

Multiple Agency Fiscal Note Summary

Bill Number: 5366 S SB	Title: Utility shutoffs/heat
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	.2	49,641	49,641	49,641	.1	33,794	33,794	33,794	.1	33,794	33,794	33,794
Utilities and Transportation Commission	.2	0	0	57,438	.0	0	0	0	.0	0	0	0
Total \$	0.4	49,641	49,641	107,079	0.1	33,794	33,794	33,794	0.1	33,794	33,794	33,794

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Final 3/16/2023
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Individual State Agency Fiscal Note

Bill Number: 5366 S SB	Title: Utility shutoffs/heat	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.1	0.2	0.1	0.1
Account					
General Fund-State 001-1	32,744	16,897	49,641	33,794	33,794
Total \$	32,744	16,897	49,641	33,794	33,794

Estimated Capital Budget Impact:

NONE

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: 02/13/2023
Agency Preparation: Marla Page	Phone: 360-725-3129	Date: 03/13/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 03/13/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 03/16/2023

Part II: Narrative Explanation

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

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

The difference between SSB 5366 and the original bill:

Section 6(8) makes the terms and processes of heat moratoriums for electric companies and water companies the subject of utility tariffs at the Utilities and Transportation Commission.

There are no differences between the SSB 5366 and the original bill that affect the fiscal impact to the Department of Commerce (department).

Summary of the SSB 5366:

The bill relates to preventing utility shutoffs for nonpayment during extreme heat.

The bill would prohibit electric or water utilities from involuntarily terminating service for nonpayment to residential users during extreme heat; prohibits landlords from involuntarily terminating electric utility or water service due to lack of payment to residential tenants during extreme heat; and creates a civil cause of action for involuntary termination of water service for nonpayment to residential users during extreme heat.

Section 1(4) is a new section added to chapter 23.86 RCW that any locally regulated utility as defined by RCW 23.86.400 with more than 25,000 customers in Washington must submit an annual report to the department of the total number of disconnects that occurred on each day that exceeded 90 degrees Fahrenheit or higher, or on any day preceding a holiday or weekend when the forecasted temperature will be 90 degrees Fahrenheit or higher. Utilities with less than 25,000 customers in Washington must provide similar information upon request by the department.

Section 2(4) is a new section added to chapter 24.06 RCW that any locally regulated utility as defined by RCW 24.06.600 with more than 25,000 customers in Washington must submit an annual report to the department of the total number of disconnects that occurred on each day that exceeded 90 degrees Fahrenheit or higher, or on any day preceding a holiday or weekend when the forecasted temperature will be 90 degrees Fahrenheit or higher. Utilities with less than 25,000 customers in Washington must provide similar information upon request by the department.

Section 3(4) is a new section added to chapter 35.21 RCW that utility companies with more than 25,000 electric customers or 2,500 water customers in Washington must submit an annual report to the department of the total number of disconnects that occurred on each day that exceeded 90 degrees Fahrenheit or higher, or on any day preceding a holiday or weekend when the forecasted temperature will be 90 degrees Fahrenheit or higher. Utilities with less than 25,000 electric customers or 2,500 water customers in Washington must provide similar information upon request by the department.

Section 4 amending RCW 54.16.285 that a district providing utility service for residential heat cannot terminate the service between November 15 through March 15 if the customer provides self-certification of household income for the prior 12 month to a grantee of the department which administers federally funded energy assistance programs, has applied for heating assistance, has applied for low-income weatherization assistance, agrees to a payment plan and agrees to pay the moneys owed. Each district with more than 25,000 electric customers or 2,500 water customers in Washington must submit an annual report to the department of the total number of disconnects that occurred on each day that exceeded 90 degrees Fahrenheit or higher, or on any day preceding a holiday or weekend when the forecasted temperature will be 90 degrees Fahrenheit or higher. Utilities with less than 25,000 electric customers or 2,500 water customers in Washington must provide similar information upon request by the department.

Section 5(11) amending RCW 57.08.081 that a district with more than 2,500 water customers in Washington must submit an annual report to the department of the total number of disconnects that occurred on each day that exceeded 90 degrees Fahrenheit or higher, or on any day preceding a holiday or weekend when the forecasted temperature will be 90 degrees Fahrenheit or higher. Utilities with less than 2,500 water customers in Washington must provide similar information upon request by the department.

Section 6(4) amending RCW 80.28.010 that any gas company, electrical company, wastewater company, or water company for gas, electricity or water providing utility service for residential heat cannot terminate the service between November 15 through March 15 if the customer provides self-certification of household income for the prior 12 month to a grantee of the department which administers federally funded energy assistance programs, has applied for heating assistance, has applied for low-income weatherization assistance, agrees to a payment plan and agrees to pay the moneys owed.

