
**Technology & Economic Development
Committee**

ESSB 6034

Brief Description: Authorizing limited retail telecommunications services for public utility districts that provide only sewer, water, and telecommunications on the effective date of this act.

Sponsors: Senate Committee on Energy, Environment & Technology (originally sponsored by Senators Rolfes, Sheldon, Angel, Hunt, Chase, Kuderer and Hasegawa).

Brief Summary of Engrossed Substitute Bill

- Authorizes certain public utility districts (PUDs) to provide retail Internet telecommunications services.

Hearing Date: 2/22/18

Staff: Lily Smith (786-7175).

Background:

Public utility districts (PUDs) in existence on June 8, 2000, are authorized to acquire and operate telecommunications facilities for their own internal telecommunications needs and to provide wholesale telecommunications services within their district limits. Public utility districts may also provide wholesale services to other PUDs by contract. Public utility districts are not authorized to provide telecommunications services to end users.

Public utility districts are required to ensure that their rates, terms, and conditions on wholesale services are not unduly or unreasonably discriminatory or preferential. The Utilities and Transportation Commission (UTC) is authorized to review petitions brought by consumers concerning a PUD's wholesale telecommunications rates, terms, and conditions.

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.

Public utility districts must charge themselves the true and full value of telecommunications services provided by their separate telecommunications functions.

Summary of Bill:

A PUD that provides limited services in a county less than 500 square miles and west of Puget Sound is authorized to provide end user ("retail") Internet services on its broadband network within the district's boundaries, if the existing end user Internet service providers cease or provide inadequate service.

After a PUD board of commissioners receives a petition requesting provision of retail Internet services, the PUD commissioners may hold three meetings to verify property owners' signatures; determine and submit findings regarding the existence or adequacy of retail internet services on the PUD's broadband network; and by resolution, authorize the PUD to provide retail Internet service on its broadband network.

Adequate retail Internet service is determined by measuring retail Internet service on the PUD's broadband network and comparing it to service standards in the PUD service level agreement used for other PUD network providers. A petition may be submitted by a majority of a group, including homeowners associations, within the district, or an individual who has developed a partnership payment structure to finance broadband deployment with the PUD.

The PUD commissioners must request an administrative law judge to hear Internet service adequacy disputes. The commissioners must provide written notice and may require disputing parties to attend the hearing. The administrative law judge must make and file a determination on the adequacy of retail Internet service with the commissioners. A company regulated by the UTC may request resolution of Internet service disputes through the UTC process for reviewing wholesale telecommunications.

Public utility district retail Internet service rates must be fair and nondiscriminatory, but may set tiers of charges based on end user service demands.

Appropriation: None.

Fiscal Note: Not requested.

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