

# SENATE BILL REPORT

## ESHB 1329

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As Passed Senate, April 10, 2023

**Title:** An act relating to preventing utility shutoffs for nonpayment during extreme heat.

**Brief Description:** Preventing utility shutoffs for nonpayment during extreme heat.

**Sponsors:** House Committee on Environment & Energy (originally sponsored by Representatives Mena, Alvarado, Berry, Duerr, Leavitt, Morgan, Ramel, Ryu, Senn, Simmons, Timmons, Kloba, Bateman, Slatter, Orwall, Reed, Lekanoff, Gregerson, Doglio, Tharinger, Cortes, Donaghy, Pollet, Callan, Fosse, Macri, Davis and Stonier; by request of Attorney General).

**Brief History:** Passed House: 2/27/23, 64-31.

**Committee Activity:** Environment, Energy & Technology: 3/21/23, 3/28/23 [DP, DNP].

**Floor Activity:** Passed Senate: 4/10/23, 29-20.

### Brief Summary of Bill

- Prohibits utilities or landlords from involuntarily terminating electric or water utility service for nonpayment to residential users on any day when the National Weather Service has issued or announced it intends to issue a heat-related alert.
- Requires electric and water utilities and landlords to promptly make a reasonable attempt to reconnect service to a dwelling disconnected for nonpayment upon request from a residential user when the heat-related alert is issued.
- Authorizes utilities and landlords, in connection with a request to reconnect service for a day that a heat alert has been issued, to require the residential user to enter into a payment plan prior to reconnecting service to the dwelling.

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### SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

**Majority Report:** Do pass.

Signed by Senators Nguyen, Chair; Lovelett, Vice Chair; Lovick, Trudeau and Wellman.

**Minority Report:** Do not pass.

Signed by Senators MacEwen, Ranking Member; Boehnke and Short.

**Staff:** Kimberly Cushing (786-7421)

**Background:** Winter Low-Income Payment Programs. Certain electric utilities, including investor-owned utilities (IOUs), public utility districts (PUDs), and city-owned utilities, are prohibited from terminating residential space heating utility service between November 15 through March 15 if the customer meets certain requirements.

To be eligible for the protections under the law, the customer must notify the utility of the inability to pay for utility services, provide self-certification of household income to the Department of Commerce (Commerce), apply for home heating assistance, apply for low-income weatherization assistance, and agree to a payment plan. The payment plan must be designed to pay the past due bill and continued utility service. The utility may not require payment of more than 7 percent of the customer's monthly income plus one-twelfth of any arrearage accrued.

**Summary of Bill:** Prohibited Termination of Utility Service During Excessive Heat. A consumer-owned electric or water utility or landlord may not involuntarily terminate utility service due to lack of payment to any residential user on any day when the National Weather Service (NWS) has issued or has announced it intends to issue a heat-related alert, such as an excessive heat warning, a heat advisory, an excessive heat watch, or a similar alert, for the area where the residential user's address is located.

An IOU must have and must abide by the terms of a tariff approved by the Utilities and Transportation Commission (UTC) that prohibits the IOU from involuntarily terminating utility service due to lack of payment to any residential user on any day when NWS has issued or has announced it intends to issue a heat-related alert, for the area where the residential user's address is located.

An electric or water utility, or landlord must inform all customers in the notice of disconnection how to seek reconnection, and provide clear and specific information on how to make that request, including how to contact the utility or landlord. An IOU, through a UTC approved process, must inform all customers in the notice of disconnection how to seek reconnection.

A residential user whose electric or water utility service has been disconnected at their dwelling for lack of payment may request the utility or landlord to reconnect service on any day a heat-related alert has been issued where their address is located. Upon such a request,

a utility or landlord must promptly make a reasonable attempt to reconnect service to the dwelling.

When receiving a request to reconnect service for a heat-related alert, electric and water utilities and landlords may require the residential user to enter into a payment plan prior to reconnecting service to the dwelling. If a repayment plan is required, it must:

- be designed both to pay the past due bill by the following May 15, or as soon as possible in certain instances, and to pay for continued utility service;
- not require monthly payments over 6 percent of the customer's monthly income;
- allow a customer to pay a higher percentage during the repayment period; and
- require the customer to contact the utility to reformulate the plan if assistance payments are received by the customer subsequently.

**Reporting.** Annually, each consumer-owned utility (COU) with more than 25,000 electric customers or 2500 water customers in Washington must submit a report to Commerce that includes the total number of disconnections that occurred on each day the NWS issued, or announced it intended to issue, a heat-related alert.