Section 7(2) amending RCW 87.03.015 that any irrigation district with more than 25,000 electric customers or 2,500 water customers in Washington must submit an annual report to the department of the total number of disconnects that occurred on each day that exceeded 90 degrees Fahrenheit or higher, or on any day preceding a holiday or weekend when the forecasted temperature will be 90 degrees Fahrenheit or higher. Utilities with less than 25,000 electric customers or 2,500 water customers in Washington must provide similar information upon request by the department.

Effective date is assumed to be 90 days after adjournment of the session in which this bill is passed.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

General Assumptions

The bill requires the department to collect data on utility disconnections under the statute with exception to electric investor-owned utilities. The department assumes it would administer a survey. The data would be cleaned and aggregated before it would be posted on the department webpage. The department also assumes it will need to establish a survey, reporting procedures and a utility contact list of utilities in the first year of implementation, with minimal maintenance of the survey, reporting procedures, and contact list in later years.

To accomplish this work the department estimates:

0.20 FTE Management Analyst 4 (418 hours) in FY24 and 0.10 (209 hours) in FY25-FY29 for reporting to establish the annual survey, reporting procedures, utility contact list, and to clean, aggregate, and post data.

Salaries and Benefits:

FY24: \$23,195

FY25-FY26: \$11,992 per fiscal year

Goods and Services:

FY24: \$1,918

FY25-FY26: \$960 per fiscal year

Intra-Agency Reimbursements:

FY24: \$7,631

FY25-FY26: \$3,945 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

Total Costs:

FY24: \$32,744

FY25-FY29: \$16,897 per fiscal year

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	32,744	16,897	49,641	33,794	33,794
Total \$			32,744	16,897	49,641	33,794	33,794

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.1	0.2	0.1	0.1
A-Salaries and Wages	17,242	8,880	26,122	17,760	17,760
B-Employee Benefits	5,953	3,112	9,065	6,224	6,224
C-Professional Service Contracts					
E-Goods and Other Services	1,918	960	2,878	1,920	1,920
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	7,631	3,945	11,576	7,890	7,890
9-					
Total \$	32,744	16,897	49,641	33,794	33,794

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Services - Indirect	111,168	0.0	0.0	0.0	0.0	0.0
Management Analyst 4	86,212	0.2	0.1	0.2	0.1	0.1
Total FTEs		0.2	0.1	0.2	0.1	0.1

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5366 S SB	Title: Utility shutoffs/heat	Agency: 215-Utilities and Transportation Commission
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	0.0	0.2	0.0	0.0
Account					
Public Service Revolving Account-State 111-1	57,438	0	57,438	0	0
Total \$	57,438	0	57,438	0	0

Estimated Capital Budget Impact:

NONE

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: 02/13/2023
Agency Preparation: Amy Andrews	Phone: 360-481-1335	Date: 02/15/2023
Agency Approval: Amy Andrews	Phone: 360-481-1335	Date: 02/15/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/15/2023

Part II: Narrative Explanation

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

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

SB 5366 prohibited electric and water utilities from discontinuing service for non-payment if the national weather service forecasts temperatures that exceed 90 degrees Fahrenheit. SSB 5366 bill language removes 90-degree Fahrenheit specificity and replaces it with when the national weather service has issued or has announced that 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.

SB 5366 also required utilities to promptly contact the affected customers who had been disconnected for nonpayment and would be without service when the temperature will be 90 degrees or high and make reasonable efforts to reconnect service. SSB 5366 now 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 and authorizes utilities and landlords to require the residential user to enter into a payment plan prior to reconnecting service. The disconnection notice must include language that the customer may seek reconnection when an excessive heat warning has been issued by the national weather service and include information on how to make the request and contact the company.

Section 6 applies to commission statute (RCW 80) and removes requirement for customers to pay security deposit and reconnection charges when customer is unable to pay utility bill between Nov. 15 through March 15. Be permitted to disconnect service if the customer fails to honor the payment program except between Nov. 15 through March 15.

Section 6 also adds language preventing electric, gas, or water shutoffs for nonpayment for residential customers when national weather service has issued or has announced that 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.

If a customer has been disconnected for nonpayment and would be without service when the national weather service has issued or has announced that it intends to issue a heat-related alert, the customer may seek reconnection. Utilities and landlords are authorized to require the residential user to enter into a payment plan prior to reconnecting service. Disconnection notices must include language that the customer may seek reconnection when an excessive heat warning has been issued by the national weather service and include information on how to make the request and contact the company.

A repayment plan required by a utility will be designed both to pay the past due bill by the following May 15th, or as soon as possible after May 15th if needed to maintain monthly payments that are no greater than six percent of the customer's monthly income, and to pay for continued utility service.

