

CERTIFICATION OF ENROLLMENT

ENGROSSED HOUSE BILL 1459

Chapter 62, Laws of 1999

(partial veto)

56th Legislature
1999 Regular Session

REDUCED UTILITY RATES FOR LOW-INCOME CITIZENS

EFFECTIVE DATE: 7/25/99

Passed by the House March 3, 1999
Yeas 96 Nays 1

CLYDE BALLARD
Speaker of the House of Representatives

FRANK CHOPP
Speaker of the House of Representatives

Passed by the Senate April 6, 1999
Yeas 41 Nays 1

BRAD OWEN
President of the Senate

Approved April 21, 1999, with the
exception of sections 2, 3, 4 and 5,
which are vetoed.

GARY LOCKE
Governor of the State of Washington

CERTIFICATE

We, Dean R. Foster and Timothy A. Martin, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1459** as passed by the House of Representatives and the Senate on the dates hereon set forth.

DEAN R. FOSTER
Chief Clerk

TIMOTHY A. MARTIN
Chief Clerk

FILED

April 21, 1999 - 3:10 p.m.

**Secretary of State
State of Washington**

ENGROSSED HOUSE BILL 1459

Passed Legislature - 1999 Regular Session

State of Washington 56th Legislature 1999 Regular Session

By Representatives Poulsen, Crouse, Reardon, Ruderman, Cooper, Wolfe, Kastama, Constantine, Murray, Rockefeller, Dickerson, Lantz, Kenney, McIntire, Lovick, Wood and Edmonds

Read first time 01/26/1999. Referred to Committee on Technology, Telecommunications & Energy.

1 AN ACT Relating to reduced rate utility services for low-income
2 citizens; amending RCW 80.28.010, 80.28.080, 80.28.090, and 80.28.100;
3 and adding a new section to chapter 80.28 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 80.28 RCW
6 to read as follows:

7 Upon request by an electrical or gas company, the commission may
8 approve rates, charges, services, and/or physical facilities at a
9 discount for low-income senior customers and low-income customers.
10 Expenses and lost revenues as a result of these discounts shall be
11 included in the company's cost of service and recovered in rates to
12 other customers.

13 **Sec. 2. RCW 80.28.010 and 1995 c 399 s 211 are each amended to*
14 *read as follows:*

15 *(1) Except as provided in section 1 of this act, all charges made,*
16 *demand or received by any gas company, electrical company or water*
17 *company for gas, electricity or water, or for any service rendered or*

1 to be rendered in connection therewith, shall be just, fair, reasonable
2 and sufficient.

3 (2) Every gas company, electrical company and water company shall
4 furnish and supply such service, instrumentalities and facilities as
5 shall be safe, adequate and efficient, and in all respects just and
6 reasonable.

7 (3) All rules and regulations issued by any gas company, electrical
8 company or water company, affecting or pertaining to the sale or
9 distribution of its product, shall be just and reasonable.

10 (4) Utility service for residential space heating shall not be
11 terminated between November 15 through March 15 if the customer:

12 (a) Notifies the utility of the inability to pay the bill,
13 including a security deposit. This notice should be provided within
14 five business days of receiving a payment overdue notice unless there
15 are extenuating circumstances. If the customer fails to notify the
16 utility within five business days and service is terminated, the
17 customer can, by paying reconnection charges, if any, and fulfilling
18 the requirements of this section, receive the protections of this
19 chapter;

20 (b) Provides self-certification of household income for the prior
21 twelve months to a grantee of the department of community, trade, and
22 economic development which administers federally funded energy
23 assistance programs. The grantee shall determine that the household
24 income does not exceed the maximum allowed for eligibility under the
25 state's plan for low-income energy assistance under 42 U.S.C. 8624 and
26 shall provide a dollar figure that is seven percent of household
27 income. The grantee may verify information provided in the self-
28 certification;

29 (c) Has applied for home heating assistance from applicable
30 government and private sector organizations and certifies that any
31 assistance received will be applied to the current bill and future
32 utility bills;

