
HOUSE BILL 2594

State of Washington

66th Legislature

2020 Regular Session

By Representatives Boehnke, DeBolt, Shewmake, and Goehner

1 AN ACT Relating to disclosures to retail electric and natural gas
2 customers; amending 2019 c 288 s 23 (uncodified); adding a new
3 section to chapter 19.29A RCW; adding a new section to chapter 80.28
4 RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that the
7 enactment of the Washington clean energy transformation act, chapter
8 288, Laws of 2019, mandates remarkable changes in fuel sources for
9 the state's electricity grid and energy supply, which will require
10 investments in new energy plants and transmission and distribution
11 infrastructure. In the Washington clean energy transformation act,
12 the legislature declared a finding that the transition to one hundred
13 percent clean energy can occur while maintaining safe and reliable
14 electricity service to all retail electric customers at stable and
15 affordable rates. The legislature therefore intends to provide
16 transparency and accountability to the public about the impact of
17 federal, state, and local policies on residential electricity rates.

18 (2) In chapter 285, Laws of 2019, the legislature established
19 energy performance standards for commercial buildings and natural gas
20 distribution companies. In doing so, the legislature made findings
21 that state policy encouraging energy efficiency has been extremely

1 successful in lowering customer energy bills, and therefore is
2 determined to maximize energy efficiency from commercial buildings in
3 part to keep energy costs low while reducing greenhouse gas
4 emissions. Chapter 285, Laws of 2019 established efficiency
5 performance requirements for natural gas distribution companies,
6 recognizing the role that natural gas plays in heating buildings and
7 powering equipment within buildings across the state. The legislature
8 therefore intends to provide transparency and accountability to the
9 public about the impact of federal, state, and local policies on
10 residential natural gas rates.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 19.29A
12 RCW to read as follows:

13 (1) Each electric utility offering service under tariff must
14 publish or provide electronically all proposed changes to its tariff
15 for at least thirty days. A utility must fulfill the requirements of
16 (a), (b), or (c) of this subsection for any proposed tariff change
17 that would increase recurring or per-occurrence charges or restrict
18 access to services. The posting must include the information listed
19 in subsection (2) of this section, regardless of the method of
20 notification.

21 (a) To comply under this method, the utility must, at least
22 thirty days before the stated effective date of the proposed change,
23 mail or provide electronically the posting to each retail electric
24 customer that would be affected by the proposed change.

25 (b) To comply under this method, the utility must, at least
26 thirty days before the stated effective date of the proposed change,
27 publish notice of the proposed change within the geographical areas
28 where it offers service. To meet minimum publication requirements, a
29 utility must:

30 (i) Distribute copies of the published notice to community
31 agencies and organizations in the geographic area where it offers
32 service for posting and publication by the agency or organization.
33 The utility must include in its distribution list any agency or
34 organization that requests these notices;

35 (ii) Cause to be printed in large print, as a paid advertisement,
36 a complete copy of the published notice in the daily newspaper of
37 general circulation with the greatest number of subscribers in each
38 geographic area or each of the areas affected by the proposed tariff;

1 (iii) Provide to the news editor of every newspaper, television
2 station, and radio station in the geographic area within which it
3 offers service a news release or public service announcement
4 summarizing the published notice. The release or announcement must
5 include a toll-free number that customers can use to obtain more
6 information from the electric utility. The department, in the case of
7 a consumer-owned utility, or the commission, in the case of an
8 investor-owned utility, must maintain a list of area newspapers,
9 television stations, and radio stations and must provide the list on
10 request to a utility; and

11 (iv) Post a complete copy of the published notice on an internet
12 web site accessible to the public using generally available browser
13 software.

