



# PROPOSED RULE MAKING

## CR-102 (December 2017) (Implements RCW 34.05.320)

Do NOT use for expedited rule making

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FILED

DATE: November 02, 2020

TIME: 3:34 PM

WSR 20-22-075

Agency: Washington Utilities and Transportation Commission

Original Notice

Supplemental Notice to WSR \_\_\_\_\_

Continuance of WSR \_\_\_\_\_

Preproposal Statement of Inquiry was filed as WSR 20-05-009 ; or

Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW \_\_\_\_\_.

**Title of rule and other identifying information:** (describe subject) WAC 480-107, Electric Companies. The proposed rules revise sections of Chapter 480-107 WAC to incorporate statutory changes including the Clean Energy Transformation Act (CETA) (Chapter 19.405 RCW) and revisions to Chapters 80.28 and 19.280 RCW, and to consider policy and process changes to create more effective rules governing utility resource acquisition. The Commission is considering these changes under Commission Docket UE-190837.

### Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
December 14, 2020	9:30 a.m.	<a href="https://teams.microsoft.com/l/meetup-join/19%3ameeting_MjRiM2Q1YTctODk4Yi00MGMyLTg2YWMTmY4NzZIYTMzMVI%40thread.v2/0?context=%7b%22Tid%22%3a%2211d0e217-264e-400a-8ba0-57dcc127d72d%22%2c%22Oid%22%3a%22e087eca4-4cd8-416f-8fc0-53ed60dbc833%22%7d">https://teams.microsoft.com/l/meetup-join/19%3ameeting_MjRiM2Q1YTctODk4Yi00MGMyLTg2YWMTmY4NzZIYTMzMVI%40thread.v2/0?context=%7b%22Tid%22%3a%2211d0e217-264e-400a-8ba0-57dcc127d72d%22%2c%22Oid%22%3a%22e087eca4-4cd8-416f-8fc0-53ed60dbc833%22%7d</a>	Public hearing to consider adoption of the proposed rule.

**Date of intended adoption:** December 14, 2020 (Note: This is **NOT** the effective date)

### Submit written comments to:

Name: Mark L. Johnson, Executive Director and Secretary

Address: P.O. Box 47250, Olympia, WA, 98504-7250

Email: records@utc.wa.gov

Fax:

Other:

By (date) December 3, 2020

### Assistance for persons with disabilities:

Contact Susan Holman

Phone: (360) 664-1243

Fax:

TTY: (360) 586-8203

Email: susan.holman@utc.wa.gov

Other:

By (date) December 1, 2020

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:** The proposed rules reflect changes necessary to implement legislative changes to integrated resource planning in Chapter 19.280 RCW and WAC 480-100-238. The proposed amendments modify or add definitions; establish a requirement to issue request for proposals (RFP); add conditions that require the use of an independent evaluator in an RFP; establish minimum thresholds for the purpose and duties of an independent evaluator; set minimum standards for an RFP; and create and enhance the public participation processes for the RFP.

**Reasons supporting proposal:** The Washington Legislature in 2019 passed the Clean Energy Transformation Act (CETA), which required the Commission to promulgate new rules for investor-owned electric utilities to comply with CETA regarding requirements for the procedures for purchasing resources.

**Statutory authority for adoption:** RCW 80.01.040, RCW 80.04.160, RCW 80.28, RCW 19.280, and RCW 19.405

**Statute being implemented:** RCW 19.405, RCW 80.28, and RCW 19.280.

**Is rule necessary because of a:**

- Federal Law?  Yes  No  
Federal Court Decision?  Yes  No  
State Court Decision?  Yes  No

If yes, CITATION:

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

**Name of proponent:** (person or organization) Washington Utilities and Transportation Commission  Private  
 Public  
 Governmental

**Name of agency personnel responsible for:**

	Name	Office Location	Phone
Drafting:	Steve Johnson	621 Woodland Square Loop SE, Lacey, Washington 98503	(360) 481-1573
Implementation:	Mark L. Johnson	621 Woodland Square Loop SE, Lacey, Washington 98503	(360) 664-1115
Enforcement:	Mark L. Johnson	621 Woodland Square Loop SE, Lacey, Washington 98503	(360) 664-1115

**Is a school district fiscal impact statement required under RCW 28A.305.135?**  Yes  No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

- Name:  
Address:  
Phone:  
Fax:  
TTY:  
Email:  
Other:

**Is a cost-benefit analysis required under RCW 34.05.328?**

- Yes: A preliminary cost-benefit analysis may be obtained by contacting:  
Name:  
Address:  
Phone:  
Fax:

TTY:  
Email:  
Other:

No: Please explain: The Utilities and Transportation Commission is not an agency to which RCW 34.05.328 applies.

**Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:**

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

- |   |  |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b)<br>(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)<br>(Dictated by statute)   |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)<br>(Incorporation by reference)     | <input type="checkbox"/> RCW 34.05.310 (4)(f)<br>(Set or adjust fees)  |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)<br>(Correct or clarify language)    | <input type="checkbox"/> RCW 34.05.310 (4)(g)<br>((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

This rule proposal, or portions of the proposal, is exempt under RCW \_\_\_\_\_.

Explanation of exemptions, if necessary:

**COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES**

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

No Briefly summarize the agency's analysis showing how costs were calculated. The Commission issued a SBEIS questionnaire asking small and large businesses to comment on the potential costs of the draft rules. No small businesses responded. One large business, an investor-owned utility, responded with estimated costs of implementation. The Commission also conducted its own analysis of the potential impact to small businesses. In that analysis, the Commission determined that the costs of implementation were small and would have a de minimus effect on small businesses' utility rates as the costs would be spread across all customers alike. The rules do not apply to small businesses and therefore do not impose any direct costs on them.

Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name: Steve Johnson  
Address: P.O. Box 47250, Olympia, WA 98504-7250  
Phone: (360) 481-1573  
Fax:  
TTY:  
Email: [steve.johnson@utc.wa.gov](mailto:steve.johnson@utc.wa.gov)  
Other:

**Date:** November 2, 2020

**Name:** Mark L. Johnson

**Title:** Executive Director and Secretary

**Signature:**

A handwritten signature in black ink, appearing to read "Mark L. Johnson", written in a cursive style.