33 (d) Has applied for low-income weatherization assistance to the
34 utility or other appropriate agency if such assistance is available for
35 the dwelling;

36 (e) Agrees to a payment plan and agrees to maintain the payment
37 plan. The plan will be designed both to pay the past due bill by the
38 following October 15 and to pay for continued utility service. If the
39 past due bill is not paid by the following October 15, the customer

1 shall not be eligible for protections under this chapter until the past
2 due bill is paid. The plan shall not require monthly payments in
3 excess of seven percent of the customer's monthly income plus one-
4 twelfth of any arrearage accrued from the date application is made and
5 thereafter during November 15 through March 15. A customer may agree
6 to pay a higher percentage during this period, but shall not be in
7 default unless payment during this period is less than seven percent of
8 monthly income plus one-twelfth of any arrearage accrued from the date
9 application is made and thereafter. If assistance payments are
10 received by the customer subsequent to implementation of the plan, the
11 customer shall contact the utility to reformulate the plan; and

12 (f) Agrees to pay the moneys owed even if he or she moves.

13 (5) The utility shall:

14 (a) Include in any notice that an account is delinquent and that
15 service may be subject to termination, a description of the customer's
16 duties in this section;

17 (b) Assist the customer in fulfilling the requirements under this
18 section;

19 (c) Be authorized to transfer an account to a new residence when a
20 customer who has established a plan under this section moves from one
21 residence to another within the same utility service area;

22 (d) Be permitted to disconnect service if the customer fails to
23 honor the payment program. Utilities may continue to disconnect
24 service for those practices authorized by law other than for nonpayment
25 as provided for in this subsection. Customers who qualify for payment
26 plans under this section who default on their payment plans and are
27 disconnected can be reconnected and maintain the protections afforded
28 under this chapter by paying reconnection charges, if any, and by
29 paying all amounts that would have been due and owing under the terms
30 of the applicable payment plan, absent default, on the date on which
31 service is reconnected; and

32 (e) Advise the customer in writing at the time it disconnects
33 service that it will restore service if the customer contacts the
34 utility and fulfills the other requirements of this section.

35 (6) A payment plan implemented under this section is consistent
36 with RCW 80.28.080.

37 (7) Every gas company and electrical company shall offer
38 residential customers the option of a budget billing or equal payment
39 plan. The budget billing or equal payment plan shall be offered low-

1 *income customers eligible under the state's plan for low-income energy*
2 *assistance prepared in accordance with 42 U.S.C. 8624(C)(1) without*
3 *limiting availability to certain months of the year, without regard to*
4 *the length of time the customer has occupied the premises, and without*
5 *regard to whether the customer is the tenant or owner of the premises*
6 *occupied.*

7 (8) *Every gas company, electrical company and water company shall*
8 *construct and maintain such facilities in connection with the*
9 *manufacture and distribution of its product as will be efficient and*
10 *safe to its employees and the public.*

11 (9) *An agreement between the customer and the utility, whether oral*
12 *or written, shall not waive the protections afforded under this*
13 *chapter.*

14 (10) *In establishing rates or charges for water service, water*
15 *companies as defined in RCW 80.04.010 may consider the achievement of*
16 *water conservation goals and the discouragement of wasteful water use*
17 *practices.*

18 *Sec. 2 was vetoed. See message at end of chapter.

