

CHAPTER 248.

[S. B. 366.]

PUBLIC SERVICE COMPANIES.

AN ACT relating to the Washington public service commission; amending section 1; chapter 151, Laws of 1933, section 4, chapter 95, Laws of 1953, section 2, chapter 205, Laws of 1957, and RCW 80.08.010 and 81.08.010; amending section 3, chapter 300, Laws of 1955 and RCW 22.20.010; amending section 6, chapter 205, Laws of 1957 and RCW 81.80.150; amending section 19, chapter 95, Laws of 1953 and RCW 81.80.310; amending section 21, chapter 95, Laws of 1953 and RCW 81.80.314; amending section 3, chapter 129, Laws of 1953 and RCW 81.80.316; amending section 7, chapter 205, Laws of 1957 and RCW 81.80.320; amending section 10, chapter 165, Laws of 1933 and RCW 80.04.300, 80.04.310, 80.04.320, 80.04.330, 81.04.300, 81.04.310, 81.04.320, and 81.04.330; and amending section 6, chapter 151, Laws of 1933, section 2, chapter 30, Laws of 1937, section 1, chapter 227, Laws of 1951, section 11, chapter 95, Laws of 1953 and RCW 80.08.060, 80.08.070, 81.08.060, and 81.08.070; and amending section 23, chapter 184, Laws of 1935, as last amended by section 18, chapter 166, Laws of 1937 and RCW 81.80.270.

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

SECTION 1. Section 1, chapter 151, Laws of 1933, section 4, chapter 95, Laws of 1953, and section 2, chapter 205, Laws of 1957 (heretofore divided and codified as RCW 80.08.010 and 81.08.010) are amended to read as set forth in sections 2 and 3 of this act.

RCW 80.08.010
enacted
without
amendment.

SEC. 2. (RCW 80.08.010) The term "public service company", as used in this chapter, shall mean every company now or hereafter engaged in business in this state as a public utility and subject to regulation as to rates and service by the public service commission under the provisions of this title.

RCW 81.08.010
amended.

SEC. 3. (RCW 81.08.010) The term "public service company", as used in this chapter, shall mean every company now or hereafter engaged in business

in this state as a public utility and subject to regulation as to rates and service by the public service commission under the provisions of this title: *Provided*, That it shall not include any such company the issuance of stocks and securities of which is subject to regulation by the Interstate Commerce Commission: *Provided further*, That it shall not include any "motor carrier" as that term is defined in RCW 81.80.010 or any "storage warehouse", "storage warehouseman" or "warehouseman" as those terms are defined in RCW 22.20.010.

Definition—
"Public service company."

SEC. 4. Section 3, chapter 300, Laws of 1955 and RCW 22.20.010 are each amended to read as follows:

RCW 22.20.010 amended.

As used in this chapter:

Definitions.
"Person."

"Person" includes port commissions and districts;

"Storage warehouse" means a building or structure, or any part thereof, in which goods, wares, or merchandise are received for storage for compensation, except field warehouses, fruit warehouses, fruit packing plants, warehouses licensed under the provisions of chapter 22.08 RCW, used exclusively for the storage of grains, hay, peas, hops, grain and hay products, beans, lentils, corn, sorghums, malt, peanuts, flax, seeds, and other similar agricultural products, exclusively cold storage warehouses, buildings or structures in which freight is handled in transit exclusively, public garages storing automobiles, railroad freight sheds, and docks and wharves;

"Storage warehouse."

"Dock" or "wharf" includes all structures at which any steamboat, vessel, or other watercraft lands for the purpose of receiving or discharging freight from or for the public, together with any building or structure used for storing such freight, while in transit exclusively for the public for hire;

"Dock,"
"wharf."

"While in transit" means all goods, wares, and merchandise received on any dock or wharf, destined to or consigned from waterborne commerce, it being

"While in transit."

the intention of the legislature to exempt all goods received on any dock or wharf for shipment from land via water or received on said dock or wharf by water to be transhipped by land, or water, irrespective of the time of its retention upon said dock or wharf;

"Storage warehouseman."

"Storage warehouseman" and "warehouseman" mean any person operating any storage warehouse;

"Commission."

"Commission" means the public service commission.

RCW 81.80.150 amended.

SEC. 5. Section 6, chapter 205, Laws of 1957 and RCW 81.80.150 are each amended to read as follows:

Tariffs to be compiled and sold by commission.

The commission shall make, fix, construct, compile, promulgate, publish, and distribute tariffs containing compilations of rates, charges, classifications, rules and regulations to be used by all common carriers. In compiling such tariffs it shall include within any given tariff compilation such carriers, groups of carriers, commodities; or geographical areas as it determines shall be in the public interest. Such compilations and publications may be made by the commission by compiling the rates, charges, classifications, rules, and regulations now in effect, and as they may be amended and altered from time to time after notice and hearing, by issuing and distributing revised pages or supplements to such tariffs or reissues thereof in accordance with the orders of the commission: *Provided*, That the commission, upon good cause shown, may establish temporary rates, charges, or classification changes to be made permanent, however, only after notice and hearing. The proper tariff, or tariffs, applicable to a carrier's operations shall be available to the public at each agency and office of all common carriers operating within this state. Such compilations and publications shall be sold by the commission for not to exceed ten dollars for each tariff. Corrections to such publications shall be furnished to all sub-

scribers to tariffs in the form of corrected pages to the tariffs, supplements or reissues thereof. In addition to the initial charge for each tariff, the commission shall charge an annual maintenance fee of not to exceed ten dollars per tariff to cover the cost of issuing corrections or supplements and mailing them to subscribers: *Provided*, That copies may be furnished free to other regulatory bodies and departments of government and to colleges, schools, and libraries. All copies of the compilations, whether sold or given free, shall be issued and distributed under rules and regulations to be fixed by the commission: *Provided further*, That the commission may by order authorize common carriers to publish and file tariffs with the commission and be governed thereby in respect to certain designated commodities and services when, in the opinion of the commission, it is impractical for the commission to make, fix, construct, compile, publish and distribute tariffs covering such commodities and services.

SEC. 6. Section 19, chapter 95, Laws of 1953 and RCW 81.80.310 are each amended to read as follows:

RCW 81.80.310
amended.

It shall be unlawful for any "common carrier", or "contract carrier" to operate any motor vehicle within this state unless there shall be displayed and firmly fixed upon the front of each power unit and rear of each trailer an identification plate to be furnished by the commission. Such plates shall be different in design for the different classes of carriers, shall bear the number given to the vehicle by the commission, and such other marks of identification as may be required, and, subject to the qualification hereinafter contained, shall be in addition to the regular license plates required by law. Such plates shall be issued annually under the rules and regulations of the commission, and shall be attached to each motor vehicle operated subject to this chapter not later than January 1st of each year: *Provided*,

Identification
plates.

That such plates may be issued for the ensuing calendar year on and after the first day of December preceding and may be used and displayed from the date of issue until December 31st of the succeeding calendar year for which the same are issued. In case an applicant received a permit after January 1st of any year such plates shall be obtained and attached to each motor vehicle subject to this chapter before operation of any such vehicle is commenced.

The commission shall collect from each such carrier a fee of three dollars for each identification plate so issued, and all fees for such plates shall be deposited in the state treasury to the credit of the public service revolving fund.

RCW 81.80.314 amended.

SEC. 7. Section 21, chapter 95, Laws of 1953 and RCW 81.80.314 are each amended to read as follows:

Unassigned, identification plates for interchanged trailers in interstate commerce.

Carriers engaged in interstate commerce using trailers or semitrailers pursuant to an interchange agreement, which vehicles do not have affixed upon them identification plates as prescribed in RCW 81.80.310, may use the highways of this state upon securing from the commission unassigned identification plates to be attached to such vehicles while operating over the highways of this state. The fee for such plates shall be the same as prescribed in RCW 81.80.310 and shall be deposited in the state treasury to the credit of the public service revolving fund.

