

AMENDATORY SECTION (Amending Order R-304, Docket No. U-89-2814-R, filed 7/18/89)

WAC 480-107-001 Purpose and scope. (1) The purpose of this chapter is to establish rules for determining rates, terms, and conditions governing the following purchases by electric utilities: Electricity from qualifying facilities; the electrical savings associated with eligible conservation measures pursuant to these rules; electricity from independent power producers; and, at the utility's election, utility subsidiaries, and other electric utilities. These rules are intended to provide an opportunity for conservation and generating resources to compete on a fair and reasonable basis to fulfill a utility's new resource needs. It is the commission's intent that bids under these rules shall include the costs of compliance by the project with environmental laws, rules, and regulations in effect at the time of the bid and those reasonably anticipated to be in effect during the term of the project.

These rules are consistent with the provisions of the Public Utility Regulatory Policies Act of 1978 (PURPA), Title II, sections 201 and 210, and regulations promulgated by the Federal Energy Regulatory Commission (FERC) in 18 C.F.R. Part 292. Purchase of electric power under these rules shall satisfy an electric utility's obligation to purchase power from qualifying facilities under section 210 of PURPA.

These rules do not preclude electric utilities from constructing electric resources, operating conservation programs, purchasing power through negotiated purchase contracts, or otherwise taking action to satisfy their public service obligations. Information about the price and availability of electric power obtained through the bidding procedures described in these rules may be used, in conjunction with other evidence, in general rate cases and other cost recovery proceedings pertaining to resources not acquired through these bidding procedures.

(2) The provisions of this chapter shall apply to any electric utility which has submitted to the commission a least-cost plan as provided in WAC (~~(480-100-251)~~) 480-100-238.

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WAC 480-107-005 Definitions. ((+1)) "Avoided costs" means the incremental costs to an electric utility of electric energy or capacity or both which, but for purchases to be made pursuant to these rules, the utility would generate itself or purchase from another source.

((+2)) "Back-up power" means electric energy or capacity supplied by an electric utility to replace energy ordinarily generated by a generating facility's own generation equipment during an unscheduled outage of the facility.

((+3)) "Commission" means the Washington utilities and transportation commission.

((+4)) "Conservation measures" means electric energy efficiency improvements to buildings or energy using equipment and processes.

((+5)) "Economic dispatch" means, within contractually specified limits, modifying the timing of power purchases from a generating facility so as to minimize the costs of delivering electricity.

((+6)) "Electric utility" means any public service company as defined by RCW 80.04.010 engaged in the generation, distribution, sale, or furnishing of electricity and which is subject to the jurisdiction of the commission.

((+7)) "Eligible conservation suppliers" means electric utility customers, or third party conservation contractors installing energy efficiency measures as described in these rules.

((+8)) "Generating facilities" means plant and other equipment employed for the purposes of generating electricity purchased through contracts entered into under these rules.

((+9)) "Independent power producers" means generating facilities or portions thereof that are not recognized in the retail rates of any electric utility and that are not qualifying facilities as defined ~~((in subsection (16) of this section))~~ below.

((+10)) "Interruptible power" means electric energy or capacity supplied by an electric utility to a generating facility subject to interruption by the electric utility under certain specified conditions.

((+11)) "Least cost plan" means the filing made every two years by an electric utility in accordance with WAC ~~((480-100-251))~~ 480-100-238.

((~~12~~)) "Maintenance power" means electric energy or capacity supplied by an electric utility during scheduled outages of a generating facility.

((~~13~~)) "Project developer" means an individual, association, corporation, or other legal entity potentially entering into a power or conservation savings contract with the utility.

((~~14~~)) "Project proposal" means a project developer's document containing a description of the project and other information responsive to the requirements set forth in the RFP.

((~~15~~)) "Prototype contract" means standardized terms and conditions that govern specific electric power or electrical savings purchases by electric utilities. Prototype contracts may be structured to accommodate terms and conditions specific to individual projects, subject to the conditions set forth in these rules.

((~~16~~)) "Qualifying facilities" are generating facilities that meet the criteria specified by the FERC in 18 C.F.R. Part 292 Subpart B.

((~~17~~)) "Request for proposals" (RFP) means the document describing an electric utility's solicitation of bids for the delivery of power or electrical savings.

((~~18~~)) "Supplementary power" means electric energy or capacity supplied by an electric utility, regularly used by a generating facility in addition to that which the facility generates itself.

((~~19~~)) "Utility subsidiary" means a legal entity, other than a qualifying facility, which is owned, in whole or in part, by an electric utility, and which may enter a power or conservation savings contract with that electric utility.