19 *Sec. 3. *RCW 80.28.080 and 1985 c 427 s 2 are each amended to read*
20 *as follows:*

21 *Except as provided in section 1 of this act, no gas company,*
22 *electrical company or water company shall charge, demand, collect or*
23 *receive a greater or less or different compensation for any service*
24 *rendered or to be rendered than the rates and charges applicable to*
25 *such service as specified in its schedule filed and in effect at the*
26 *time, nor shall any such company directly or indirectly refund or remit*
27 *in any manner or by any device any portion of the rates or charges so*
28 *specified, or furnish its product at free or reduced rates except to*
29 *its employees and their families, and its officers, attorneys, and*
30 *agents; to hospitals, charitable and eleemosynary institutions and*
31 *persons engaged in charitable and eleemosynary work; to indigent and*
32 *destitute persons; to national homes or state homes for disabled*
33 *volunteer soldiers and soldiers' and sailors' homes: PROVIDED, That*
34 *the term "employees" as used in this paragraph shall include*
35 *furloughed, pensioned and superannuated employees, persons who have*
36 *become disabled or infirm in the service of any such company; and the*
37 *term "families," as used in this paragraph, shall include the families*
38 *of those persons named in this proviso, the families of persons killed*

1 or dying in the service, also the families of persons killed, and the
2 surviving spouse prior to remarriage, and the minor children during
3 minority of persons who died while in the service of any of the
4 companies named in this paragraph: PROVIDED FURTHER, That water
5 companies may furnish free or at reduced rates water for the use of the
6 state, or for any project in which the state is interested: AND
7 PROVIDED FURTHER, That gas companies, electrical companies, and water
8 companies may charge the defendant for treble damages awarded in
9 lawsuits successfully litigated under RCW 80.28.240.

10 No gas company, electrical company or water company shall extend to
11 any person or corporation any form of contract or agreement or any rule
12 or regulation or any privilege or facility except such as are regularly
13 and uniformly extended to all persons and corporations under like
14 circumstances.

15 *Sec. 3 was vetoed. See message at end of chapter.

16 *Sec. 4. RCW 80.28.090 and 1961 c 14 s 80.28.090 are each amended
17 to read as follows:

18 Except as provided in section 1 of this act, no gas company,
19 electrical company or water company shall make or grant any undue or
20 unreasonable preference or advantage to any person, corporation, or
21 locality, or to any particular description of service in any respect
22 whatsoever, or subject any particular person, corporation or locality
23 or any particular description of service to any undue or unreasonable
24 prejudice or disadvantage in any respect whatsoever.

25 *Sec. 4 was vetoed. See message at end of chapter.

26 *Sec. 5. RCW 80.28.100 and 1961 c 14 s 80.28.100 are each amended
27 to read as follows:

28 Except as provided in section 1 of this act, no gas company,
29 electrical company or water company shall, directly or indirectly, or
30 by any special rate, rebate, drawback or other device or method,
31 charge, demand, collect or receive from any person or corporation a
32 greater or less compensation for gas, electricity or water, or for any
33 service rendered or to be rendered, or in connection therewith, except
34 as authorized in this chapter, than it charges, demands, collects or
35 receives from any other person or corporation for doing a like or
36 contemporaneous service with respect thereto under the same or
37 substantially similar circumstances or conditions.

38 *Sec. 5 was vetoed. See message at end of chapter.

Passed the House March 3, 1999.
Passed the Senate April 6, 1999.
Approved by the Governor April 21, 1999, with the exception of
certain items that were vetoed.
Filed in Office of Secretary of State April 21, 1999.

1 Note: Governor's explanation of partial veto is as follows:

2 "I am returning herewith, without my approval as to sections 2, 3,
3 4, and 5, Engrossed House Bill No. 1459 entitled:

4 "AN ACT Relating to reduced rate utility services for low-income
5 citizens;"

6 This bill will allow the Utilities and Transportation Commission to
7 approve rate discounts for low-income customers of investor-owned
8 electric and gas companies. Section 1 of the bill provides all of the
9 authority necessary for the Commission to do so. Sections 2 through 5
10 of the bill appear to have been added to clarify the legislature's
11 intent. However, those sections add legal ambiguities and are not
12 necessary to fulfill the policy intent of the legislation.

13 For this reason, I have vetoed sections 2, 3, 4, and 5 of Engrossed
14 House Bill No. 1459.

15 With the exception of sections 2, 3, 4, and 5, Engrossed House Bill
16 No. 1459 is approved."