

VIA ELECTRONIC MAIL

<records@wutc.wa.gov>

October 26, 2005

Ms. Carole J. Washburn
Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

**Re: Docket No. UE-030423
Chapter 480-107 WAC Rulemaking**

Dear Ms. Washburn:

The Commission's October 7 Notice of Opportunity to File Written Comments in this rulemaking indicates that the most recent draft of the proposed rules ("Proposed Rules") was filed with the Code Reviser on October 5. With this action by the Commission, the final stage of the rulemaking process is formally commenced. At this point in the process, it is difficult to incorporate any substantial variance from the Proposed Rules.¹ We respectfully submit that this formal issuance of the Proposed Rules for comment may be premature, and that further discussion and another round of informal comments would be appropriate.

The Northwest Independent Power Producers Coalition (NIPPC), the Natural Resources Defense Council (NRDC), the NW Energy Coalition (NWEC), the Renewable Northwest Project (RNP), PacifiCorp, and Puget Sound Energy (PSE) have participated throughout the informal rulemaking process in this proceeding, commencing with initial comments on May 16, 2003, a workshop in June 2003, a further round of comments on May 15, 2005, and participation in a second workshop at the Commission on June 9, 2005. The informal stages of this rulemaking process attracted considerable participation by a large number of interested parties, and included a spirited and open exchange of a wide range of opinions during the most recent workshop, at which all three commissioners were present.

In our view, the Proposed Rules in their current form do not take advantage of the opportunity to accomplish a long-overdue overhaul of Chapter 480-107 WAC, and do not reflect the

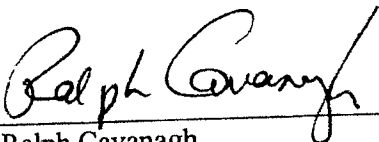
¹ Under RCW 34.05.340(1), a substantial variance from a proposed rule described in a published notice can be accommodated by a supplemental notice with the code reviser and a reopening of the proceedings for public comment on the proposed variance, or the agency may withdraw the proposed rule and commence a new rule-making proceeding to adopt a substantially different rule.

considerable effort devoted by interested parties in this proceeding toward taking a fresh look at these rules in light of the dramatic changes in the energy industry that have occurred since the competitive bidding rules were originally adopted in 1989. Rather than proceeding with the formal CR-102 process with the Proposed Rules, we urge that an additional round of informal comments be permitted – and perhaps another workshop – before proposed rules are formally submitted to the Code Reviser.

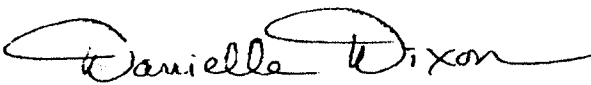
We appreciate your consideration of our request, and would intend to continue to participate in any additional process the Commission may choose to provide in this proceeding.

Sincerely,

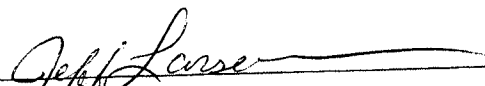
Natural Resources Defense Council

By 
Ralph Cavanagh
Co-Director, Energy Program

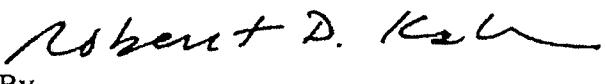
NW Energy Coalition

By 
Danielle Dixon
Senior Associate


PacifiCorp

By 
Jeff Larsen
Managing Director, Regulatory Affairs


**Northwest Independent Power Producers
Coalition**

By 
Robert D. Kahn
Executive Director

Renewable Northwest Project

By 
Ann English Gravatt
Policy Director

Puget Sound Energy

By 
Karl Karzmar
Director, Regulatory Relations