The commission shall not be required to collect the excise tax prescribed by RCW 82.44.070 for such plates.

RCW 81.80.316 amended.

SEC. 8. Section 3, chapter 129, Laws of 1953 and RCW 81.80.316 are each amended to read as follows:

Carriers engaged in operating vehicles in a single line unitary operation, and not through interchange with connecting carriers, between points in this state and points outside the state in interstate commerce

may operate such vehicles in such transportation with attached identification plates which are not assigned to specific vehicles. The commission may issue such identification plates upon application therefor and the payment by the applicant for each plate of a total fee of three dollars plus two times the applicable gross weight fee prescribed by RCW 81.80.320. The commission may require such reports of carriers, adopt such rules and regulations, and impose such conditions as the public interest may require with respect to the operation of such vehicles. The commission shall not be required to collect the excise tax prescribed by RCW 82.44.070 for such plates.

Unassigned identification plates for interstate single line unitary operation.

SEC. 9. Section 7, chapter 205, Laws of 1957 and RCW 81.80.320 are each amended to read as follows:

RCW 81.80.320 amended.

In addition to all other fees to be paid by him, every "common carrier" and "contract carrier" shall pay to the commission each year at the time of, in connection with, and before receiving his identification plate for each motor truck, trailer or semitrailer owned or operated by him, based upon the maximum gross weight thereof as set by the carrier in his application for his regular license plates, the following fees:

Gross weight fees.

Less than 4,000 pounds.....	\$7.00
4,000 pounds or more and less than 6,000 pounds....	8.00
6,000 pounds or more and less than 8,000 pounds....	9.00
8,000 pounds or more and less than 10,000 pounds....	10.00
10,000 pounds or more and less than 12,000 pounds....	11.00
12,000 pounds or more and less than 14,000 pounds....	12.00
14,000 pounds or more and less than 16,000 pounds....	13.00
16,000 pounds or more and less than 18,000 pounds....	14.00
18,000 pounds or more and less than 20,000 pounds....	15.00
20,000 pounds or more and less than 22,000 pounds....	16.00
22,000 pounds or more and less than 24,000 pounds....	17.00
24,000 pounds or more and less than 26,000 pounds....	18.00
26,000 pounds or more and less than 28,000 pounds....	19.00
28,000 pounds or more and less than 30,000 pounds....	20.00
30,000 pounds or more and less than 32,000 pounds....	21.00
32,000 pounds or more and less than 34,000 pounds....	22.00
34,000 pounds or more and less than 36,000 pounds....	23.00

It is the intent of the legislature that the fees collected under the provisions of this chapter shall reasonably approximate the cost of supervising and regulating motor carriers subject thereto, and to that end the public service commission is authorized to decrease the schedule of fees provided in this section by general order entered before November 1st of any year in which it determines that the moneys then in the motor carrier account of the public service revolving fund and the fees currently to be paid will exceed the reasonable cost of supervising and regulating such carriers during the next succeeding calendar year. Whenever the cost accounting records of the commission indicate that the schedule of fees as previously reduced should be increased such increase, not in any event to exceed the schedule set forth in this section, may be effected by a similar general order entered before November 1st. Any decrease or increase of gross weight fees as herein authorized, shall be made on a proportional basis as applied to the various classifications of equipment.

All fees collected under this section or under any other provision of this chapter shall be paid to the commission and shall be by it transmitted to the state treasurer within thirty days to be deposited to the credit of the public service revolving fund.

SEC. 10. Section 10, chapter 165, Laws of 1933 (heretofore divided and codified as RCW 80.04.300, 80.04.310, 80.04.320, 80.04.330, 81.04.300, 81.04.310, 81.04.320 and 81.04.330) is divided and amended as set forth in sections 11 through 18 of this act.

RCW 80.04.300
amended.

SEC. 11. (RCW 80.04.300) The commission may regulate, restrict, and control the budgets of expenditures of public service companies. Each company shall prepare a budget showing the amount of money which, in its judgment, will be needed during the ensuing year for maintenance, operation, and

construction, classified by accounts as prescribed by the commission, and shall within ten days of the date it is approved by the company file it with the commission for its investigation and approval or rejection. When a budget has been filed the commission shall examine into and investigate it to determine whether the expenditures therein proposed are fair and reasonable and not contrary to public interest.

Budgets to be filed by companies.

Adjustments or additions to budget expenditures may be made from time to time during the year by filing a supplementary budget with the commission for its investigation and approval or rejection.

SEC. 12. (RCW 80.04.310) The commission may, both as to original and supplementary budgets, prior to the making or contracting for the expenditure of any item therein, and after notice to the company and a hearing thereon, reject any item of the budget. The commission may require any company to furnish further information, data, or detail as to any proposed item of expenditure.

RCW 80.04.310 enacted without amendment.

Failure of the commission to object to any item of expenditure within sixty days of the filing of any original budget or within thirty days of the filing of any supplementary budget shall constitute authority to the company to proceed with the making of or contracting for such expenditure, but such authority may be terminated any time by objection made thereto by the commission prior to the making of or contracting for such expenditure.

Examination, investigation, and determination of the budget by the commission shall not bar or estop it from later determining whether any of the expenditures made thereunder are fair, reasonable, and commensurate with the service, material, supplies, or equipment received.

SEC. 13. (RCW 80.04.320) The commission may prescribe the necessary rules and regulations to

RCW 80.04.320
enacted
without
amendment.

place RCW 80.04.300 to 80.04.330 in operation. It may, by general order, exempt in whole or in part from the operation thereof companies whose gross operating revenues are less than twenty-five thousand dollars a year. The commission may upon request of any company withhold from publication during such time as the commission may deem advisable any portion of any original or supplementary budget relating to proposed capital expenditures.

RCW 80.04.330
enacted
without
amendment.

SEC. 14. (RCW 80.04.330) Any public service company may make or contract for any rejected item of expenditure, but in such case the same shall not be allowed as an operating expense, or as to items of construction, as a part of the fair value of the company's property used and useful in serving the public: *Provided*, That such items of construction may at any time thereafter be so allowed in whole or in part upon proof that they are used and useful. Any company may upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, riot, or insurrection, or for the immediate preservation or restoration to condition of usefulness of any of its property, the usefulness of which has been destroyed by accident, make the necessary expenditure therefor free from the operation of these sections.

Any finding and order entered by the commission shall be in effect until vacated and set aside in proper proceedings for review thereof.

RCW 81.04.300
amended.
Budgets to
be filed by
companies.

SEC. 15. (RCW 81.04.300) The commission may regulate, restrict, and control the budgets of expenditures of public service companies. Each company shall prepare a budget showing the amount of money which, in its judgment, will be needed during the ensuing year for maintenance, operation, and construction, classified by accounts as prescribed by the commission, and shall within ten days of the date it is approved by the company file it with the commis-

sion for its investigation and approval or rejection. When a budget has been filed with the commission it shall examine into and investigate it to determine whether the expenditures therein proposed are fair and reasonable and not contrary to public interest.

Adjustments or additions to budget expenditures may be made from time to time during the year by filing a supplementary budget with the commission for its investigation and approval or rejection.

SEC. 16. (RCW 81.04.310) The commission may, both as to original and supplementary budgets, prior to the making or contracting for the expenditure of any item therein, and after notice to the company and a hearing thereon, reject any item of the budget. The commission may require any company to furnish further information, data, or detail as to any proposed item of expenditure.

RCW 81.04.310
enacted
without
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Failure of the commission to object to any item of expenditure within sixty days of the filing of any original budget or within thirty days of the filing of any supplementary budget shall constitute authority to the company to proceed with the making of or contracting for such expenditure, but such authority may be terminated at any time by objection made thereto by the commission prior to the making of or contracting for such expenditure.