Section 6 also required each utility, on an annual basis, to submit a report to the commission that includes the total number of disconnections that occurred on each day for which the national weather service issued a heat-related alert.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

None.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Expenditures necessary to implement SSB 5366 remain the same as expenditures noted on the worksheet for the original bill SB 5366. To implement the provisions of section 6 of the bill, the UTC will conduct three simple rulemakings to revise WAC 480-90, WAC 480-100, and WAC 480-110.

Rulemaking to revise gas disconnect rules for WAC 480-90
 FY2024 - total cost \$19,146

(Administrative Law Judge, 0.030 FTEs; Director/Regulatory Services, 0.010 FTEs; Deputy Director/Regulatory Services, 0.010 FTEs; Policy Advisor, 0.010 FTEs; Deputy Asst. Director/Regulatory Services, 0.010 FTEs; Regulatory Analyst 2, 0.015 FTEs; Regulatory Analyst 3, 0.020 FTEs; Asst. Director/Policy, 0.010 FTEs)

Rulemaking to revise electric disconnect rules for WAC 480-100
 FY2024 - total cost \$19,146

(Administrative Law Judge, 0.030 FTEs; Director/Regulatory Services, 0.010 FTEs; Deputy Director/Regulatory Services, 0.010 FTEs; Policy Advisor, 0.010 FTEs; Deputy Asst. Director/Regulatory Services, 0.010 FTEs; Regulatory Analyst 2, 0.015 FTEs; Regulatory Analyst 3, 0.020 FTEs; Asst. Director/Policy, 0.010 FTEs)

Rulemaking to revise water disconnect rules for WAC 480-110
 FY2024 - total cost \$19,146

(Administrative Law Judge, 0.030 FTEs; Director/Regulatory Services, 0.010 FTEs; Deputy Director/Regulatory Services, 0.010 FTEs; Policy Advisor, 0.010 FTEs; Deputy Asst. Director/Regulatory Services, 0.010 FTEs; Regulatory Analyst 2, 0.015 FTEs; Regulatory Analyst 3, 0.020 FTEs; Asst. Director/Policy, 0.010 FTEs)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
111-1	Public Service Revolving Account	State	57,438	0	57,438	0	0
Total \$			57,438	0	57,438	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4		0.2		
A-Salaries and Wages	36,991		36,991		
B-Employee Benefits	12,947		12,947		
C-Professional Service Contracts					
E-Goods and Other Services	7,500		7,500		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	57,438	0	57,438	0	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Law Judge	119,088	0.1		0.1		
Asst. Director, Policy	110,064	0.0		0.0		
Deputy Asst. Director Regulatory Services	101,136	0.0		0.0		
Deputy Director Regulatory Services	117,996	0.0		0.0		
Director, Regulatory Services	134,532	0.0		0.0		
Policy Advisor	100,008	0.0		0.0		
Regulatory Analyst 2	82,896	0.1		0.0		
Regulatory Analyst 3	93,840	0.1		0.0		
Total FTEs		0.4		0.2		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

To implement the provisions of section 6 of the bill, the UTC will need to conduct three simple rulemakings to revise WAC 480-90, WAC 480-100, and WAC 480-110 which should occur the beginning of FY2024.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5366 S SB

Title: Utility shutoffs/heat

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Cities that provide electric and water services to the public.
- Counties: Counties that provide electric and water services to the public.
- Special Districts: Municipal Electric Companies and Public Utility Districts, Irrigation Districts
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: The number of customers impacted and the number of days per year that exceed 90 degrees Fahrenheit in each jurisdiction will vary.

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Chelsea Mickel	Phone: 518-727-3478	Date: 02/20/2023
Leg. Committee Contact: Kim Cushing	Phone: (360) 786-7421	Date: 02/13/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/20/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/20/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This bill prohibits utilities from imposing involuntarily shutoffs of water or electric services on residential customers during extreme heat.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

--Prohibits electric and water utilities and landlords from involuntarily terminating service for nonpayment to residential users on any day for which the National Weather Station (NWS) has issued or has announced that 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. Removes all language referencing a forecast or actual temperature exceeding 90 degrees Fahrenheit.

--States that a residential user whose electric or water utility service has been disconnected at their dwelling for lack of payment may request that the utility or landlord reconnect service on any day a heat related alert has been issued for an area where the residential user's address is located. Removes the requirement that the electric or water utility or landlord must contact affected customers during extreme heat to reconnect service that has been disconnected for lack of payment.

--Requires electric and water utilities and landlords to 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.

--Requires electric and water utilities and landlords to promptly to make a reasonable attempt to reconnect service to the dwelling only upon request to reconnect service for a day for which a heat alert has been issued.

--Authorizes electric and water utilities and landlords, in connection with a request to reconnect service for a day for which a heat alert has been issued, to require the residential user to enter into a payment plan prior to reconnecting service to the dwelling. A repayment plan must not require monthly payments over 6% of the customer's monthly income.