14 (c) To comply under this method, the utility must:

15 (i) Mail or provide electronically the posting to each retail
16 electric customer that would be affected by the proposed change at
17 least fifteen days before the stated effective date of the proposed
18 change;

19 (ii) At the time of the utility's filing with the commission, in
20 the case of an investor-owned utility, or the governing body, in the
21 case of a consumer-owned utility, distribute copies of the published
22 notice in the same manner as provided in (b) (i) of this subsection;

23 (iii) At the time of the utility's filing with the commission, in
24 the case of an investor-owned utility, or the governing body, in the
25 case of a consumer-owned utility, provide news media notice in the
26 same manner as provided in (b) (iii) of this subsection; and

27 (iv) At the time of the utility's filing with the commission, in
28 the case of an investor-owned utility, or the governing body, in the
29 case of a consumer-owned utility, post a complete copy of the
30 published notice in the same manner as provided in (b) (iv) of this
31 subsection.

32 (2) The published notice required under this section must
33 include, when applicable:

34 (a) The date the notice is issued;

35 (b) The utility's name and address;

36 (c) A brief, plain language explanation of the reason or reasons
37 the utility has requested the rate change and the portion of the rate
38 change attributable to each identified reason including, but not
39 limited to:

40 (i) Increase in labor costs;

- 1 (ii) Recovery of new plant investment;
- 2 (iii) Increased office expenses, such as postage and customer
3 billing;
- 4 (iv) Increase in fuel costs for electricity generation; and
- 5 (v) Recovery of transmission or distribution infrastructure
6 investment;
- 7 (d) A brief, plain language statement describing any regulatory
8 or public policy decisions, including federal, state, and local laws,
9 that have imposed obligations that increase costs for the utility and
10 the portion of the rate change attributable to each identified
11 regulatory or public policy decision, including separately
12 identifying any portion of those costs reasonably attributable to
13 chapter 19.405 RCW, the Washington clean energy transformation act,
14 or rules adopted by state agencies to implement that chapter;
- 15 (e) A comparison of current and proposed rates by service;
- 16 (f) An example showing the monthly increase of the average
17 customer's bill based on the proposed rates;
- 18 (g) The number of retail electric customers enrolled in the
19 utility's low-income energy assistance programs under current rates
20 and any expected increase in the number of enrollees under the
21 proposed rates;
- 22 (h) When the rates will be billed;
- 23 (i) The requested effective date and, if different, the
24 implementation date;
- 25 (j) A statement that the commission, in the case of an investor-
26 owned utility, or the governing body, in the case of a consumer-owned
27 utility, has the authority to set final rates that may vary from the
28 utility's request, which may be either higher or lower depending on
29 the results of the investigation;
- 30 (k) A description of how customers may contact the utility if
31 they have specific questions or concerns or need additional
32 information about the proposal; and
- 33 (l) Public involvement language.

34 NEW SECTION. **Sec. 3.** A new section is added to chapter 80.28
35 RCW to read as follows:

- 36 (1) Each gas company offering service under tariff must publish
37 or provide electronically all proposed changes to its tariff for at
38 least thirty days. A gas company must fulfill the requirements of
39 (a), (b), or (c) of this subsection for any proposed tariff change

1 that would increase recurring or per-occurrence charges or restrict
2 access to services. The posting must include the information listed
3 in subsection (2) of this section, regardless of the method of
4 notification.

5 (a) To comply under this method, the gas company must, at least
6 thirty days before the stated effective date of the proposed change,
7 mail or provide electronically the posting to each retail natural gas
8 customer that would be affected by the proposed change.

9 (b) To comply under this method, the gas company must, at least
10 thirty days before the stated effective date of the proposed change,
11 publish notice of the proposed change within the geographical areas
12 where it offers service. To meet minimum publication requirements, a
13 gas company must:

14 (i) Distribute copies of the published notice to community
15 agencies and organizations in the geographic area where it offers
16 service for posting and publication by the agency or organization.
17 The gas company must include in its distribution list any agency or
18 organization that requests these notices;

19 (ii) Cause to be printed in large print, as a paid advertisement,
20 a complete copy of the published notice in the daily newspaper of
21 general circulation with the greatest number of subscribers in each
22 geographic area or each of the areas affected by the proposed tariff;

23 (iii) Provide to the news editor of every newspaper, television
24 station, and radio station in the geographic area within which it
25 offers service a news release or public service announcement
26 summarizing the published notice. The release or announcement must
27 include a toll-free number that customers can use to obtain more
28 information from the gas company. The commission must maintain a list
29 of area newspapers, television stations, and radio stations and must
30 provide the list on request to a gas company; and

31 (iv) Post a complete copy of the published notice on an internet
32 web site accessible to the public using generally available browser
33 software.

