S-3735.1

SENATE BILL 6585

State of Washington 60th Legislature 2008 Regular Session

By Senators Murray, Delvin, Kilmer, and McCaslin

Read first time 01/18/08. Referred to Committee on Water, Energy & Telecommunications.

- 1 AN ACT Relating to attachments to utility poles of locally
- 2 regulated utilities; and amending RCW 23.86.400, 24.06.600, 35.21.455,
- 3 35A.21.125, and 54.04.045.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 23.86.400 and 1996 c 32 s 1 are each amended to read 6 as follows:
 - (1) As used in this section:
- 8 (a) "Attachment" means the affixation or installation of any wire,
- 9 cable_ or other physical material capable of carrying electronic
- 10 impulses or light waves for the carrying of intelligence for
- 11 telecommunications, information services as defined in 47 U.S.C. Sec.
- 12 <u>153(20)</u>, or television, including, but not limited to ((cable, and)),
- 13 any or all related devices, apparatuses, or auxiliary equipment,
- 14 whether within or without the licensee's allocated space, upon any pole
- 15 owned or controlled in whole or in part by one or more locally
- 16 regulated utilities where the installation has been made with the
- 17 necessary consent.

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18 (b) "Licensee" means any person, firm, corporation, partnership,

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company, association, joint stock association, or cooperatively organized association, which is authorized to construct attachments upon, along, under, or across public ways.

- (c) "Locally regulated utility" means an electric service cooperative organized under this chapter and not subject to rate or service regulation by the utilities and transportation commission.
- $((\frac{c}{c}))$ <u>(d)</u> "Nondiscriminatory" means that pole owners may not $(\frac{arbitrarily}{arbitrarily})$ differentiate <u>without good cause</u> among or between similar classes of $(\frac{persons}{arbitrarily})$ <u>licensees</u> approved for attachments.
- (2) All rates, terms, and conditions made, demanded, or received by a locally regulated utility for ((attachments to)) allocated space on its poles for the placement of licensees' attachments must be just, fair, reasonable, nondiscriminatory, and sufficient. ((A locally regulated utility shall levy attachment space rental rates that are uniform for the same class of service within the locally regulated utility service area.
 - (3) Nothing in)) A just and reasonable rate shall assure the locally regulated utility the recovery of not less than all the additional costs of procuring and maintaining pole attachments nor more than the actual capital and operating expenses, including just compensation, of the locally regulated utility attributable to that portion of the pole, duct, or conduit used for the pole attachment, including a share of the required support and clearance space, in proportion to the space used for the pole attachment, as compared to all other uses made of the subject facilities and uses that remain available to the owner or owners of the subject facilities. Decisions, rules, and regulations adopted by the utilities and transportation commission pursuant to chapter 80.54 RCW apply to the locally regulated utility.
 - (3) Except in extraordinary circumstances, a locally regulated utility must respond to a licensee's request to attach within forty-five days. A request to attach may only be denied on a nondiscriminatory basis (a) where there is insufficient capacity and (b) for reasons of safety, reliability, and generally applicable engineering purposes.
- 36 (4) Any dispute between the locally regulated utility and a 37 licensee, including, but not limited to, disputes over a specific 38 request to attach or over any rate, term, or condition sought by the

- locally regulated utility or a licensee for attachments, must first be presented to the governing board of the locally regulated utility for resolution. If the dispute is not resolved by or before the governing board of the locally regulated utility within forty-five days from the date the dispute is presented to the governing board, either the licensee or the locally regulated utility may initiate a complaint proceeding before the utilities and transportation commission.
 - (5) Whenever the utilities and transportation commission shall find, after hearing had upon complaint by a licensee or by a locally regulated utility, that the rates, terms, or conditions demanded, exacted, charged, or collected by any locally regulated utility in connection with attachments are unjust, unreasonable, or that the rates or charges are insufficient to yield a reasonable compensation for the attachment, the commission shall determine the just, reasonable, or sufficient rates, terms, and conditions thereafter to be observed and in force and shall fix the rates, terms, and conditions by order. In determining and fixing the rates, terms, and conditions, the commission shall consider the interest of the customers of the attaching locally regulated utility or licensee, as well as the interest of the customers of the locally regulated utility upon which the attachment is made.
- 21 (6) Except as provided in subsections (2), (4), and (5) of this 22 section, this section shall not be otherwise construed or is not 23 intended to confer upon the utilities and transportation commission any 24 authority to exercise jurisdiction over locally regulated utilities.
 - Sec. 2. RCW 24.06.600 and 1996 c 32 s 2 are each amended to read as follows:
 - (1) As used in this section:

