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## ENGROSSED HOUSE BILL 1459

State of Washington 56th Legislature 1999 Regular Session

By Representatives Poulsen, Crouse, Reardon, Ruderman, Cooper, Wolfe, Kastama, Constantine, Murray, Rockefeller, Dickerson, Lantz, Kenney, McIntire, Lovick, Wood and Edmonds

Read first time 01/26/1999. Referred to Committee on Technology, Telecommunications & Energy.

- 1 AN ACT Relating to reduced rate utility services for low-income
- 2 citizens; amending RCW 80.28.010, 80.28.080, 80.28.090, and 80.28.100;
- 3 and adding a new section to chapter 80.28 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 80.28 RCW 6 to read as follows:
- 7 Upon request by an electrical or gas company, the commission may
- 8 approve rates, charges, services, and/or physical facilities at a
- 9 discount for low-income senior customers and low-income customers.
- 10 Expenses and lost revenues as a result of these discounts shall be
- 11 included in the company's cost of service and recovered in rates to
- 12 other customers.
- 13 **Sec. 2.** RCW 80.28.010 and 1995 c 399 s 211 are each amended to
- 14 read as follows:
- 15 (1) Except as provided in section 1 of this act, all charges made,
- 16 demanded or received by any gas company, electrical company or water
- 17 company for gas, electricity or water, or for any service rendered or

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- 1 to be rendered in connection therewith, shall be just, fair, reasonable
  2 and sufficient.
- 3 (2) Every gas company, electrical company and water company shall 4 furnish and supply such service, instrumentalities and facilities as 5 shall be safe, adequate and efficient, and in all respects just and 6 reasonable.
- 7 (3) All rules and regulations issued by any gas company, electrical 8 company or water company, affecting or pertaining to the sale or 9 distribution of its product, shall be just and reasonable.
- 10 (4) Utility service for residential space heating shall not be 11 terminated between November 15 through March 15 if the customer:
- (a) Notifies the utility of the inability to pay the bill, 12 13 including a security deposit. This notice should be provided within five business days of receiving a payment overdue notice unless there 14 15 are extenuating circumstances. If the customer fails to notify the utility within five business days and service is terminated, the 16 customer can, by paying reconnection charges, if any, and fulfilling 17 18 the requirements of this section, receive the protections of this 19 chapter;
  - (b) Provides self-certification of household income for the prior twelve months to a grantee of the department of community, trade, and economic development which administers federally funded energy assistance programs. The grantee shall determine that the household income does not exceed the maximum allowed for eligibility under the state's plan for low-income energy assistance under 42 U.S.C. 8624 and shall provide a dollar figure that is seven percent of household income. The grantee may verify information provided in the self-certification;
- (c) Has applied for home heating assistance from applicable government and private sector organizations and certifies that any assistance received will be applied to the current bill and future utility bills;
- 33 (d) Has applied for low-income weatherization assistance to the 34 utility or other appropriate agency if such assistance is available for 35 the dwelling;
- (e) Agrees to a payment plan and agrees to maintain the payment plan. The plan will be designed both to pay the past due bill by the following October 15 and to pay for continued utility service. If the past due bill is not paid by the following October 15, the customer

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shall not be eligible for protections under this chapter until the past 1 2 due bill is paid. The plan shall not require monthly payments in excess of seven percent of the customer's monthly income plus one-3 4 twelfth of any arrearage accrued from the date application is made and 5 thereafter during November 15 through March 15. A customer may agree to pay a higher percentage during this period, but shall not be in 6 7 default unless payment during this period is less than seven percent of monthly income plus one-twelfth of any arrearage accrued from the date 8 9 application is made and thereafter. If assistance payments are 10 received by the customer subsequent to implementation of the plan, the customer shall contact the utility to reformulate the plan; and 11

- (f) Agrees to pay the moneys owed even if he or she moves.
- (5) The utility shall:

