

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5055

Chapter 24, Laws of 2009

61st Legislature
2009 Regular Session

SALE, MERGER, OR TRANSFER OF UTILITY--APPROVAL--NET BENEFIT TEST

EFFECTIVE DATE: 07/26/09

Passed by the Senate February 25, 2009
YEAS 48 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 30, 2009
YEAS 97 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved April 8, 2009, 3:27 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5055** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 9, 2009

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5055

Passed Legislature - 2009 Regular Session

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.

Passed by the Senate February 25, 2009.

Passed by the House March 30, 2009.

Approved by the Governor April 8, 2009.

Filed in Office of Secretary of State April 9, 2009.