Examination, investigation, and determination of the budget by the commission shall not bar or estop it from later determining whether any of the expenditures made thereunder are fair, reasonable, and commensurate with the service, material, supplies, or equipment received.

SEC. 17. (RCW 81.04.320) The commission may prescribe the necessary rules and regulations to place RCW 81.04.300 to 81.04.330 in operation. It may by general order, exempt in whole or in part from the operation thereof companies whose gross operating revenues are less than twenty-five thousand dollars

RCW 81.04.320
enacted
without
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RCW 81.04.330
enacted
without
amendment.

SEC. 18. (RCW 81.04.330) Any public service company may make or contract for any rejected item of expenditure, but in such case the same shall not be allowed as an operating expense, or as to items of construction, as a part of the fair value of the company's property used and useful in serving the public: *Provided*, That such items of construction may at any time thereafter be so allowed in whole or in part upon proof that they are used and useful. Any company may upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, riot, or insurrection, or for the immediate preservation or restoration to condition of usefulness of any of its property, the usefulness of which has been destroyed by accident, make the necessary expenditure therefor free from the operation of these sections.

Any finding and order entered by the commission shall be in effect until vacated and set aside in proper proceedings for review thereof.

SEC. 19. Section 6, chapter 151, Laws of 1933, section 2, chapter 30, Laws of 1937, section 1, chapter 227, Laws of 1951, and section 11, chapter 95, Laws of 1953 (heretofore divided and codified as RCW 80.08.060, 80.08.070, 81.08.060 and 81.08.070) are amended to read as set forth in sections 20 through 23 of this act.

RCW 80.08.060
amended.

SEC. 20. (RCW 80.08.060) A public service company may issue notes, except demand notes, for proper purposes and not in violation of any provision of this chapter, or any other law, payable at periods of not more than twelve months after the date of

issuance, without the consent of the commission, but no such note shall, in whole or in part, be refunded by any issue of stock or stock certificates or other evidence of interest or ownership, or bonds, notes or other evidence of indebtedness, without the consent of the commission: *Provided*, That the consent of the commission shall be required for the issuance of any note or notes issued as part of a single borrowing transaction of one million dollars or more payable at periods of less than twelve months after date of issuance by any public service company which is subject to the Federal Power Act unless such note or notes aggregates together with all other then outstanding notes and drafts of a maturity of twelve months or less on which such public service company is primarily or secondarily liable not more than five percent of the par value of other securities of such company then outstanding, computed, in the case of securities having no par value, on the basis of the fair market value as of the date of issue.

Short term
notes ex-
cepted.

SEC. 21. (RCW 80.08.070) Each public service company making application to the commission for authority to issue stock and stock certificates or other evidence of interest or ownership, or bonds, notes or other evidence of indebtedness, shall pay to the commission the following fees: For each order authorizing an issue of bonds, notes or other evidence of indebtedness, one dollar for each one thousand dollars of the principal amount of the authorized issue or fraction thereof up to one million dollars, and fifty cents for each one thousand dollars over one million dollars and up to ten million dollars, and ten cents for each one thousand dollars over ten million dollars, with a minimum fee in any case of ten dollars; for each order authorizing an issue of stock, stock certificates, or other evidence of interest or ownership, one dollar for each one thousand

RCW 80.08.070
enacted
without
amendment.

