

2290

Sponsor(s): Representative Morris

Brief Title: Restructuring electric utilities.

HB 2290 - DIGEST

Declares that the interest of citizens will be served by having a choice of electric services and energy providers, if basic safeguards relating to consumer protection and access are met, and if investments that preserve the reliability of the electric system and protect the environment are not undermined.

Provides that, to ensure that the interests of all Washington citizens are served by the development of a competitive retail electricity market, an oversight board is hereby created.

Designates the responsibilities of the oversight board.

Directs the independent system operator to perform a review following a major outage that affects at least ten percent of the customers of the entity providing the local distribution service. The review shall address the cause of the major outage, the response time and effectiveness, and whether the transmission facility owner or operator's operation and maintenance practices enhanced or undermined the ability to restore service efficiently and in a timely manner. If the independent system operator finds that the operation and maintenance practices of the transmission facility owner or operator prolonged the response time or were responsible for the outage, the independent system operator may order appropriate sanctions, subject to the federal energy regulatory commission approving that authority, if such approval is necessary.

Requires every electric utility to offer unbundled rates, terms, and conditions for the use of its distribution facilities and for ancillary services.

Requires that, no later than January 1, 1999, every electric utility shall administratively and functionally separate its generation, transmission, distribution, and other assets and operations to accurately allocate the costs of utility functions, and to allow for fair and accurate pricing of unbundled services.

Provides that, an independent, voluntary power pool, to be known as the Northwest power exchange, is hereby created.

Declares that, the Northwest power exchange shall provide an efficient competitive auction, open to all electricity suppliers on a nondiscriminatory basis, through which the exchange shall purchase power for resale to retail electric customers.

Provides that, by January 1, 1999, ballots shall be distributed to all retail electric customers in the state. Ballots must be returned by March 1, 1999. Beginning January 1, 2000, as long as the Northwest power exchange exists, customers shall have the opportunity, periodically at an accelerated rate, to select, in writing, a different electricity service supplier.

Provides that, after October 1, 1998, any person or entity that sells electricity to a retail electric customer shall disclose each component of an electrical bill.

Provides that, any electricity service supplier offering to

sell electricity to retail electric customers shall, at the time of the offering, provide the potential customer with a written notice describing the price, terms, and conditions of the service, an explanation of the applicability and amount of the charges for public purposes and uneconomic utility investments, and a notice describing the potential customer's right to rescind the contract.