

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Rule-Making  
Proceeding Related To

Reporting of Transactions Between  
Regulated Companies and Their  
Subsidiaries.

DOCKET NO. A-021178

THIRD ROUND COMMENTS  
OF PUBLIC COUNSEL

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Attorney General of Washington**

**January 16, 2004**

Public Counsel files these comments in response to the Commission's December 3, 2003, Notice of Opportunity to File Written Comments and the discussion draft rules issued on that date (Draft Rules dated November 18 and 24, 2003).

**General**

Public Counsel continues to strongly support the purpose behind this rulemaking – strengthening reporting and oversight of transactions between utilities and their affiliate and subsidiaries. In general, Public Counsel believes that the changes reflected in the latest draft rules represent improvements to the prior draft. These comments identify two suggestions for additional amendments.

**Financial Transaction Reporting Requirements**

The draft rules regarding “Affiliated Interests – Contracts or arrangements” (e.g. WAC 480-90-X05) require filing of contracts or arrangements five days in advance of the effective date. While we support the pre-effective date filing requirement, Public Counsel is concerned that five days is so short as to preclude any meaningful opportunity for review by Staff or others.

We supported the 20-day advance filing requirement in the earlier draft. At a minimum, 10 days would seem to be a more workable time.

### **Essential Services Contracts**

Public Counsel continues to recommend that the “essential services contract” reporting requirement for electric and gas utilities be included in the telecommunications portion of the rules, WAC 480-120. With the increased outsourcing by utilities, it seems reasonable to provide for the eventuality that telcos, like electric or gas utilities, may enter into contracts for operation and maintenance of infrastructure, computer systems, purchase of services, and construction of infrastructure. If they are doing so, or will in the future do so, Public Counsel sees no logical reason to leave this requirement out of the telecommunications portion of the rules.