dollars of the par or stated value of the authorized issue or fraction thereof up to one million dollars, and fifty cents for each one thousand dollars over one million dollars and up to ten million dollars, and ten cents for each one thousand dollars over ten million dollars, with a minimum fee in any case of ten dollars: *Provided*, That only twenty-five percent of the specified fees need be paid on any issue or on such portion thereof as may be used to guarantee, take over, refund, or discharge any stock issue or stock certificates, bonds, notes, or other evidence of interest, ownership, or indebtedness on which a fee has theretofore been paid: *Provided further*, That if the property of the public utility subject to the provisions of this title, proposing to issue such securities shall be located in part in the state of Washington and in part in some other state or states, the fees payable to the public service commission of Washington under this section shall be computed only on such amount of such securities as shall bear the same proportion to the total amount so authorized, as the book value of such property located within the state of Washington shall bear to the total book value of the property of such public utility proposing to issue such securities; for the purpose of computing such fees the book value of the property shall be determined as of the close of business of the last quarter preceding the application: *And provided further*, That if the commission modifies the amount of the issues requested and the applicant elects not to avail itself of the authorization, no fee need be paid. All fees collected under this section shall be paid at least once each month to the state treasurer and deposited in the public service revolving fund.

RCW 81.08.060
enacted
without
amendment.

SEC. 22. (RCW 81.08.060) A public service company may issue notes, except demand notes, for proper purposes and not in violation of any pro-

vision of this chapter, or any other law, payable at periods of not more than twelve months after the date of issuance, without the consent of the commission, but no such note shall, in whole or in part, be refunded by any issue of stock or stock certificates or other evidence of interest or ownership, or bonds, notes, or other evidence of indebtedness, without the consent of the commission.

SEC. 23. (RCW 81.08.070) Each public service company making application to the commission for authority to issue stock and stock certificates or other evidence of interest or ownership and bonds, notes or other evidence of indebtedness, shall pay to the commission the following fees: For each order authorizing an issue of bonds, notes or other evidence of indebtedness, one dollar for each one thousand dollars of the principal amount of the authorized issue or fraction thereof up to one million dollars, and fifty cents for each one thousand dollars over one million dollars and up to ten million dollars, and ten cents for each one thousand dollars over ten million dollars, with a minimum fee in any case of ten dollars; for each order authorizing an issue of stock, stock certificates, or other evidence of interest or ownership, one dollar for each one thousand dollars of the par or stated value of the authorized issue or fraction thereof up to one million dollars, and fifty cents for each one thousand dollars over one million dollars and up to ten million dollars, and ten cents for each one thousand dollars over ten million dollars, with a minimum fee in any case of ten dollars: *Provided*, That only twenty-five percent of the specified fees need be paid on any issue or on such portion thereof as may be used to guarantee, take over, refund, or discharge any stock issue or stock certificates, bonds, notes or other evidence of interest, ownership or indebtedness on which a fee has theretofore been paid: *Provided*

RCW 81.08.070
enacted
without
amendment.

further, That if the commission modifies the amount of the issue requested and the applicant elects not to avail itself of the authorization, no fee need be paid. All fees collected under this section shall be paid at least once each month to the state treasurer and deposited in the public service revolving fund.

RCW 81.80.270
amended.

SEC. 24. Section 23, chapter 184, Laws of 1935, as last amended by section 18, chapter 166, Laws of 1937 and RCW 81.80.270 are each amended to read as follows:

Transfer of
permits.

No permit issued under the authority of this chapter shall be construed to be irrevocable. Nor shall such permit be subject to transfer or assignment except upon a proper showing that property rights might be affected thereby, and then in the discretion of the commission, and upon the payment of a fee of twenty-five dollars.

Notwithstanding the provisions of chapter 81.12 RCW, no person, partnership or corporation, whether a carrier holding a permit or otherwise, or any combination of such, shall acquire control of a common or contract carrier holding a permit through ownership of its stock or through purchase, lease or contract to manage the business, or otherwise except after and with the approval and authorization of the commission. Any such transaction either directly or indirectly entered into without approval of the commission shall be void and of no effect.

Every carrier who shall cease operation and abandon his rights under the permits issued him shall notify the commission within thirty days of such cessation or abandonment, and return to the commission the identification plates issued to him.

Passed the Senate February 28, 1959.

Passed the House March 10, 1959.

Approved by the Governor March 23, 1959.