SHB 1896 - S COMM AMD

7

8

9

10

1112

13

14 15

16

17

22

23

2425

2627

2829

30

3132

ADOPTED AND ENGROSSED 4/13/2015

1896-S AMS ENGR S2898.E

1 Strike everything after the enacting clause and insert the 2 following:

- 3 "Sec. 1. RCW 19.29A.010 and 2000 c 213 s 2 are each amended to 4 read as follows:
- 5 The definitions in this section apply throughout this chapter 6 unless the context clearly requires otherwise.
 - (1) "Biomass generation" means electricity derived from burning solid organic fuels from wood, forest, or field residue, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.
 - (2) "Bonneville power administration system mix" means a generation mix sold by the Bonneville power administration that is net of any resource specific sales and that is net of any electricity sold to direct service industrial customers, as defined in section 3(8) of the Pacific Northwest electric power planning and conservation act (16 U.S.C. Sec. 839(a)(8)).
- 18 (3) "Coal generation" means the electricity produced by a 19 generating facility that burns coal as the primary fuel source.
- 20 (4) "Commission" means the utilities and transportation 21 commission.
 - (5) "Conservation" means an increase in efficiency in the use of energy use that yields a decrease in energy consumption while providing the same or higher levels of service. Conservation includes low-income weatherization programs.
 - (6) "Consumer-owned utility" means a municipal electric utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, or a mutual corporation or association formed under chapter 24.06 RCW, that is engaged in the business of distributing electricity to more than one retail electric customer in the state.
- 33 (7) "Declared resource" means an electricity source specifically 34 identified by a retail supplier to serve retail electric customers. A

Official Print - 1

- declared resource includes a stated quantity of electricity tied directly to a specified generation facility or set of facilities either through ownership or contract purchase, or a contractual right to a stated quantity of electricity from a specified generation facility or set of facilities.
 - (8) "Department" means the department of ((community, trade, and economic development)) commerce.

- (9) "Electricity information coordinator" means the organization selected by the department under RCW 19.29A.080 to: (a) Compile generation data in the Northwest power pool by generating project and by resource category; (b) compare the quantity of electricity from declared resources reported by retail suppliers with available generation from such resources; (c) calculate the net system power mix; and (d) coordinate with other comparable organizations in the western interconnection.
- (10) "Electric meters in service" means those meters that record in at least nine of twelve calendar months in any calendar year not less than two hundred fifty kilowatt-hours per month.
- (11) "Electricity product" means the electrical energy produced by a generating facility or facilities that a retail supplier sells or offers to sell to retail electric customers in the state of Washington, provided that nothing in this title shall be construed to mean that electricity is a good or product for the purposes of Title 62A RCW, or any other purpose. It does not include electrical energy generated on-site at a retail electric customer's premises.
- (12) "Electric utility" means a consumer-owned or investor-owned utility as defined in this section.
- 28 (13) "Electricity" means electric energy measured in kilowatt-29 hours, or electric capacity measured in kilowatts, or both.
 - (14) "Fuel mix" means the actual or imputed sources of electricity sold to retail electric customers, expressed in terms of percentage contribution by resource category. The total fuel mix included in each disclosure shall total one hundred percent.
 - (15) "Geothermal generation" means electricity derived from thermal energy naturally produced within the earth.
 - (16) "Governing body" means the council of a city or town, the commissioners of an irrigation district, municipal electric utility, or public utility district, or the board of directors of an electric cooperative or mutual association that has the authority to set and approve rates.

- 1 (17) "High efficiency cogeneration" means electricity produced by 2 equipment, such as heat or steam used for industrial, commercial, 3 heating, or cooling purposes, that meets the federal energy 4 regulatory commission standards for qualifying facilities under the 5 public utility regulatory policies act of 1978.
- (18) "Hydroelectric generation" means a power source created when water flows from a higher elevation to a lower elevation and the flow is converted to electricity in one or more generators at a single facility.
- 10 (19) "Investor-owned utility" means a company owned by investors 11 that meets the definition of RCW 80.04.010 and is engaged in 12 distributing electricity to more than one retail electric customer in 13 the state.
- 14 (20) "Landfill gas generation" means electricity produced by a 15 generating facility that uses waste gases produced by the 16 decomposition of organic materials in landfills.
- 17 (21) "Natural gas generation" means electricity produced by a 18 generating facility that burns natural gas as the primary fuel 19 source.
- 20 (22) "Northwest power pool" means the generating resources 21 included in the United States portion of the Northwest power pool 22 area as defined by the western systems coordinating council.