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- 14 (a) Include in any notice that an account is delinquent and that 15 service may be subject to termination, a description of the customer's 16 duties in this section;
- 17 (b) Assist the customer in fulfilling the requirements under this 18 section;
- 19 (c) Be authorized to transfer an account to a new residence when a 20 customer who has established a plan under this section moves from one 21 residence to another within the same utility service area;
  - (d) Be permitted to disconnect service if the customer fails to honor the payment program. Utilities may continue to disconnect service for those practices authorized by law other than for nonpayment as provided for in this subsection. Customers who qualify for payment plans under this section who default on their payment plans and are disconnected can be reconnected and maintain the protections afforded under this chapter by paying reconnection charges, if any, and by paying all amounts that would have been due and owing under the terms of the applicable payment plan, absent default, on the date on which service is reconnected; and
- 32 (e) Advise the customer in writing at the time it disconnects 33 service that it will restore service if the customer contacts the 34 utility and fulfills the other requirements of this section.
- 35 (6) A payment plan implemented under this section is consistent 36 with RCW 80.28.080.
- 37 (7) Every gas company and electrical company shall offer 38 residential customers the option of a budget billing or equal payment 39 plan. The budget billing or equal payment plan shall be offered low-

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- income customers eligible under the state's plan for low-income energy assistance prepared in accordance with 42 U.S.C. 8624(C)(1) without limiting availability to certain months of the year, without regard to the length of time the customer has occupied the premises, and without
- 5 regard to whether the customer is the tenant or owner of the premises 6 occupied.
- 7 (8) Every gas company, electrical company and water company shall 8 construct and maintain such facilities in connection with the 9 manufacture and distribution of its product as will be efficient and 10 safe to its employees and the public.
- 11 (9) An agreement between the customer and the utility, whether oral 12 or written, shall not waive the protections afforded under this 13 chapter.
- (10) In establishing rates or charges for water service, water companies as defined in RCW 80.04.010 may consider the achievement of water conservation goals and the discouragement of wasteful water use practices.
- 18 **Sec. 3.** RCW 80.28.080 and 1985 c 427 s 2 are each amended to read 19 as follows:

Except as provided in section 1 of this act, no gas company, 20 electrical company or water company shall charge, demand, collect or 21 22 receive a greater or less or different compensation for any service 23 rendered or to be rendered than the rates and charges applicable to 24 such service as specified in its schedule filed and in effect at the 25 time, nor shall any such company directly or indirectly refund or remit in any manner or by any device any portion of the rates or charges so 26 specified, or furnish its product at free or reduced rates except to 27 its employees and their families, and its officers, attorneys, and 28 29 agents; to hospitals, charitable and eleemosynary institutions and persons engaged in charitable and eleemosynary work; to indigent and 30 destitute persons; to national homes or state homes for disabled 31 volunteer soldiers and soldiers' and sailors' homes: PROVIDED, That 32 33 the term "employees" as used in this paragraph shall 34 furloughed, pensioned and superannuated employees, persons who have become disabled or infirm in the service of any such company; and the 35 36 term "families," as used in this paragraph, shall include the families of those persons named in this proviso, the families of persons killed 37 or dying in the service, also the families of persons killed, and the 38

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- surviving spouse prior to remarriage, and the minor children during minority of persons who died while in the service of any of the companies named in this paragraph: PROVIDED FURTHER, That water companies may furnish free or at reduced rates water for the use of the state, or for any project in which the state is interested: AND
- 7 companies may charge the defendant for treble damages awarded in

PROVIDED FURTHER, That gas companies, electrical companies, and water

8 lawsuits successfully litigated under RCW 80.28.240.

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- No gas company, electrical company or water company shall extend to any person or corporation any form of contract or agreement or any rule or regulation or any privilege or facility except such as are regularly and uniformly extended to all persons and corporations under like circumstances.
- 14 **Sec. 4.** RCW 80.28.090 and 1961 c 14 s 80.28.090 are each amended 15 to read as follows:
- Except as provided in section 1 of this act, no gas company, electrical company or water company shall make or grant any undue or unreasonable preference or advantage to any person, corporation, or locality, or to any particular description of service in any respect whatsoever, or subject any particular person, corporation or locality or any particular description of service to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.
- 23 **Sec. 5.** RCW 80.28.100 and 1961 c 14 s 80.28.100 are each amended 24 to read as follows:
- Except as provided in section 1 of this act, no gas company, 25 electrical company or water company shall, directly or indirectly, or 26 27 by any special rate, rebate, drawback or other device or method, 28 charge, demand, collect or receive from any person or corporation a 29 greater or less compensation for gas, electricity or water, or for any service rendered or to be rendered, or in connection therewith, except 30 as authorized in this chapter, than it charges, demands, collects or 31 32 receives from any other person or corporation for doing a like or 33 contemporaneous service with respect thereto under the same or 34 substantially similar circumstances or conditions.

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