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**SUBSTITUTE SENATE BILL 5055**

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**State of Washington                      61st Legislature                      2009 Regular Session**

**By** Senate Environment, Water & Energy (originally sponsored by Senators Brown, Fraser, Ranker, and Kline)

READ FIRST TIME 02/05/09.

1            AN ACT Relating to protecting the interests of customers of public  
2 service companies in proceedings before the Washington utilities and  
3 transportation commission; amending RCW 80.12.010, 80.12.020, and  
4 80.12.030; and creating a new section.

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

6            NEW SECTION.    **Sec. 1.** The legislature finds and declares that the  
7 Washington utilities and transportation commission should require that  
8 a net benefit to customers be shown in order to approve the acquisition  
9 of the franchises, properties, or facilities owned by a gas or  
10 electrical company in the state and which are necessary or useful in  
11 the performance of the duties of a gas or electrical company, and that  
12 its decision to approve or deny such an acquisition should be made  
13 within a prescribed period of time.

14            **Sec. 2.** RCW 80.12.010 and 1961 c 14 s 80.12.010 are each amended  
15 to read as follows:

16            (~~The term~~) The definitions in this section apply throughout this  
17 chapter unless the context clearly requires otherwise.

1       (1) "Person" means an individual, partnership, joint venture,  
2 corporation, association, firm, public service company, or any other  
3 entity, however organized.

4       (2) "Public service company((~~7~~)" ((as used in this chapter,  
5 shall)) means every company now or hereafter engaged in business in  
6 this state as a public utility and subject to regulation as to rates  
7 and service by the utilities and transportation commission under the  
8 provisions of this title.

9       **Sec. 3.** RCW 80.12.020 and 1981 c 117 s 1 are each amended to read  
10 as follows:

11       (1) No public service company shall sell, lease, assign or  
12 otherwise dispose of the whole or any part of its franchises,  
13 properties or facilities whatsoever, which are necessary or useful in  
14 the performance of its duties to the public, and no public service  
15 company shall, by any means whatsoever, directly or indirectly, merge  
16 or consolidate any of its franchises, properties or facilities with any  
17 other public service company, without having secured from the  
18 commission an order authorizing it ((~~se~~)) to do((~~+~~—PROVIDED, That))  
19 so. The commission shall not approve any transaction under this  
20 section that would result in a person, directly or indirectly,  
21 acquiring a controlling interest in a gas or electrical company without  
22 a finding that the transaction would provide a net benefit to the  
23 customers of the company.

24       (2) This section shall not apply to any sale, lease, assignment or  
25 other disposal of such franchises, properties or facilities to a  
26 special purpose district as defined in RCW 36.96.010, city, county, or  
27 town.

28       **Sec. 4.** RCW 80.12.030 and 1961 c 14 s 80.12.030 are each amended  
29 to read as follows:

30       (1) Any such sale, lease, assignment, or other disposition, merger  
31 or consolidation made without authority of the commission shall be  
32 void.

33       (2) The commission shall enter an order approving or denying a  
34 transaction under RCW 80.12.020 or 80.12.040 within eleven months of

1 the date of filing, which the commission may extend up to four months  
2 for cause.

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