34 (c) To comply under this method, the gas company must:

35 (i) Mail or provide electronically the posting to each retail
36 natural gas customer that would be affected by the proposed change at
37 least fifteen days before the stated effective date of the proposed
38 change;

1 (ii) At the time of the gas company's filing with the commission,
2 distribute copies of the published notice in the same manner as
3 provided in (b) (i) of this subsection;

4 (iii) At the time of the gas company's filing with the
5 commission, provide news media notice in the same manner as provided
6 in (b) (iii) of this subsection; and

7 (iv) At the time of the gas company's filing with the commission,
8 post a complete copy of the published notice in the same manner as
9 provided in (b) (iv) of this subsection.

10 (2) The published notice required under this section must
11 include, when applicable:

12 (a) The date the notice is issued;

13 (b) The gas company's name and address;

14 (c) A brief, plain language explanation of the reason or reasons
15 the gas company has requested the rate change and the portion of the
16 rate change attributable to each identified reason including, but not
17 limited to:

18 (i) Increase in labor costs;

19 (ii) Recovery of new plant investment;

20 (iii) Increased office expenses, such as postage and customer
21 billing;

22 (iv) Increase in fuel costs; and

23 (v) Recovery of natural gas infrastructure investment;

24 (d) A brief, plain language statement describing any regulatory
25 or public policy decisions, including federal, state, and local laws,
26 that have imposed obligations that increase costs for the gas company
27 and the portion of the rate change attributable to each identified
28 regulatory or public policy decision, including separately
29 identifying any portion of those costs reasonably attributable to
30 chapter 285, Laws of 2019, or rules adopted by state agencies to
31 implement that act;

32 (e) A comparison of current and proposed rates by service;

33 (f) An example showing the monthly increase of the average
34 customer's bill based on the proposed rates;

35 (g) The number of retail natural gas customers enrolled in the
36 gas company's low-income energy assistance programs under current
37 rates and any expected increase in the number of enrollees under the
38 proposed rates;

39 (h) When the rates will be billed;

1 (i) The requested effective date and, if different, the
2 implementation date;

3 (j) A statement that the commission has the authority to set
4 final rates that may vary from the gas company's request, which may
5 be either higher or lower depending on the results of the
6 investigation;

7 (k) A description of how customers may contact the gas company if
8 they have specific questions or concerns or need additional
9 information about the proposal; and

10 (l) Public involvement language.

11 **Sec. 4.** 2019 c 288 s 23 (uncodified) is amended to read as
12 follows:

13 (1) By January 1, 2020, the department of commerce must convene
14 an energy and climate policy advisory committee to develop
15 recommendations to the legislature for the coordination of existing
16 resources, or the establishment of new ones, for the purposes of
17 examining the costs and benefits of energy-related policies,
18 programs, functions, activities, and incentives on an on-going basis
19 and conducting other energy-related studies and analyses as may be
20 directed by the legislature. The advisory committee must consider the
21 establishment of a publicly accessible, statewide digital repository
22 of utility and energy supply data including, but not limited to, data
23 relating to tariff changes and the information required to be
24 disclosed by electric and natural gas utilities under sections 2 and
25 3, chapter . . ., Laws of 2020 (sections 2 and 3 of this act).

26 (2) The advisory committee convened under this section must
27 consist of, at minimum, representatives of each the state's public
28 four-year institutions of higher education, the Pacific Northwest
29 National Laboratory, and the Washington state institute for public
30 policy.

31 (3) Subject to the availability of amounts appropriated for this
32 specific purpose, and in compliance with RCW 43.01.036, the
33 department of commerce must submit its recommendations in a report to
34 the legislature by December 31, 2020.

35 (4) This section expires January 1, 2021.

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