

## OFFICE OF THE GOVERNOR

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May 5, 2011

To the Honorable Speaker and Members, The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 24, Engrossed Second Substitute House Bill 1634 entitled:

"AN ACT Relating to underground utilities."

This bill strengthens our law for preventing damages to underground pipelines and other utilities during excavation. The bill provides the Utilities and Transportation Commission with the authority to take enforcement action for violations, to require reporting of damage to underground utilities, and to develop a stakeholder process to review violations and encourage better excavation practices. The bill provides a comprehensive damage prevention program for underground utilities.

Pursuant to the House floor colloquy on this bill, section 24 was intended to ensure that the bill would not result in regulation by the Utilities and Transportation Commission of consumerowned utilities such as electric cooperatives, municipal utilities and public utility districts, except when such a utility damages an underground facility subject to this bill, in which case the Commission would have the authority to enforce the provisions of this act.

While the House floor colloquy clarifies legislative intent, the language in Section 24 could be read to exempt consumer-owned utilities from enforcement under the bill, and thereby prevent the Commission from taking enforcement action on underground utility damage caused by consumer-owner utilities. Since the language in this section does not change the statutory independence of consumer-owned utilities in setting their rates and determining their services, the section is not necessary.

For these reasons, I have vetoed section 24 of Engrossed Second Substitute House Bill 1634. With the exception of section 24, Engrossed Second Substitute House Bill 1634 is approved.

Respectfully submitted,

/s/

Christine O. Gregoire Governor