

**BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION  
COMMISSION**

RE: STANDARDS FOR  
INTERCONNECTION TO ELECTRIC  
UTILITY DELIVERY SYSTEMS,  
WAC 480-108

DOCKET NO. UE-060649

**COMMENTS OF PUBLIC COUNSEL (CR-102)**

**August 2, 2007**

**I. INTRODUCTION**

The Public Counsel Section of the Washington Attorney General's Office (Public Counsel) respectfully submits these comments in response to the Commission's July 9, 2007, Notice of Opportunity to File Written Comments on the Proposed Rules (CR-102) in the above captioned matter. Though Public Counsel has not previously filed comments in this proceeding, it does so now in support of three subsections of the proposed rules that are of particular importance to the interests of ratepayers, namely WAC 480-108-040 (13) and (14) and WAC 480-109-090 (2)(d).

**II. COMMENTS**

Proposed WAC 480-108-040 (13) and (14) and WAC 480-109-090 (2) (d) describe the charges that may be required of the interconnection customer by the electric company. The rules also state the conditions under which the costs that are the basis for those charges may be recovered in rates and reimbursed to the interconnection customer. Public Counsel supports the requirement that the charges be cost-based. Public Counsel also supports the inclusion of the language "the cost of any required system upgrades." This assures that the interconnection

customer is receiving service at charges that are fair, just and reasonable, namely at charges that are cost-based. It also assures that distribution upgrades needed for the interconnection customer are not charged to other customers unless certain benefits to other customers can be demonstrated by the electric company. If those benefits are shown, the interconnection customer is reimbursed for a portion of their interconnection costs.

Public Counsel believes the conditions specified in WAC 480-109-040 (13) and WAC 480-109-090 (2)(d) are sufficient to provide for the collection in rates of revenue commensurate to the benefits the electric company's other customers may receive as a result of interconnection. The rules provide three possible sources of justification for the electric company to use to demonstrate that the interconnection will provide "quantifiable benefits" to other customers. The rules also provide for a justification based on "other evidence". With these provisions, the rule, as written, provides the opportunity to match costs to cost causation. An interconnection customer may raise the issue of "quantifiable benefits" under WAC 480-108-055 when disputing the system upgrade costs. The rule also provides a safeguard for ratepayers by requiring an electric company to "demonstrate" the quantifiable benefits of the system upgrade costs from an interconnection in order to place some portion of the system upgrade cost into rates. This approach balances the interest of other ratepayers with that of the interconnection customer.

WAC 480-108-040 (14) protects other ratepayers from the future expense of maintaining the compatibility of the interconnection customer's interconnection and generation facilities with the electric company's electrical system. This strikes a balance between the burdens placed on the interconnection customer and the burden placed on the other ratepayers.

Public Counsel supports the proposed WAC 480-108-040 (13) and (14), and WAC 480-109-090(2) (d) as written and believes they strike a fair division of costs between the interconnection customer and other ratepayers.