

***Technology, Telecommunications
& Energy Committee***

HB 1529

Brief Description: *Classifying public service companies for the purpose of payment of regulatory fees.*

Sponsors: *Representatives Poulsen, Crouse, H. Sommers and Delvin; by request of Utilities & Transportation Commission.*

Brief Summary of Bill

- *Establishes telecommunications companies as a new class for purposes of setting regulatory fees and sets the maximum fee rate at three-tenths of one percent of gross operating revenue.*

Allows the WUTC to establish special transaction fees and filing fees.

Hearing Date: *2/9/01*

Staff: *Pam Madson (786-7166).*

Background:

Companies regulated by the Washington Utilities and Transportation Commission (WUTC) pay the cost of regulation through fees based on a percentage of each company's gross annual operating revenue. The fee is limited to a maximum of one-tenth of one percent on the first \$50,000 plus two-tenths of one percent on any amount over \$50,000. No fee may be less than \$1.

For purposes of regulatory fees, electric, gas, water, telecommunications, and irrigation companies are treated as one class. The same fee rate is paid by all the companies in the class.

Any fee that is paid after its due date must include a two percent late fee.

When the commission sets the fee rate, the amount collected from the fee must reflect the

reasonable cost of regulating the companies in the class.

Summary of Bill:

Telecommunications companies are removed from class one and become class two companies for purposes of establishing regulatory fee rates. The fee for class two companies is limited to a maximum of three-tenths of one percent of a company's gross operating revenue. No fee may be less than \$100.

The maximum rate for class one companies (electric, gas, water, and irrigation) remains the same; however, the minimum fee is \$100 rather than \$1.

For fees paid after the due date, the late fee amount is increased from two percent of the amount due to ten percent of the amount due.

The commission may establish fees for specific transactions or filings. Amounts collected from these fees are considered when setting the fee rate for companies in each class.

Appropriation: *None.*

Fiscal Note: *Available.*

Effective Date: *Ninety days after adjournment of session in which bill is passed.*