

**SENATE BILL REPORT**

**ESHB 2901**

**AS OF FEBRUARY 18, 1994**

**Brief Description:** Concerning the authority of public utilities to enter into agreements with private developers.

**SPONSORS:** House Committee on Energy & Utilities (originally sponsored by Representatives Bray, Kessler and Long)

**HOUSE COMMITTEE ON ENERGY & UTILITIES**

**SENATE COMMITTEE ON ENERGY & UTILITIES**

**Staff:** Phil Moeller (786-7445)

**Hearing Dates:** February 22, 1994

**BACKGROUND:**

Cities, public utility districts, and joint operating agencies have authority to construct and operate electrical generating facilities. These entities may also enter into agreements to develop and operate electrical generating facilities with other cities, public utility districts and joint operating agencies. They may also enter into agreements with investor-owned utilities under the jurisdiction of the Washington Utilities and Transportation Commission, the Oregon Public Utilities Commission, and rural electric cooperatives.

Any agreement must provide that each public utility participant shall own a percentage of the facility equal to the percentage of money, property, or financing it has provided. Each participant in the facility is responsible for its share of taxes.

**SUMMARY:**

A city, public utility district, or joint operating agency may enter into an agreement with an unregulated private non-utility developer to construct or operate an electrical generating facility.

When associated with an unregulated private non-utility developer in the operation of an electrical generating facility: cities, public utility districts, and joint operating agencies shall not acquire ownership in the portion of the facility which supplies energy to a regulated utility without that regulated utility's consent; cities and public utility districts shall not sell any of their portion of the facility's output to a customer in a regulated utility's service territory without the regulated utility's consent; and regulated utilities shall not sell any of their portion of the facility's output to a customer in a city's or public utility

district's service territory without the city's or public utility district's consent.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested