BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

For a Declaratory Order on the Extra Credits for Apprentice Labor Provision of RCW 19.285.040(2)(h)

DOCKET U-111663

COMMISSION STAFF RESPONSE TO PETITION

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On September 13, 2011, Puget Sound Energy, Inc. (PSE) filed a Petition for Declaratory Order on the Extra Credits for Apprentice Labor Provision of RCW 19.285.040(2)(h). By notice dated September 20, 2011, the Washington Utilities and Transportation Commission ("Commission") invited interested persons to submit a statement of fact and law on the issues raised by the Petition. Commission Staff submits this Response in accordance with that invitation.

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Commission Staff agrees with PSE that its Petition meets the standards of RCW 34.05.240(1) and WAC 480-07-930(1). RCW Chapter 19.285 is a statute enforceable by the Commission with respect to PSE, and the issues raised in the Petition are appropriate for resolution by the Commission through the declaratory order procedure at this time. Commission Staff takes no position on the merits of the Petition, but provides the following information that was not in the Petition.

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PSE's Petition focuses on RCW 19.285.040(2)(h), which permits utilities to obtain extra credit toward meeting renewable energy targets when apprentice labor is used in the

construction of renewable energy projects. Under RCW 19.285.040(2)(h)(ii) and RCW 19.285.030(6), the Washington State Apprenticeship and Training Council ("WSATC") "shall establish minimum levels of labor hours to be met through apprenticeship programs to qualify for this extra credit." At its January 19, 2007 quarterly meeting, WSATC established 15 percent of total labor hours as the goal for registered apprentice utilization on renewable energy projects. ¹

In 2007, the Commission adopted WAC Chapter 480-109 to implement RCW Chapter 19.285 with respect to investor-owned utilities, and, in 2008, the Washington Department of Commerce ("Commerce") adopted WAC Chapter 194-37 to implement the statute with respect to consumer-owned utilities. The Commission's rules do not mention apprentice labor, but Commerce adopted the WSATC 15-percent standard in WAC 194-37-120(1). In 2011, WSATC formally adopted the 15-percent standard in a rule, WAC 296-05-329(1), which took effect on July 25, 2011.²

DATED this 26th day of September 2011.

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Respectfully submitted,

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Assistant Attorney General

Counsel for Washington Utilities and Transportation Commission Staff

¹ The Minutes of the January 18-19, 2007 WSATC quarterly meeting are available at http://www.lni.wa.gov/TradesLicensing/Apprenticeship/files/minagn/2007/jan2007minutes.pdf.

² WAC 296-05-329(1) provides: "The minimum level of Washington approved apprentice labor hours necessary to qualify for WSATC apprentice labor certification is fifteen percent of the total labor hours used in the construction of the renewable energy project."