(a) "Attachment" means the affixation or installation of any wire, cable, or other physical material capable of carrying electronic impulses or light waves for the carrying of intelligence for telecommunications, or information services as defined in 47 U.S.C. Sec. 153(20), or television, including, but not limited to ((cable, and)), any or all related devices, apparatuses, or auxiliary equipment, whether within or without the licensee's allocated space, upon any pole owned or controlled in whole or in part by one or more locally regulated utilities where the installation has been made with the necessary consent.

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1 (b) "Licensee" means any person, firm, corporation, partnership,
2 company, association, joint stock association, or cooperatively
3 organized association, which is authorized to construct attachments
4 upon, along, under, or across public ways.

- (c) "Locally regulated utility" means ((an [a])) a mutual corporation organized under this chapter for the purpose of providing utility service and not subject to rate or service regulation by the utilities and transportation commission.
- $((\frac{(c)}{(c)}))$ (d) "Nondiscriminatory" means that pole owners may not $(\frac{(arbitrarily)}{(arbitrarily)})$ differentiate <u>without good cause</u> among or between similar classes of $(\frac{(persons)}{(arbitrarily)})$ <u>licensees</u> approved for attachments.
- (2) All rates, terms, and conditions made, demanded, or received by a locally regulated utility for ((attachments to)) allocated space on its poles for the placement of licensees' attachments must be just, fair, reasonable, nondiscriminatory, and sufficient. ((A locally regulated utility shall levy attachment space rental rates that are uniform for the same class of service within the locally regulated utility service area.
- (3) Nothing in)) A just and reasonable rate shall assure the locally regulated utility the recovery of not less than all the additional costs of procuring and maintaining pole attachments nor more than the actual capital and operating expenses, including just compensation, of the locally regulated utility attributable to that portion of the pole, duct, or conduit used for the pole attachment, including a share of the required support and clearance space, in proportion to the space used for the pole attachment, as compared to all other uses made of the subject facilities and uses that remain available to the owner or owners of the subject facilities. Decisions, rules, and regulations adopted by the utilities and transportation commission pursuant to chapter 80.54 RCW apply to the locally regulated utility.
- 32 (3) Except in extraordinary circumstances, a locally regulated
 33 utility must respond to a licensee's request to attach within forty34 five days. A request to attach may only be denied on a
 35 nondiscriminatory basis (a) where there is insufficient capacity and
 36 (b) for reasons of safety, reliability, and generally applicable
 37 engineering purposes.

- (4) Any dispute between the locally regulated utility and a licensee, including, but not limited to, disputes over a specific request to attach or over any rate, term, or condition sought by the locally regulated utility or a licensee for attachments, must first be presented to the governing board of the locally regulated utility for resolution. If the dispute is not resolved by or before the governing board of the locally regulated utility within forty-five days from the date the dispute is presented to the governing board, either the licensee or the locally regulated utility may initiate a complaint proceeding before the utilities and transportation commission.
- (5) Whenever the utilities and transportation commission shall find, after hearing had upon complaint by a licensee or by a locally regulated utility, that the rates, terms, or conditions demanded, exacted, charged, or collected by any locally regulated utility in connection with attachments are unjust, unreasonable, or that the rates or charges are insufficient to yield a reasonable compensation for the attachment, the commission shall determine the just, reasonable, or sufficient rates, terms, and conditions thereafter to be observed and in force and shall fix the rates, terms, and conditions by order. In determining and fixing the rates, terms, and conditions, the commission shall consider the interest of the customers of the attaching locally regulated utility or licensee, as well as the interest of the customers of the locally regulated utility upon which the attachment is made.
- (6) Except as provided in subsections (2), (4), and (5) of this section, this section shall not be otherwise construed or is not intended to confer upon the utilities and transportation commission any authority to exercise jurisdiction over locally regulated utilities.
- **Sec. 3.** RCW 35.21.455 and 1996 c 32 s 3 are each amended to read 29 as follows:
 - (1) As used in this section:

(a) "Attachment" means the affixation or installation of any wire, cable, or other physical material capable of carrying electronic impulses or light waves for the carrying of intelligence for telecommunications, information services as defined in 47 U.S.C. Sec. 153(20), or television, including, but not limited to ((cable, and)), any or all related devices, apparatuses, or auxiliary equipment, whether within or without the licensee's allocated space, upon any pole

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owned or controlled in whole or in part by one or more locally regulated utilities where the installation has been made with the necessary consent.

- (b) "Licensee" means any person, firm, corporation, partnership, company, association, joint stock association, or cooperatively organized association, which is authorized to construct attachments upon, along, under, or across public ways.
- (c) "Locally regulated utility" means a city owning and operating an electric utility not subject to rate or service regulation by the utilities and transportation commission.
- (((c))) <u>(d)</u> "Nondiscriminatory" means that pole owners may not ((arbitrarily)) differentiate <u>without good cause</u> among or between similar classes of ((persons)) <u>licensees</u> approved for attachments.
 - (2) All rates, terms, and conditions made, demanded, or received by a locally regulated utility for ((attachments to)) allocated space on its poles for the placement of licensees' attachments must be just, fair, reasonable, nondiscriminatory, and sufficient. ((A locally regulated utility shall levy attachment space rental rates that are uniform for the same class of service within the locally regulated utility service area.
- (3) Nothing in)) A just and reasonable rate shall assure the locally regulated utility the recovery of not less than all the additional costs of procuring and maintaining pole attachments nor more than the actual capital and operating expenses, including just compensation, of the locally regulated utility attributable to that portion of the pole, duct, or conduit used for the pole attachment, including a share of the required support and clearance space, in proportion to the space used for the pole attachment, as compared to all other uses made of the subject facilities and uses that remain available to the owner or owners of the subject facilities. Decisions, rules, and regulations adopted by the utilities and transportation commission pursuant to chapter 80.54 RCW apply to the locally regulated utility.
- 34 (3) Except in extraordinary circumstances, a locally regulated 35 utility must respond to a licensee's request to attach within forty-36 five days. A request to attach may only be denied on a 37 nondiscriminatory basis (a) where there is insufficient capacity and

- 1 (b) for reasons of safety, reliability, and generally applicable 2 engineering purposes.
 - (4) Any dispute between the locally regulated utility and a licensee, including, but not limited to, disputes over a specific request to attach or over any rate, term, or condition sought by the locally regulated utility or a licensee for attachments, must first be presented to the governing board of the locally regulated utility for resolution. If the dispute is not resolved by or before the governing board of the locally regulated utility within forty-five days from the date the dispute is presented to the governing board, either the licensee or the locally regulated utility may initiate a complaint proceeding before the utilities and transportation commission.
 - (5) Whenever the utilities and transportation commission shall find, after hearing had upon complaint by a licensee or by a locally regulated utility, that the rates, terms, or conditions demanded, exacted, charged, or collected by any locally regulated utility in connection with attachments are unjust, unreasonable, or that the rates or charges are insufficient to yield a reasonable compensation for the attachment, the commission shall determine the just, reasonable, or sufficient rates, terms, and conditions thereafter to be observed and in force and shall fix the rates, terms, and conditions by order. In determining and fixing the rates, terms, and conditions, the commission shall consider the interest of the customers of the attaching locally regulated utility or licensee, as well as the interest of the customers of the locally regulated utility upon which the attachment is made.
 - (6) Except as provided in subsections (2), (4), and (5) of this section, this section shall not be otherwise construed or is not intended to confer upon the utilities and transportation commission any authority to exercise jurisdiction over locally regulated utilities.
- **Sec. 4.** RCW 35A.21.125 and 1996 c 32 s 4 are each amended to read 31 as follows:
 - (1) As used in this section:

(a) "Attachment" means the affixation or installation of any wire, cable, or other physical material capable of carrying electronic impulses or light waves for the carrying of intelligence for telecommunications, information services as defined in 47 U.S.C. Sec. 153(20), or television, including, but not limited to ((cable, and)),

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any <u>or all</u> related device<u>s</u>, apparatus<u>es</u>, or auxiliary equipment, whether within or without the licensee's allocated space, upon any pole owned or controlled in whole or in part by one or more locally regulated utilities where the installation has been made with the necessary consent.

- (b) "Licensee" means any person, firm, corporation, partnership, company, association, joint stock association, or cooperatively organized association, which is authorized to construct attachments upon, along, under, or across public ways.
- (c) "Locally regulated utility" means a code city owning and operating an electric utility not subject to rate or service regulation by the utilities and transportation commission.
- ((\frac{(c)}{)}) (d) "Nondiscriminatory" means that pole owners may not ((\frac{\text{arbitrarily}}{)}) differentiate \frac{\text{without good cause}}{\text{good mong or between similar classes of ((\frac{\text{persons}}{)}) \frac{\text{licensees}}{\text{approved for attachments.}}
 - (2) All rates, terms, and conditions made, demanded, or received by a locally regulated utility for ((attachments to)) allocated space on its poles for the placement of licensees' attachments must be just, fair, reasonable, nondiscriminatory, and sufficient. ((A locally regulated utility shall levy attachment space rental rates that are uniform for the same class of service within the locally regulated utility service area.
- (3) Nothing in)) A just and reasonable rate shall assure the locally regulated utility the recovery of not less than all the additional costs of procuring and maintaining pole attachments nor more than the actual capital and operating expenses, including just compensation, of the locally regulated utility attributable to that portion of the pole, duct, or conduit used for the pole attachment, including a share of the required support and clearance space, in proportion to the space used for the pole attachment, as compared to all other uses made of the subject facilities and uses that remain available to the owner or owners of the subject facilities. Decisions, rules, and regulations adopted by the utilities and transportation commission pursuant to chapter 80.54 RCW apply to the locally regulated utility.
- 36 (3) Except in extraordinary circumstances, a locally regulated 37 utility must respond to a licensee's request to attach within forty-38 five days. A request to attach may only be denied on a

nondiscriminatory basis (a) where there is insufficient capacity and (b) for reasons of safety, reliability, and generally applicable engineering purposes.

- (4) Any dispute between the locally regulated utility and a licensee, including, but not limited to, disputes over a specific request to attach or over any rate, term, or condition sought by the locally regulated utility or a licensee for attachments, must first be presented to the governing board of the locally regulated utility for resolution. If the dispute is not resolved by or before the governing board of the locally regulated utility within forty-five days from the date the dispute is presented to the governing board, either the licensee or the locally regulated utility may initiate a complaint proceeding before the utilities and transportation commission.
- (5) Whenever the utilities and transportation commission shall find, after hearing had upon complaint by a licensee or by a locally regulated utility, that the rates, terms, or conditions demanded, exacted, charged, or collected by any locally regulated utility in connection with attachments are unjust, unreasonable, or that the rates or charges are insufficient to yield a reasonable compensation for the attachment, the commission shall determine the just, reasonable, or sufficient rates, terms, and conditions thereafter to be observed and in force and shall fix the rates, terms, and conditions by order. In determining and fixing the rates, terms, and conditions, the commission shall consider the interest of the customers of the attaching locally regulated utility or licensee, as well as the interest of the customers of the locally regulated utility upon which the attachment is made.
- (6) Except as provided in subsections (2), (4), and (5) of this section, this section shall not be otherwise construed or is not intended to confer upon the utilities and transportation commission any authority to exercise jurisdiction over locally regulated utilities.
- **Sec. 5.** RCW 54.04.045 and 1996 c 32 s 5 are each amended to read 32 as follows:
 - (1) As used in this section:

(a) "Attachment" means the affixation or installation of any wire, cable, or other physical material capable of carrying electronic impulses or light waves for the carrying of intelligence for telecommunications, information services as defined in 47 U.S.C. Sec.

