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## Environment & Energy Committee

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### HB 1490

**Brief Description:** Maintaining residential electricity and heating service for low-income households and households with people with disabilities.

**Sponsors:** Representatives Harris-Talley, Ramel, Macri, Simmons, Berry, Lekanoff, Johnson, J., Duerr, Ortiz-Self, Hackney, Slatter, Ryu, Taylor, Orwall, Chopp, Dolan, Riccelli, Bateman, Ormsby, Morgan and Frame.

#### Brief Summary of Bill

- Extends the winter shutoff moratorium and energy assistance requirements to apply to rural electric cooperatives in addition to municipal electric utilities, public utility districts, and investor-owned utilities.
- Establishes a year-round energy service shutoff moratorium for low-income households or households with people with disabilities.

**Hearing Date:** 2/11/21

**Staff:** Nikkole Hughes (786-7156).

#### **Background:**

##### Residential Space Heating Winter Shutoff Moratorium and Energy Assistance.

A municipal electric utility, public utility district, or investor-owned utility may not terminate utility service for residential space heating between November 15 and March 15 of the calendar year. In order to avoid service termination under the winter shutoff moratorium, a residential customer must do the following:

- notify the utility of the inability to pay the bill, including a security deposit;

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- provide self-certification of household income for the prior 12 months to a grantee of the Department of Commerce, who must then determine that the customer's household income does not exceed the maximum allowed for eligibility under the state's plan for low-income energy assistance under the federal Low-Income Home Energy Assistance Program (LIHEAP);
- apply for home heating assistance from applicable government and private sector organizations and certify that any assistance received will be applied to the current bill and future utility bills;
- apply for low-income weatherization assistance to the utility or other appropriate agency if such assistance is available for the dwelling;
- agree to a payment plan and agree to maintain the payment plan; and
- agree to pay the moneys owed even if he or she moves.

The utility must:

- include a description of the customer's duties in any notice that an account is delinquent and that service may be subject to termination;
- assist the customer in fulfilling the customer's duties;
- be authorized to transfer an account to a new residence when a customer who has established a payment plan moves from one residence to another within the same utility service area;
- be permitted to disconnect service if the customer fails to honor the payment program; and
- advise the customer in writing at the time it disconnects service that it will restore service if the customer contacts the utility and fulfills the customer's other requirements.

Utilities must offer residential customers the option of a budget billing or equal payment plan.

The budget billing or equal payment plan must be offered to low-income customers eligible under the state's LIHEAP plan without limiting availability to certain months of the year, without regard to the length of time the customer has occupied the premises, and without regard to whether the customer is the tenant or owner of the occupied premises.

#### Low-Income Eligibility Under the Federal Low-Income Home Energy Assistance Program.

To be eligible for certain energy assistance under the state's LIHEAP plan, a household:

- must not have received a LIHEAP energy assistance grant during the current program year, October 1 through September 30;
- must pay for residential home heating costs either directly to an energy utility or indirectly through rent; and
- must meet the average monthly income threshold at or below 150 percent of the federal poverty level.

#### Low-Income Eligibility Under the Washington Clean Energy Transformation Act.

Under the Washington Clean Energy Transformation Act (CETA), "low-income" means household incomes as defined by the Department of Commerce or the Utilities and

Transportation Commission, provided that the definition may not exceed the higher of 80 percent of area median household income or 200 percent of the federal poverty level, adjusted for household size.

Washington State Law Against Discrimination.

"Disability" means the presence of a sensory, mental, or physical impairment that:

- is medically cognizable or diagnosable; or
- exists as a record or history; or
- is perceived to exist whether or not it exists in fact.

A disability exists whether it is temporary or permanent, common or uncommon, mitigated or unmitigated, or whether or not it limits the ability to work generally or work at a particular job, or whether or not it limits any other activity.

"Impairment" includes, but is not limited to:

- any physiological disorder, or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological, musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular, reproductive, digestive, genitor-urinary, hemic and lymphatic, skin, and endocrine; or
- any mental, developmental, traumatic, or psychological disorder, including but not limited to cognitive limitation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

**Summary of Bill:**

Residential Energy Service Winter Shutoff Moratorium and Energy Assistance.

The winter shutoff moratorium and energy assistance requirements are extended to apply to rural electric cooperatives in addition to municipal electric utilities, public utility districts, and investor-owned utilities.

An electric utility providing service for residential heating or residential electric light may not terminate such utility service between November 15 through March 15 for any residential customer, regardless of household income or disability status, if the customer meets its required duties.

All references limiting eligibility to "low-income" as defined under the state's LIHEAP plan are removed.

Year-Round Energy Service Shutoff Moratorium for Low-Income Households or Households with People with Disabilities.

Utility service for both residential space heating and residential electric light may not be

terminated at any time due to delinquent or unpaid charges for low-income households or households with people with disabilities. The customer responsible for the utility bill:

- must notify the utility of the inability to pay the bill within seven business days of receiving a payment overdue notice, unless there are extenuating circumstances;
- must provide self-certification of either household income for the prior 12 months or household disability status, or both, to a grantee of the Department of Commerce, who must then determine that the household meets the definition of "low-income" as provided under the CETA or the definition of "disability" as provided under the Washington State Law Against Discrimination;
- may apply for energy assistance from applicable government and private sector organizations, and must certify that any energy assistance received will be applied to the customer's current and future utility bills;
- may apply for low-income weatherization assistance to the utility or other appropriate agency, if such assistance is available for the dwelling;
- must agree to a payment plan and agree to maintain the payment plan, which may not require monthly payments in excess of 3 percent of the customer's monthly income; and
- must agree to pay the moneys owed even if the customer moves.

The utility may terminate service for these households only if household net usage over six consecutive months exceeds 200 percent of average residential household usage in the utility's service area, or 15 megawatt-hours or 800 therms, whichever is greater.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.