COUs with less than 25,000 electric customers or 2500 water customers must provide similar information if it is requested by Commerce. Any other information requested by Commerce must be provided by all COUs, subject to availability. Required information must be submitted in a form, timeline, and manner prescribed by Commerce.

Annually, each IOU must submit a report to the Utilities and Transportation Commission that includes the total number of disconnections that occurred on each day the NWS issued, or announced it intended to issue, a heat-related alert.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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

**Staff Summary of Public Testimony:** PRO: Climate change will continue to cause longer, hotter, volatile summers across Washington. Extreme weather causes deaths and thousands seek medical attention. The bill grapples with extreme heat across a diverse set of utilities and we recognize these are not free services, but the bill strikes a strong balance. The bill ensures people will remain connected even when they cannot pay and is critical for keeping people healthy and safe in their homes. We support equitable access to energy for all people in times of crisis. It is essential to protect that access for those most at risk from being disconnected. Soaring temps make outdoor and indoor life more challenging for vulnerable people. A high heat moratorium fits into a larger picture of an equitable system for

Washingtonians to access resources for their home life. The bill is an implementable policy that will protect rate payers. Some utilities already have policies to avoid disconnects during high heat. We would like to see refinement on which heat related events trigger the bill, because we think there are four. The standard should be more similar to the winter moratorium. We support the policy goal. We urge utilities to inform customers of this right. This takes a step forward for equity. Access to reliable electricity is basic human need. Low income and BIPOC communities are most likely to experience disconnections. We would like to see a seasonal moratorium and the bill prohibits all shut offs between June 1st and August 31st. Put this policy in place for customers who already qualify for the winter moratorium. The reporting requirements are reasonable, necessary for greater transparency, and should be retained. The repayment program is reasonable and should be retained. Trust the weatherman.

OTHER: The bill would only require minor adjustments to a tariff. The bill needs some more work but is on the right track. The bill should require a repayment plan for reconnection. Other customers should not be left holding the bill for those who don't pay. We have concerns about 6% monthly income repayment cap. Agencies are unequipped to provide income checks. Apply a cap to low income households only. In the end, it is the utility that must implement the bill. Provide rate payer assistance on top of utility funded weatherization or conservation programs. Line persons are highly sought after and difficult to find and hiring during a heat event is unlikely. Rules limit how long line persons can work. We are supportive of many of the changes but would like to streamline the triggers for the disconnect process. It is administratively feasible to replace the current prescriptive provisions to direct customers to bill payer assistance programs. Require data to be available on request instead of annually. Energy burdened households are more vulnerable to being disconnected. Commerce has no concerns with compiling data from utilities. Some smaller utilities have less staff in the office, not as many crews to go out, and cover larger service areas. It is difficult to maintain reliability of the grid. We need to clarify what are the heat notices that truly reflect danger to human health. Can we get these notices directed to staff so they don't have to search for the notice? The FEMA app has a push system notification and would ease tracking requirements for utilities and customers who want to know their rights. An income-level verification process will actually delay the reconnection process. Utilities already do a fantastic job managing low income programs and would like to use community action partnership (CAP) agencies to determine low-income thresholds.

**Persons Testifying:** PRO: Representative Sharlett Mena, Prime Sponsor; Ryan Collins, Snohomish County PUD; Maggie Yuse, Seattle Public Utilities and Seattle City Light; Logan Bahr, Tacoma Public Utilities; Brandy DeLange, Association of Washington Cities; Ruth Sawyer, Sierra Club; Rory Paine-Donovan, WA AGO; Lisa Gafken, Attorney General's Office; Guillermo Rogel, Front and Centered; Charlee Thompson, NW Energy Coalition; John Seng, Spark Northwest; Megan Larkin, Climate Solutions; Yochi Zakai, The Energy Project.

OTHER: Chelsea Martin, Representing Modern Electric Water Company; Jay Balasbas,

PacifiCorp; Joren Clowers, Washington Association of Sewer & Water Districts; Austin Scharff, Washington State Dept. of Commerce; Steve Taylor, Cowlitz Public Utility District No. 1; Nicolas Garcia, WA PUD Association; Bill Clarke, Regional Water Cooperative of Pierce County; Susan Cutrell, Parkland Light & Water Company; Paul Griffin, Washington Rural Electric Cooperative Association; Foster Hildreth, Orcas Power and Light Company.

**Persons Signed In To Testify But Not Testifying:** No one.