2324

2526

27

- (23) "Net system power mix" means the fuel mix in the Northwest power pool, net of: (a) Any declared resources in the Northwest power pool identified by in-state retail suppliers or out-of-state entities that offer electricity for sale to retail electric customers; (b) any electricity sold by the Bonneville power administration to direct service industrial customers; and (c) any resource specific sales made by the Bonneville power administration.
- 30 (24) "Oil generation" means electricity produced by a generating 31 facility that burns oil as the primary fuel source.
- (25) "Proprietary customer information" means: (a) Information that relates to the source, technical configuration, destination, and amount of electricity used by a retail electric customer, a retail electric customer's payment history, and household data that is made available by the customer solely by virtue of the utility-customer relationship; and (b) information contained in a retail electric customer's bill.
- 39 (26) "Renewable resources" means electricity generation 40 facilities fueled by: (a) Water; (b) wind; (c) solar energy; (d) Official Print - 3 1896-S AMS ENGR S2898.E

- 1 geothermal energy; (e) landfill gas; or (f) biomass energy based on
- 2 solid organic fuels from wood, forest, or field residues, or
- 3 dedicated energy crops that do not include wood pieces that have been
- 4 treated with chemical preservatives such as creosote,
- 5 pentachlorophenol, or copper-chrome-arsenic.
- 6 (27) "Resale" means the purchase and subsequent sale of 7 electricity for profit, but does not include the purchase and the 8 subsequent sale of electricity at the same rate at which the 9 electricity was purchased.
- 10 (28) "Retail electric customer" means a person or entity that 11 purchases electricity for ultimate consumption and not for resale.
- 12 (29) "Retail supplier" means an electric utility that offers an 13 electricity product for sale to retail electric customers in the 14 state.
- 15 (30) "Small utility" means any consumer-owned utility with 16 twenty-five thousand or fewer electric meters in service, or that has 17 an average of seven or fewer customers per mile of distribution line.
- 18 (31) "Solar generation" means electricity derived from radiation 19 from the sun that is directly or indirectly converted to electrical 20 energy.
- 21 (32) "State" means the state of Washington.
- 22 (33) "Waste incineration generation" means electricity derived 23 from burning solid or liquid wastes from businesses, households, 24 municipalities, or waste treatment operations.
- 25 (34) "Wind generation" means electricity created by movement of 26 air that is converted to electrical energy.
- 27 (35) "Private customer information" includes a retail electric
 28 customer's name, address, telephone number, and other personally
 29 identifying information.
- 30 **Sec. 2.** RCW 19.29A.020 and 1998 c 300 s 3 are each amended to 31 read as follows:
- Except as otherwise provided in RCW 19.29A.040, each electric utility must provide its retail electric customers with the following disclosures in accordance with RCW 19.29A.030:
- 35 (1) An explanation of any applicable credit and deposit 36 requirements, including the means by which credit may be established, 37 the conditions under which a deposit may be required, the amount of 38 any deposit, interest paid on the deposit, and the circumstances 39 under which the deposit will be returned or forfeited.

(2) A complete, itemized listing of all rates and charges for which the customer is responsible, including charges, if any, to terminate service, the identity of the entity responsible for setting rates, and an explanation of how to receive notice of public hearings where changes in rates will be considered or approved.

- (3) An explanation of the metering or measurement policies and procedures, including the process for verifying the reliability of the meters or measurements and adjusting bills upon discovery of errors in the meters or measurements.
- 10 (4) An explanation of bill payment policies and procedures, 11 including due dates, applicable late fees, and the interest rate 12 charged, if any, on unpaid balances.
 - (5) An explanation of the payment arrangement options available to customers, including budget payment plans and the availability of home heating assistance from government and private sector organizations.
 - (6) An explanation of the method by which customers must give notice of their intent to discontinue service, the circumstances under which service may be discontinued by the utility, the conditions that must be met by the utility prior to discontinuing service, and how to avoid disconnection.
 - (7) An explanation of the utility's policies governing the confidentiality of <u>private and</u> proprietary customer information, including the circumstances under which the information may be disclosed and ways in which customers can control access to the information.
 - (8) An explanation of the methods by which customers may make inquiries to and file complaints with the utility, and the utility's procedures for responding to and resolving complaints and disputes, including a customer's right to complain about an investor-owned utility to the commission and appeal a decision by a consumer-owned utility to the governing body of the consumer-owned utility.
 - (9) An annual report containing the following information for the previous calendar year:
- 35 (a) A general description of the electric utility's customers, 36 including the number of residential, commercial, and industrial 37 customers served by the electric utility, and the amount of 38 electricity consumed by each customer class in which there are at 39 least three customers, stated as a percentage of the total utility 40 load;

