

Individual State Agency Fiscal Note

Bill Number: 5816 SB	Title: Utility rate making/property	Agency: 215-Utilities and Transportation Commission
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Part I: Estimates



No Fiscal Impact

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/16/2019
Agency Preparation: Melissa Hamilton	Phone: 360 664-1158	Date: 02/20/2019
Agency Approval: Jon Noski	Phone: 360-664-1209	Date: 02/20/2019
OFM Review: Kathy Cody	Phone: (360) 902-9822	Date: 02/20/2019

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This bill amends RCW 80.04.250 to clarify that plant used and useful for service during the rate-effective period can be considered for rate making purposes (Sec 2(1)), and to provide the UTC with explicit authority to grant multi-year rate plans for up to four years (Sec 2(2)).

Sec 2(2) states that the UTC “must establish an appropriate process to identify, review, and approve public service company property that becomes used and useful for service in this state after the rate effective date.”

The UTC assumes a process to identify, review, and approve public service company property that becomes used and useful for service in this state after the rate effective date can be defined contemporaneously with the determination of rates that include such property. The UTC’s procedural rules with respect to general rate cases provide for a process wherein parties can provide recommendations to the commission given the specific facts and circumstances of a given case, and the commission can make a determination given those facts and circumstances and without a separately defined process. The UTC assumes a rulemaking is unnecessary and, therefore, this bill would not have a fiscal impact on the UTC.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

No Cash Receipt Impact.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

No Expenditure Impact.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

NONE

No Capital Budget Impact.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

No Rule Changes Required.