

[Service Date March 14, 2003]

March 14, 2003

**NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS
(Wednesday, April 9, 2003)**

**NOTICE OF WORKSHOP
(Thursday, April 10, 2003)**

RE: Consider Establishing a New Chapter Applicable to the Economic Regulation of Hazardous Liquid Pipeline Companies Regulated as Common Carriers by the Commission; Docket No. TO-030288

TO INTERESTED PERSONS:

The Washington Utilities and Transportation Commission has authorized the filing of a Preproposal Statement of Inquiry (CR-101) with the Code Reviser in Docket No. TO-030288. The focus of this rulemaking will be to consider establishing a new chapter applicable to the economic regulation of hazardous liquid pipeline companies regulated as common carriers by the Commission. The CR-101, as filed with the Code Reviser, is available for inspection on the Commission's web site at www.wutc.wa.gov/030288. If you are unable to access the Commission's web page and would like a copy of the CR-101 mailed to you, please contact the records center at (360) 664-1234.

There is currently no chapter of rules that addresses economic regulation of hazardous liquid pipeline companies. Such rules would facilitate the Commission in carrying out its statutory powers and duties, and to respond promptly to rapidly changing regulatory, operational, economic, and consumer issues.

To that end, Staff proposes that the Commission explore this topic, which is expected to result in consideration of rules that (among other potential subjects):

- Require financial transaction reports twenty days prior to the transfer of cash, credit, or pecuniary interest when certain thresholds have been exceeded.
- Require an annual subsidiary transaction report summarizing all transactions that occurred between the company and its subsidiaries during the preceding year.
- Require an annual affiliated interest transaction report.
- Clarify accounting system requirements.
- Set out retention and preservation of records requirements.
- Establish consumer rules.

STAKEHOLDER WORKSHOP

The Commission currently is considering financial reporting rules for several industries it regulates in Docket No. A-021178. Draft rules in that docket are similar to rules under consideration in this docket. The draft rules are available for inspection on the Commission's website at www.wutc.wa.gov/021178. The stakeholder workshop scheduled for April 10, 2003, will consider draft rules in Docket No. A-021178 along with consideration of establishing a new chapter applicable to the economic regulation of hazardous liquid pipeline companies regulated as common carriers in Docket No. TO-030288. Discussion of Docket No. TO-030288 is scheduled for the afternoon session.

We encourage your attendance and participation in the stakeholder workshop. The workshop will be held **Thursday, April 10, 2003**, in Room 206 at the Commission's headquarters, beginning at 9:30 a.m. until 4:30 p.m. Free parking is available. The Commission's address is:

Washington Utilities & Transportation Commission
1300 South Evergreen Park Drive SW
P.O. Box 47250
Olympia, Washington 98504-7250

If you cannot attend the workshop, you can arrange to dial into the Commission's conference bridge at (360) 664-3846. There are 11 lines available on a first-come first-served basis. You may reserve a line by calling Kippi Walker at (360) 664-1139.

WRITTEN COMMENTS

Written comments on establishing rules that would require reporting of transactions between regulated companies and their subsidiaries must be filed with the Commission no later than **Wednesday, April 9, 2003** for consideration at the April 10, 2003, workshop. The Commission requests that comments be provided in electronic format to enhance public access, for ease of providing comments, to reduce the need for paper copies, and to facilitate quotations from the comments. Comments may be submitted by electronic mail to the Commission's Records Center at <records@wutc.wa.gov>. Please include:

- The docket number of this proceeding (TO-030288)
- The commenting party's name
- The title and date of the comment or comments

An alternative method for submitting comments may be by mailing/delivering an electronic copy on a 3 ½ inch, IBM-formatted, high-density disk, in .pdf Adobe Acrobat format or in Word 97 or later. Include all of the information requested above. The Commission will post on the Commission's web site all comments that are provided in electronic format. The web site is located at <<http://www.wutc.wa.gov/030288>>.

If you are unable to file your comments electronically or to submit them on a disk, the Commission will always accept a paper document. Questions may be addressed to Kim Dobyms (360) 664-1242 or e-mail at kdobyms@wutc.wa.gov.

Your participation is welcomed via written comments and stakeholder workshops. Opportunity for further comment is anticipated. Information about the schedule and other aspects of the rulemaking, including comments, will be posted on the Commission's web site as it becomes available. If you wish to receive further information on this rulemaking you may (1) call the Commission's Records Center at 360-664-1234, (2) e-mail the Commission at <records@wutc.wa.gov>, or (3) mail written comments to the address below. When contacting the Commission, please refer to Docket No. TO-030288 to ensure that you are

placed on the appropriate service list. The Commission's mailing address is:

Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, Washington 98504-7250

NOTICE

If you do not want to comment now, but do want to receive future information about this rulemaking, please notify the Secretary in one of the ways described above and ask to be included on the mailing list for Docket No. TO-030288. If you do not do this, you might not receive further information about this rulemaking.

Sincerely,

CAROLE J. WASHBURN
Secretary