- (b) A summary of the average electricity rates for each customer class in which there are at least three customers, stated in cents per kilowatt-hour, the date of the electric utility's last general rate increase or decrease, the identity of the entity responsible for setting rates, and an explanation of how to receive notice of public hearings where changes in rates will be considered or approved;
- (c) An explanation of the amount invested by the electric utility in conservation, nonhydrorenewable resources, and low-income energy assistance programs, and the source of funding for the investments; and
- 11 (d) An explanation of the amount of federal, state, and local 12 taxes collected and paid by the electric utility, including the 13 amounts collected by the electric utility but paid directly by retail 14 electric customers.
- NEW SECTION. Sec. 3. A new section is added to chapter 19.29A RCW to read as follows:
 - (1) An electric utility may not sell private or proprietary customer information.
 - (2) An electric utility may not disclose private or proprietary customer information with or to its affiliates, subsidiaries, or any other third party for the purposes of marketing services or product offerings to a retail electric customer who does not already subscribe to that service or product, unless the utility has first obtained the customer's written or electronic permission to do so.
 - (3) The utility must:

1

2

3

4

5

7

8

9

17

18

19

20

21

22

2324

25

26

27

28

2930

3435

36

- (a) Obtain a retail electric customer's prior permission for each instance of disclosure of his or her private or proprietary customer information to an affiliate, subsidiary, or other third party for purposes of marketing services or products that the customer does not already subscribe to; and
- 31 (b) Maintain a record for each instance of permission for 32 disclosing a retail electric customer's private or proprietary 33 customer information.
 - (4) An electric utility must retain the following information for each instance of a retail electric customer's consent for disclosure of his or her private or proprietary customer information if provided electronically:
- 38 (a) The confirmation of consent for the disclosure of private 39 customer information;

1 (b) A list of the date of the consent and the affiliates, 2 subsidiaries, or third parties to which the customer has authorized 3 disclosure of his or her private or proprietary customer information; 4 and

5 6

7

8

9

10

11

12

13

14

17

18

19

2021

22

23

24

2526

27

2829

- (c) A confirmation that the name, service address, and account number exactly matches the utility record for such account.
- (5) This section does not require customer permission for or prevent disclosure of private or proprietary customer information by an electric utility to a third party with which the utility has a contract where such contract is directly related to conduct of the utility's business, provided that the contract prohibits the third party from further disclosing any private or proprietary customer information obtained from the utility to a party that is not the utility and not a party to the contract with the utility.
- 15 (6) This section does not prevent disclosure of the essential 16 terms and conditions of special contracts.
 - (7) This section does not prevent the electric utility from inserting any marketing information into the retail electric customer's billing package.
 - (8) An electric utility may collect and release retail electric customer information in aggregate form if the aggregated information does not allow any specific customer to be identified.
 - (9) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.
- 31 (10) The statewide minimum privacy policy established in 32 subsections (1) through (8) of this section must, in the case of an 33 investor-owned utility, be enforced by the commission by rule or 34 order.
- NEW SECTION. Sec. 4. A new section is added to chapter 19.29A RCW to read as follows:
- 37 (1) A person may not capture or obtain private or proprietary 38 customer information for a commercial purpose unless the person:

1 (a) Informs the retail electric customer before capturing or obtaining private or proprietary customer information; and 2

3

4

5 6

7

8

9

10 11

12

13 14

15

16 17

18

21

22

23 24

25 26

27

28

29

30 31

- (b) Receives the retail electric customer's written or electronic permission to capture or obtain private or proprietary customer information.
- (2) A person who legally possesses private or proprietary customer information that is captured or obtained for a commercial purpose may not sell, lease, or otherwise disclose the private or proprietary customer information to another person unless:
 - (a) The retail electric customer consents to the disclosure;
- (b) The private or proprietary customer information is disclosed to an electric utility or other third party as necessary to effect, administer, enforce, or complete a financial transaction that the retail electric customer requested, initiated, or authorized, provided that the electric utility or third party maintains confidentiality of the private or proprietary customer information and does not further disclose the information except as permitted under this subsection (2); or
- (c) The disclosure is required or expressly permitted by a 19 20 federal statute or by a state statute.
 - (3) For the purposes of this section, "person" means any individual, partnership, corporation, limited liability company, or other organization or commercial entity, except that "person" does not include an electric utility.
 - (4) Except as provided in section 5 of this act, the legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.
- NEW SECTION. Sec. 5. A new section is added to chapter 19.29A 33 34 RCW to read as follows:
- 35 This chapter does not apply to energy benchmarking programs authorized by: (1) Federal law; (2) state law; or (3) local laws that 36 37 consistent with the personally identifying requirements of RCW 19.27A.170." 38

SHB 1896 - S COMM AMD

ADOPTED AND ENGROSSED 4/13/2015

- On page 1, line 2 of the title, after "information;" strike the 1
- remainder of the title and insert "amending RCW 19.29A.010 and 2
- 19.29A.020; and adding new sections to chapter 19.29A RCW." 3

--- END ---