

SENATE BILL REPORT

SSB 6144

AS PASSED SENATE, FEBRUARY 11, 1992

Brief Description: Regulating public service company tariff charge reduction or waiver.

SPONSORS: Senate Committee on Energy & Utilities (originally sponsored by Senators Thorsness, Sutherland, Saling and Stratton)

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: That Substitute Senate Bill No. 6144 be substituted therefor, and the substitute bill do pass.

Signed by Senators Thorsness, Chairman; Jesernig, Nelson, Patterson, Roach, Stratton, and Sutherland.

Staff: Phil Moeller (786-7445)

Hearing Dates: January 28, 1992; January 30, 1992; January 31, 1992

BACKGROUND:

Telecommunications utilities regulated by the Utilities and Transportation Commission (UTC) are required to file with the UTC the rates, charges or tolls that are charged to customers. Generally these charges are subject to some form of approval by the UTC.

Telecommunications utilities are limited in providing free or reduced price services. There is concern that these limitations should be defined more precisely to allow telecommunications utilities the ability to promote a service with free or reduced rates.

SUMMARY:

For certain telecommunications services, a utility tariff that temporarily reduces or waives existing charges shall be considered a tariff that decreases a rate, charge, rental, or toll. If the utility files with the Utilities and Transportation Commission (UTC) necessary documentation, the UTC may not suspend such a tariff. The services affected by such a tariff include custom calling service, second access lines, and other services the UTC specifies by rule; the UTC may suspend any promotional tariff other than these. The service time for a reduced tariff is limited to no more than 60 days.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

This change will allow free and reduced price service promotions and consumers will have more opportunities to receive better service. Adequate safeguards still exist for the commission to assure that these promotions are reasonable.

TESTIMONY AGAINST:

The bill needs further clarification to safeguard the commission's ability to prevent cross-subsidization.

TESTIFIED: Dale Vincent, U.S. West (pro); Bill Garvin, MCI; Rowland Thompson, Allied Daily Newspapers of Washington; Ian MacGowan, Electric Lightwaves; Gail Garey, MCI; Art Butler, Tracer; Tom Walker, U.S. West; Carol Monohon, WUTC; Mike Woodin, ATT; Steve Wehaly, MCI