, second access lines, and other services the commission specifies by rule; the commission may suspend any promotional tariff other than these.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**TESTIMONY FOR:**

This change will allow free and reduced price service promotions and consumers will have more opportunities to receive better service. Adequate safeguards still exist for the commission to assure that these promotions are reasonable.

**TESTIMONY AGAINST:**

The bill needs further clarification to safeguard the commission's ability to prevent cross-subsidization.

**TESTIFIED:** Dale Vincent, U.S. West (pro); Bill Garvin, MCI; Rowland Thompson, Allied Daily Newspapers of Washington; Ian MacGowan, Electric Lightwaves; Gail Garey, MCI; Art Butler, Tracer; Tom Walker, U.S. West; Carol Monohon, WUTC; Mike Woodin, ATT; Steve Wehaly, MCI