

WAC 480-95-090 Cost Test.

(1) Applicability.

- (a) Each large combination utility shall apply the cost test at the portfolio level, in its filing of an integrated system plan pursuant to RCW 80.86.020.
- (b) Each large combination utility shall apply the cost test consistently to each portfolio, in its filing of an integrated system plan pursuant to RCW 80.86.020.
- (c) Each large combination utility shall apply the cost test to assist the Commission in determining whether the ISP is in the public interest according to RCW 80.86.020(11).
- (d) Each large combination utility shall demonstrate the ISP complies with WAC 480-95-090 (2)(a) through (c), by providing, at minimum, a narrative description explaining how the ISP complies.

(2) Cost Test.

For each ISP portfolio, the cost test shall forecast, at the planning level: portfolio-level societal costs and large combination utility rate impacts. In determining whether to approve the ISP pursuant to RCW 80.86.020(10), the Commission may use the planning-level forecasts provided by the cost test in conjunction with its evaluation of the public interest factors listed in RCW 80.86.020(11), such as health and safety concerns, reliability, energy security and resiliency, economic development, and equity. At a minimum, the analysis used to produce planning-level forecasts required by the cost test shall consider: market volatility risk, resource uncertainties, resource dispatchability, resource effect on system operation, and the risks imposed on the utility and its ratepayers.

- (a) Forecasted societal costs shall:
 - (i) Include forecasted large combination utility greenhouse-gas-emission externality costs, large combination utility customer-equipment costs, and large combination utility revenue requirements; and
 - (ii) Be forecasted on an annual and present value basis.
- (b) Forecasted large combination utility rate impacts shall:
 - (i) Include separate estimates for the large combination utility's electric customers per kilowatt-hour and gas customers per therm;
 - (ii) Include the costs of complying with the Climate Commitment Act;
 - (iii) Be forecasted on an annual basis.