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1 153(20), or television, including, but not limited to ((cable, and)),
2 any or all related devices, apparatuses, or auxiliary equipment,
3 whether within or without the licensee's allocated space, upon any pole
4 owned or controlled in whole or in part by one or more locally
5 regulated utilities where the installation has been made with the
6 necessary consent.

- (b) "Licensee" means any person, firm, corporation, partnership, company, association, joint stock association, or cooperatively organized association, which is authorized to construct attachments upon, along, under, or across public ways.
- $\underline{\text{(c)}}$ "Locally regulated utility" means a public utility district not subject to rate or service regulation by the utilities and transportation commission.
- $((\frac{c}{c}))$ <u>(d)</u> "Nondiscriminatory" means that pole owners may not $(\frac{arbitrarily}{c})$ differentiate <u>without good cause</u> among or between similar classes of $(\frac{persons}{c})$ <u>licensees</u> approved for attachments.
- (2) All rates, terms, and conditions made, demanded, or received by a locally regulated utility for ((attachments to)) allocated space on its poles for the placement of licensees' attachments must be just, fair, reasonable, nondiscriminatory, and sufficient. ((A locally regulated utility shall levy attachment space rental rates that are uniform for the same class of service within the locally regulated utility service area.
- (3) Nothing in)) A just and reasonable rate shall assure the locally regulated utility the recovery of not less than all the additional costs of procuring and maintaining pole attachments nor more than the actual capital and operating expenses, including just compensation, of the locally regulated utility attributable to that portion of the pole, duct, or conduit used for the pole attachment, including a share of the required support and clearance space, in proportion to the space used for the pole attachment, as compared to all other uses made of the subject facilities and uses that remain available to the owner or owners of the subject facilities. Decisions, rules, and regulations adopted by the utilities and transportation commission pursuant to chapter 80.54 RCW apply to the locally regulated utility.
- 37 (3) Except in extraordinary circumstances, a locally regulated 38 utility must respond to a licensee's request to attach within forty-

five days. A request to attach may only be denied on a nondiscriminatory basis (a) where there is insufficient capacity and (b) for reasons of safety, reliability, and generally applicable engineering purposes.

- (4) Any dispute between the locally regulated utility and a licensee, including, but not limited to, disputes over a specific request to attach or over any rate, term, or condition sought by the locally regulated utility or a licensee for attachments, must first be presented to the governing board of the locally regulated utility for resolution. If the dispute is not resolved by or before the governing board of the locally regulated utility within forty-five days from the date the dispute is presented to the governing board, either the licensee or the locally regulated utility may initiate a complaint proceeding before the utilities and transportation commission.
- (5) Whenever the utilities and transportation commission shall find, after hearing had upon complaint by a licensee or by a locally regulated utility, that the rates, terms, or conditions demanded, exacted, charged, or collected by any locally regulated utility in connection with attachments are unjust, unreasonable, or that the rates or charges are insufficient to yield a reasonable compensation for the attachment, the commission shall determine the just, reasonable, or sufficient rates, terms, and conditions thereafter to be observed and in force and shall fix the rates, terms, and conditions by order. In determining and fixing the rates, terms, and conditions, the commission shall consider the interest of the customers of the attaching locally regulated utility or licensee, as well as the interest of the customers of the locally regulated utility upon which the attachment is made.
- (6) Except as provided in subsections (2), (4), and (5) of this section, this section shall not be otherwise construed or is not intended to confer upon the utilities and transportation commission any authority to exercise jurisdiction over locally regulated utilities.

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