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SUBSTITUTE SENATE BILL 6064

State of Washington 52nd Legislature 1992 Regular Session

By Senate Committee on Energy & Utilities (originally sponsored by Senators Thorsness and Williams)

Read first time 1/27/92.

- 1 AN ACT Relating to municipal electric utility access to high
- 2 voltage transmission facilities; and amending RCW 35.92.052.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 Sec. 1. RCW 35.92.052 and 1989 c 249 s 1 are each amended to read
- 5 as follows:
- 6 (1) Cities of the first class which operate electric generating
- 7 facilities and distribution systems shall have power and authority to
- 8 participate and enter into agreements for the <u>use or</u> undivided
- 9 ownership of high voltage transmission facilities and capacity rights
- 10 in those facilities and for the undivided ownership of any type of
- 11 electric generating plants and facilities, including, but not limited
- 12 to, nuclear and other thermal power generating plants and facilities
- 13 and transmission facilities including, but not limited to, related
- 14 transmission facilities, to be called "common facilities"; and for the

planning, financing, acquisition, construction, operation, 1 and maintenance with: (a) Each other; (b) electrical companies which are 2 3 subject to the jurisdiction of the Washington utilities and 4 transportation commission or the regulatory commission of any other state, to be called "regulated utilities"; (c) rural electric 5 6 cooperatives, including generation and transmission cooperatives in any state; (d) municipal corporations, utility districts, or other 7 political subdivisions in any state; and (e) any agency of the United 8 9 States authorized to generate or transmit electrical energy. It shall 10 be provided in such agreements that each city shall use or own a 11 percentage of any common facility equal to the percentage of the money furnished or the value of property supplied by it for the acquisition 12 and construction of or additions or improvements to the facility and 13 14 shall own and control or provide for the use of a like percentage of the electrical <u>transmission or</u> output. <u>A city using or owning common</u> 15 16 facilities under this section may issue revenue bonds or other 17 obligations to finance the city's share of the use or ownership of the 18 common facilities.

19 (2) The agreement must provide that each participant shall defray 20 its own interest and other payments required to be made or deposited in connection with any financing undertaken by it to pay its percentage of 21 the money furnished or value of property supplied by it for the 22 planning, acquisition, and construction of any common facility, or any 23 24 additions or betterments. The agreement shall provide a uniform method 25 of determining and allocating operation and maintenance expenses of a common facility. 26

(3) Each city participating in the ownership ((or)), operation or
use of a common facility shall pay all taxes chargeable to its share of
the common facility and the electric energy generated under any
applicable statutes and may make payments during preliminary work and
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- 1 construction for any increased financial burden suffered by any county
- 2 or other existing taxing district in the county in which the common
- 3 facility is located, under agreement with such county or taxing
- 4 district.
- 5 (4) In carrying out the powers granted in this section, each such
- 6 city shall be severally liable only for its own acts and not jointly or
- 7 severally liable for the acts, omissions, or obligations of others. No
- 8 money or property supplied by any such city for the planning,
- 9 financing, acquisition, construction, operation, or maintenance of, or
- 10 addition or improvement to any common facility shall be credited or
- 11 otherwise applied to the account of any other participant therein, nor
- 12 shall the undivided share of any city in any common facility be
- 13 charged, directly or indirectly, with any debt or obligation of any
- 14 other participant or be subject to any lien as a result thereof. No
- 15 action in connection with a common facility shall be binding upon any
- 16 city unless authorized or approved by resolution or ordinance of its
- 17 governing body.
- 18 (5) Any city acting jointly outside the state of Washington, by
- 19 mutual agreement with any participant under authority of this section,
- 20 shall not acquire properties owned or operated by any public utility
- 21 district, by any regulated utility, or by any public utility owned by
- 22 a municipality without the consent of the utility owning or operating
- 23 the property, and shall not participate in any condemnation proceeding
- 24 to acquire such properties.