
**Technology & Economic Development
Committee**

HB 2101

Brief Description: Creating the rural Washington natural gas access and investment account.

Sponsors: Representatives Morris and Fey.

Brief Summary of Bill

- Establishes the Rural Washington Natural Gas Access and Investment Account (Account).
- Directs the Utilities and Transportation Commission to provide funding from the Account for the extension and the improvement of natural gas infrastructure.

Hearing Date: 1/17/14

Staff: Scott Richards (786-7156).

Background:

The Utilities and Transportation Commission.

The Utilities and Transportation Commission (UTC) regulates the rates, services, and practices of privately-owned utilities and transportation companies. These companies include electricity, natural gas, certain telecommunications service, water, solid waste collection, commercial ferry service, transportation of household goods, certain auto transportation services, and transportation of petroleum through pipelines. The UTC is required to ensure that rates charged are "fair, just and reasonable."

Summary of Bill:

Rural Washington Natural Gas Access and Investment Account.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Rural Washington Natural Gas Access and Investment Account (Account) is created in the custody of the State Treasurer. Revenues to the Account consist of funds appropriated by the Legislature.

Expenditures from the Account may be used only for the purposes of providing assistance for the extension of existing natural gas lines and the improvement of other existing natural gas infrastructure for the purpose of economic development and public safety and welfare in rural and underserved areas of the state.

Only the Executive Director of the Utilities and Transportation Commission (UTC) or the Executive Director's designee may authorize expenditures from the Account. The Account is subject to allotment procedures under the state budgeting, accounting, and reporting statute, but an appropriation is not required for expenditures.

Assistance for the Extension and Improvement of Natural Gas Infrastructure.

The UTC is directed to provide assistance for the extension of existing natural gas lines and the improvement of other existing natural gas infrastructure for the purpose of economic development and public safety and welfare in rural and underserved areas of the state.

The UTC must make available to eligible recipients funding for the construction of natural gas distribution facilities. A natural gas distribution facility means, but is not limited to, any main line, service line, and appurtenant facility.

A recipient means a gas company or other entity deemed eligible, which is empowered to construct a portion of the eligible project, or any two or more entities that are acting jointly and with the prior consent of the natural gas company holding a certificate in the area in which the proposed project is located.

An eligible project is defined as a project intended to extend natural gas supply to rural or underserved areas of the state for economic development purposes by the construction of natural gas distribution facilities. A project is not considered an eligible project if its completion would result in a bypass or risk of bypass to any natural gas company. A bypass or risk of bypass exists if the completed project displaces any other gas company's natural gas load or natural gas load opportunity, unless that natural gas company chooses not to exercise the natural gas load opportunity.

The UTC must establish procedures, which shall include, but not be limited to: (1) criteria and standards for selection of eligible projects; (2) determining the amount of financial assistance available to a recipient for an eligible project; and (3) the manner in which funding is applied and distributed.

Expiration Date.

The Account and the authority provided to the UTC to provide assistance for the extension of existing natural gas lines and the improvement of other existing natural gas infrastructure expires on July 1, 2020.

Appropriation: None.

Fiscal Note: Available

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.