



# PROPOSED RULE MAKING

## CR-102 (June 2012)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

**Agency:** Washington Utilities and Transportation Commission

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> <b>Preproposal Statement of Inquiry was filed as WSR 13-20-127; or</b> | <input checked="" type="checkbox"/> <b>Original Notice</b>       |
| <input type="checkbox"/> <b>Expedited Rule Making--Proposed notice was filed as WSR _____; or</b>          | <input type="checkbox"/> <b>Supplemental Notice to WSR _____</b> |
| <input type="checkbox"/> <b>Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1).</b>                 | <input type="checkbox"/> <b>Continuance of WSR _____</b>         |

**Title of rule and other identifying information:** (Describe Subject) Chapter 480-109 WAC: Electric Companies—Acquisition of Minimum Quantities of Conservation and Renewable Energy as Required by the Energy Independence Act (Chapter 19.285 RCW).

On November 7, 2006, Washington voters approved Initiative Measure No. I-937, now codified as RCW 19.285. This new chapter requires large utilities to acquire all cost-effective energy conservation beginning in 2010 and to serve a minimum portion of their electricity load with renewable resources beginning in 2012. The rules proposed here update the procedures investor owned utilities must follow to demonstrate compliance with these statutory requirements (or with alternative compliance mechanisms). These regulations also retain penalty provisions, as well as update reporting and public notification requirements. The rulemaking is assigned Docket UE-131723.

**Hearing location(s):**  
Commission Hearing Room 206  
Second Floor, Richard Hemstad Building  
1300 S. Evergreen Park Drive SW  
Olympia, WA 98504-7250

Date: November 5, 2014 Time: 1:30 PM

**Submit written comments to:**  
Name: Washington Utilities and Transportation Commission  
Address: 1300 S. Evergreen Park Drive S.W.  
PO Box 47250  
Olympia, WA 98504-7250  
e-mail [records@utc.wa.gov](mailto:records@utc.wa.gov). Please, include: "Docket UE-131723" in your comments.  
fax (360)586-1150 by (date) October 6, 2014

**Assistance for persons with disabilities:** Contact

Debbie Aguilar by October 22, 2014  
TTY (360) 586-8203 or (360) 664-1132

**Date of intended adoption:** November 5, 2014  
(Note: This is **NOT** the **effective** date)

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:**  
The Energy Independence Act provides that the Washington Utilities and Transportation Commission (Commission) "may adopt rules to ensure the proper implementation and enforcement of this chapter as it applies to investor-owned utilities." (RCW 19.285.080) The Commission initiated an inquiry to determine whether revised regulations were needed to ensure that the renewable resource and conservation requirements were properly implemented and enforced and whether revised rules would further the objectives of the Act; promote energy independence in the state and the Pacific Northwest region; stabilize electricity prices for Washington residents; provide economic benefits for Washington counties and farmers; create high-quality jobs in Washington; provide opportunities for training apprentice workers in the renewable energy field; protect clean air and water; and position Washington state as a national leader in clean energy technologies.

The Commission's preproposal inquiry revealed that revised rules would be beneficial and in the public interest because they would further the implementation of the Act. The proposed rules update the rules to provide consistency with statutory changes as well as incorporate and clarify policies and best practices which have been established by the commission since the initial adoption of these rules in 2007. The proposed regulations also provide additional guidance on how utilities may implement the conservation mandate and fulfill their obligation to acquire renewable resources.

**Reasons supporting proposal:** See above

**Statutory authority for adoption:** RCW 80.01.040, RCW 80.04.160, and RCW 19.285.080(1) and (4)

**Statute being implemented:** 2014 c 45 § 1 and 2014 c 26 § 1, 2013 c 158 § 1; 2013 c 158 § 2; 2013 c 99 § 1; 2013 c 61 § 1

- Is rule necessary because of a:**
- |                         |                              |  |
|-------------------------|------------------------------|--|
| Federal Law?            | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| State Court Decision?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
- If yes, CITATION:

**DATE**  
September 3, 2014

**NAME** (type or print)  
Steven V. King

**SIGNATURE**

**TITLE**  
Executive Director and Secretary

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OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: September 03, 2014**  
**TIME: 9:52 AM**

**WSR 14-18-084**

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

None

**Name of proponent:** (person or organization) Washington Utilities and Transportation Commission

- Private
- Public
- Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting..... David Nightingale	1300 S. Evergreen Pk Drive SW, Olympia, WA 98504	(360) 664-1154
Implementation.... Steven V. King	1300 S. Evergreen Pk Drive SW, Olympia, WA 98504	(360) 664-1115
Enforcement..... Steven V. King	1300 S. Evergreen Pk Drive SW, Olympia, WA 98504	(360) 664-1115

**Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?**

Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No. Explain why no statement was prepared.

The proposed rules require investor-owned utilities, none of which qualify as a small business, to acquire certain minimum amounts of renewable resources and all cost-effective, reliable and available conservation. Because the proposed rules will not increase costs to small businesses, an SBEIS is not required under RCW 19.85.030 (1).

**Is a cost-benefit analysis required under RCW 34.05.328?**

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No: Please explain:

The Commission is not an agency to which RCW 34.05.328 applies. The proposed rules are not significant legislative rules of the sort referenced in RCW 34.05.328 (5).