--Amends current law to require repayment plans in connection with shut-offs during November 15 through March 15 be no more than 6%, rather than 7%, of household income for public utility districts and investor-owned utilities.

--Removes the civil cause of action for involuntary termination of water service for nonpayment to residential users during extreme heat.

SUMMARY OF CURRENT 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 that 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, and authorizes utilities and landlords to require the residential user to enter into a payment plan prior to reconnecting service to the dwelling.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Requires electric and water utilities and landlords to 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. This may require increased staff time in order to contact the relevant customers and to provide consistent instructions for seeking reconnection. However, since these tasks may fall under the purview of current employees, increased costs due to staff time may be minimal.

EXPENDITURE IMPACTS OF CURRENT BILL:

This bill has an indeterminate, but likely de minimis, expenditure impact on local governments. It is unknown how many

days would warrant an excessive heat alert, and how many customers would be impacted. Municipal Electric Companies and Public Utility Districts would incur de minimis costs when restarting and disconnecting residents to their services due to extreme heat.

The number of days per year where the NWS would release an excessive heat alert is unknown and would vary by location. Residents living on the Eastern side of the state tend to experience hotter weather during the summer than jurisdictions on the Western side of the state, meaning that some jurisdictions may be more likely to experience extreme heat than others. The variability in temperature across the state makes it difficult to determine how many days per year utilities would be subject to utility shutoff moratoriums due to extreme heat.

Utilities that provide electric services would incur costs for reconnecting residents to their services. In Snohomish County, the reconnection fee for electric services is \$80 for same-day services, and \$40 for next day services. In Lewis County, meter disconnect charges are \$100, whereas a reconnect charge outside of business hours is \$200. Since utilities would not accrue revenue from customers if they were disconnected, reconnecting them, but not receiving payment for services would not alter their expected revenue.

Utilities that provide water services would incur fees every time that they turn off or restart service, since there is no remote automated option to alter services, it requires on-site presence. The disconnect fee for water services in Snohomish County is \$40. Same-day reconnect fees are \$80, and next day reconnection fees are \$40. Since terminating and reconnecting services to customer's falls within the current scope of utility employees, the bill would be unlikely to substantially increase staff time. Jurisdictions that do not comply with the actions outlined in this bill would incur indeterminate costs. If courts find utilities in violation of shutoff moratoriums, they could be liable for damages and attorney fees for customers that filed civil actions.

Utility districts with more than 25,000 electric customers or 2,500 water customers are required to submit an annual report to Commerce detailing their compliance with the shutoff moratorium. Utility districts with fewer customers must furnish similar information when requested by Commerce. There may be increased staff time associated with gathering the required data and reporting it to Commerce, but reporting requirements would likely be part of an annual survey, and thus increased costs would be minimal.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

In comparison to the original version of the bill, the substitute bill may have revenue impacts.

The substitute bill authorizes electric and water utilities and landlords, when a request to reconnect service for a day for which a heat alert has been issued, to require the residential user to enter into a payment plan prior to reconnecting service to the dwelling. Since repayment plans were not presented in the original version of the bill, this provision may increase the revenue of public utilities, if customers who were disconnected from services now entered into payment plans in order to reconnect services. However, it is unknown how many customers would enter in repayment plans as a result of the substitute bill, which makes subsequent revenue impacts indeterminate.

REVENUE IMPACTS OF CURRENT BILL:

This bill has an indeterminate, but likely de minimis, revenue impact on local governments.

Since utilities would not be collecting revenue from customers disconnected from their services, the revenue impacts of keeping customers connected would likely be minimal. During past moratoriums, utilities have received federal and state grants for residential customer arrearages, which helped to offset lost or delayed revenue due to nonpayment. For example, in 2022, the legislature allocated \$100 million for public and private utilities to reduce residential customer arrearages accrued between March 1, 2020, and Dec. 31, 2021. The legislature could elect to allocate fund for accrued

arrearrages in the future, if loss of revenue is significant. At least 19 states have imposed similar moratoriums on utility shutoffs during extreme heat. These include; Arizona, Arkansas, California, Colorado, Delaware, Georgia, Illinois, Louisiana, Maryland, Minnesota, Mississippi, New Jersey, Oklahoma, Oregon, Rhode Island, Texas and Wisconsin. Washington, D.C. also has protections.

SOURCES:

Department of Commerce

House Bill Analysis, HB 1329, Environment & Energy Committee (2023)

Lewis County Public Utility District

Local Government Fiscal Note, SB 5366, (2023)

National Oceanic and Atmospheric Administration

Oregon Public Utility Commission

Senate Bill Report, SSB 5366, Environment, Energy & Technology Committee (2023)

Snohomish County Public Utility District

Washington Association of Public Utilities Districts