

News:

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State commission decides gas customers will not pay for refueling stations

OLYMPIA, WA. -- Washington's largest natural gas company will not be allowed to charge customers for the costs of building motor-vehicle refueling stations under a ruling adopted Friday (March 12) by the state utilities commission.

The Washington Utilities and Transportation Commission (WUTC) dismissed a surcharge from the company's pending general rate case. The proposal would have added an additional charge to all Washington Natural Gas Co. ratepayers to fund compressed-natural gas facilities.

In handing down the order, the commission acknowledged that federal and state legislative initiatives support expansion of compressed-natural gas as a fuel for motor vehicles, as well as other alternative fuels or technologies. The commission rested its decision on state law which makes it illegal for the company to charge customers for services they don't use.

The proposal would have required all Washington Natural Gas Co. ratepayers to finance the costs of constructing 16 natural gas fueling stations in the Puget Sound region. The stations would have dispensed natural gas to owners of motor vehicles who use the fuel to power their automobiles. The commission pointed out that most gas customers who would have had to pay the surcharge would not have been able to use natural gas for their own personal use because their cars run on more traditional fuels, such as gasoline and diesel.

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The WUTC also noted that the surcharge proposal did not appear to meet the standards that have been applied in past utility rate requests that allowed companies to recover costs on a dollar-for-dollar basis.

The commission order noted Washington Natural Gas Co. was free to make revisions to its currently pending rate proposal. The order also recognized that the Legislature could change state law by removing the prohibition against customers subsidizing a utility company's other business endeavors or by authorizing a specific tax to pay for construction of refueling stations.

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