

## CHAPTER 203.

[H. B. 535.]

## EXAMINATION OF PUBLIC SERVICE COMPANIES.

AN ACT relating to public service companies; providing for additional supervision and regulation thereof and for the payment by said public service companies of the costs of certain investigations, valuations and appraisals and services made and rendered by the Department of Public Service; and repealing section 12 of chapter 165 of the Laws of 1933; and declaring an emergency.

*Be it enacted by the Legislature of the State of Washington:*

SECTION 1. When used in this act the term "public service company" means and includes all public and private persons, firms, corporations or associations operating utilities and public service enterprises of every nature now or hereafter subject in any respect to regulation by the Department of Public Service of Washington.

"Public service company."

The term "Department" means Department of Public Service of Washington.

"Department."

SEC. 2. (a) Whenever the Department in any proceeding upon its own motion or upon complaint shall deem it necessary in order to carry out the duties imposed upon it by law to investigate the books, accounts, practices and activities of, or make any valuation or appraisal of the property of any public service company, or to investigate or appraise any phase of its operations, or to render any engineering or accounting service to or in connection with any public service company, and the cost thereof to the Department exceeds in amount the ordinary regulatory fees paid by such public service company during the preceding calendar year or estimated to be paid during the current year, whichever is more, such public service company shall pay the expenses reasonably attributable and allocable to such investigation, valuation, appraisal or services. The Depart-

Expenses of investigation paid by companies.

ment shall ascertain such expenses, and, after giving notice and an opportunity to be heard, shall render a bill therefor by registered mail to the public service company, either at the conclusion of the investigation, valuation, appraisal or services, or from time to time during its progress. Within thirty (30) days after a bill has been mailed such public service company shall pay to the Department the amount of the bill, and the Department shall transmit such payment to the State Treasurer who shall credit it to the public service revolving fund. The total amount which any public service company shall be required to pay under the provisions of this section in any calendar year shall not exceed one per cent (1%) of the gross operating revenues derived by such public service company from its intrastate operations during the last preceding calendar year. If such company did not operate during all of the preceding year the calculations shall be based upon estimated gross revenues for the current year.

(b) Amounts so assessed against any public service company not paid within thirty (30) days after mailing of the bill therefor, shall draw interest at the rate of six per cent (6%) per annum from the date of mailing of the bill. Upon failure of the public service company to pay the bill, the Attorney General shall proceed in the name of the state by civil action in the Superior Court for Thurston County against such public service company to collect the amount due, together with interest and costs of suit.

(c) In such action the Department's determination of the necessity of the investigation, valuation, appraisal or services shall be conclusive evidence of such necessity, and its findings and determination of facts expressed in bills rendered pursuant to this section or in any proceedings determinative of such bills shall be *prima facie* evidence of such facts.

Attorney  
General to  
bring action  
upon failure  
of company  
to pay  
charges.

Depart-  
mental  
findings  
*prima facie*  
evidence  
of facts.

(d) In view of the civil action provided for in this section any order made by the Department in determining the amount of such bill shall not be reviewable in court, but the mere absence of such right of review shall not prejudice the rights of defendants in the civil action.

Right of review denied.

(e) Expenses of a complete valuation, rate and service investigation shall not be assessed against a public service company under this act if such company shall have been subjected to and paid the expenses of a complete valuation, rate and service investigation during the preceding five (5) years, unless the properties or operations of the company have materially changed or there has been a substantial change in its value for rate making purposes or in other circumstances and conditions affecting rates and services.

Prior investigation within five years.

(f) This act shall expire March 1, 1941.

{ Vetoed.

SEC. 3. Section 12 of chapter 165 of the Laws of 1933 is hereby repealed.

Repeals § 12, ch. 165, Laws 1933.

SEC. 4. This act is necessary for the preservation of the public peace, health and safety, the support of the state government and its existing institutions, and shall take effect immediately.

Effective immediately.

Passed the House March 9, 1939.

Passed the Senate March 8, 1939.

Approved by the Governor March 17, 1939, with the exception of sub-section (f) of section 2, which is vetoed.