

WAC 480-95-090 Cost Test.

~~(1) Definitions.~~

- ~~(a) "Resiliency" means the ability of a large combination utility's electric and gas systems to prepare for, mitigate effects on customers, respond to, and recover from system outages during extreme weather, cybersecurity, or other extraordinary events~~
- ~~(b) "Security of supply" means the use of in-state energy resources and the risks associated with importing energy resources from out of state.~~

~~(2)~~(1) Applicability.

- ~~(a) Each large combination utility shall apply the cost test at the portfolio level to the electric and natural gas implementation planning requirements as defined, in WAC 480-95-040 and long-term planning requirements as defined in WAC 480-95-030 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-developed, in its filing of an integrated system plan pursuant to WAC 480-95-030(12)-RCW 80.86.020.~~
- ~~(c) Each large combination utility shall apply the cost test to assist the cost test consistently to the resource targets developed pursuant to WAC 480-95-040(2) and (3).~~
- ~~(d)~~(c) Each large combination utility shall apply the cost test to demonstrate that Commission in determining whether the ISP is in the public interest, according to ~~WAC 480-95-060(4)~~RCW 80.86.020(11).
- ~~(e)~~(d) Each large combination utility shall demonstrate the ISP complies with WAC 480-95-090 (2)(a) through ~~(d), c)~~, by providing, at minimum, a narrative description explaining how the ISP complies.

~~(3)~~(2) ~~(3)~~ Cost Test.

~~The cost test shall account for the following costs and benefits for each year of the study period:~~

~~(a) Utility system impacts:~~

- ~~(i) All electric utility system impacts affected by the resources in each portfolio~~
- ~~(ii) All gas utility system impacts affected by the resources in each portfolio~~

~~Utility system impacts shall account for, at a minimum, 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.~~

- ~~(b) Greenhouse gas emissions~~
- ~~(c) Environmental impacts~~
- ~~(d) Health and safety concerns~~
- ~~(e) Reliability~~
- ~~(f) Resiliency impacts~~
- ~~(g) Security of supply~~
- ~~(h) Economic development~~
- ~~(i) Rate impacts.~~

~~(a) Forecasted rates~~societal costs shall ~~be estimated separately:~~

- (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 utility and the gas utility.~~
 - ~~(ii) Forecasted rates shall be estimated for all customers on average for each ISP portfolio.~~
 - ~~(iii) Forecasted rates shall be estimated for each year in the study period by dividing the revenue requirements by the utility retail sales. Rate impacts will be determined by comparing the forecasted rates for each portfolio to the forecasted rates of a reference portfolio.~~
 - ~~(j)—Bill impacts.~~
 - ~~(i)—Bill impacts shall be estimated separately for the electric utility and the gas utility.~~
 - (i) Bill impacts shall be estimated for all per kilowatt-hour and gas customers on average for each utility portfolio per therm;
 - ~~(iii) Bill impacts will be represented by comparing the present value of revenue requirements for each year of each portfolio to the present value of revenue requirements of a reference scenario.~~
 - ~~(k)—Equity impacts as required in WAC 480-95-030(12)(j) and WAC 480-95-030(13)(d).~~
 - ~~(l)—Other fuels~~
 - (ii) Other fuels shall include all fuels not sold by large combination utilities including, but not limited to, propane, wood, gasoline, and diesel. Include the costs of complying with the Climate Commitment Act;
 - (iii) Be forecasted on an annual basis.