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BILL ANALYSIS

Technology, Telecommunications & Energy Committee

HB 2442

Brief Description: Establishing a work group to transfer utilities and transportation commission functions.

Sponsors: Representatives Morris, Crouse, Reardon, DeBolt, Anderson, Esser and Pflug.

Brief Summary of Bill

 Directs the Office of Financial Management and other appropriate agencies to develop a restructuring plan to transfer functions of the Washington Utilities and Transportation Commission to other existing agencies.

Hearing Date: 1/23/02

Staff: Pam Madson (786-7166).

Background:

The Washington Utilities and Transportation Commission is a three-member board who along with a staff of over 165 people regulate the rates, services and practices of privately-owned utilities and transportation companies. Companies include electric, telephone, natural gas distribution, private water, solid waste collection, commercial ferries and low-level radioactive waste disposal.

Commissioners are appointed by the Governor and confirmed by the Senate for six-year terms. The staff includes accountants, auditors, economists, engineers, consumer complaint specialists, enforcement officers and investigators. The staff is organized into three main divisions: Regulatory, advisory and administrative services. The commission is primarily an economic regulator with some public safety responsibility for in-state pipelines and railroads.

Summary of Bill:

A workgroup is established to develop a restructuring plan that transfers the functions of the Washington Utilities and Transportation Commission (WUTC) to other existing state agencies. The workgroup is composed of the primary executive branch agencies to which

WUTC functions could be transferred. The workgroup will maintain regular communication with the chair and ranking minority member of the two Senate standing committees and the House of Representatives committee that hear energy and telecommunications issues.

The goals of the restructuring plan include enhancing the ability to coordinate energy, telecommunications, and economic development policy, eliminate duplication, reduce the number of staff by 10 percent and minimize the costs of transition.

The following specific transfers must be considered: (1) The regulation of energy, gas, and telecommunications functions to the Department of Community, Trade and Economic Development; (2) the regulation of water companies to the Department of Health; (3) common carrier functions to the Department of Transportation; (4) solid waste and low-level radioactive waste disposal to the Department of Ecology; and (5) functions relating to securities and transfers of property to the Attorney General. The work group must look at efficiencies that may be obtained in the rate-making process and in the role of the commissioners in relation to administrative law judges.

The plan must be submitted to the Governor and the Legislature by November 1, 2002.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

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