

FINAL BILL REPORT

SB 6416

C 270 L 02
Synopsis as Enacted

Brief Description: Allowing public utility districts to define the eligible group of low-income citizens to whom they may provide services at reduced rates.

Sponsors: Senators Poulsen, Hewitt, Morton, Fraser, McAuliffe, Hale and Rasmussen.

Senate Committee on Environment, Energy & Water
House Committee on Technology, Telecommunications & Energy

Background: Under current law, all electric and gas utilities are authorized to provide services at discounted rates to their low-income senior citizen and other low-income customers.

Municipal utilities and public utility districts were first granted the authority in 1979 to offer discounts to low-income senior citizens. In 1988, the Legislature extended the authority to low-income disabled customers, and in 1998 expanded it again to include all low-income customers. Low-income rate discount programs must be approved by the governing bodies of the public utilities and must be available to all customers meeting the eligibility standards.

Municipal utilities may define income eligibility standards by resolution of their governing bodies, but public utility districts (PUDs) must use the income standards set in statute by the Legislature. For PUDs electing to offer rate discounts, low-income senior citizen discounts must be made available to all senior citizens who qualify for the senior citizen property tax exemption, and any other low-income rate discount program must be made available to all customers whose household income falls at or below 125 percent of the federal poverty level.

In 1999, the Legislature clarified that private, investor-owned electric and gas utilities (IOUs) are authorized to propose low-income utility discount programs to the Washington Utilities and Transportation Commission (WUTC). IOUs may define income eligibility standards in their proposals, and WUTC has authority to approve the proposals.

Summary: Definitions of "low-income senior citizen" and "other low-income citizen" are removed so that the governing bodies of public utility districts may establish, by resolution, the income eligibility standards for their low-income utility rate discount programs.

Votes on Final Passage:

Senate	46	2
House	95	0

Effective: June 13, 2002