



# PROPOSED RULE MAKING

## CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

**Agency:** Washington Utilities and Transportation Commission

- Preproposal Statement of Inquiry was filed as WSR as** WSR #08-04-087; **or**
- Expedited Rule Making--Proposed notice was filed as WSR** \_\_\_\_\_; **or**
- Proposal is exempt under RCW 34.05.310(4).**

- Original Notice**
- Supplemental Notice to WSR** \_\_\_\_\_
- Continuance of WSR** \_\_\_\_\_

**Title of rule and other identifying information:** Chapter 480-100 WAC: Electric Companies—Part VII - Greenhouse Gas Emissions. The proposed rules implement the requirements of RCW 80.80.060 regarding electrical company compliance with the greenhouse gases emissions performance standard contained in RCW 80.80.040. The Commission is required in RCW 80.80.060(5) and (8) to adopt rules addressing Commission review of electrical company applications requesting Commission determinations regarding whether long-term financial commitments for base-load generation comply with the greenhouse gases emissions performance standard and whether to grant exemptions from the greenhouse gases performance standard under certain circumstances. Docket UE-080111

**Hearing location(s):**

Commission Hearing Room 206  
 Second Floor, Richard Hemstad Building  
 1300 S. Evergreen Park Drive SW  
 Olympia, WA 98504-7250

Date: October 23, 2008 Time: 10:00 AM

**Date of intended adoption:** October 23, 2008  
 (Note: This is **NOT** the effective date)

**Submit written comments to:**

Name: Washington Utilities and Transportation Commission  
 Address: 1300 s. Evergreen Park Drive S.W.  
 PO Box 47250  
 Olympia, WA 98504-7250  
 e-mail [records@utc.wa.gov](mailto:records@utc.wa.gov). Please, include: "Docket UE-080111" in your comments.  
 fax (360) 586-1150 by (date) September 22, 2008

**Assistance for persons with disabilities:** Contact

Mary De Young by October 21, 2008.

TTY (360) 586-8203 or (360) 664-1133

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:**

On May 3, 2007, the Governor signed Engrossed Senate Substitute Bill 6001, Chapter 307, Laws of 2007, with the title Climate Change – Mitigating Impacts. The law became effective July 22, 2007, and is codified at RCW 80.80. RCW 80.80.060 requires the Washington Utilities and Transportation Commission to adopt rules covering at a minimum two specific topics by December 31, 2008.

First, the rules must provide for a schedule for proceedings to consider applications made by electrical companies under RCW 80.80(5). These proceedings must accommodate the needs of the parties to a proposed resource acquisition or power purchase agreement for timely decisions that allow transactions to be completed; and protect the procedural rights to be provided to parties in chapter 34.05 RCW (part IV), including intervention, discovery, briefing, and hearing.

Second, RCW 80.80.060(8) directs that the rules must provide generally for the enforcement of the greenhouse gas emissions performance standard applied to electrical companies and must include procedural rules for approving costs incurred by an electrical company applying for an exemption from the greenhouse gases performance standard as authorized under RCW 80.80.060(4).

The proposed rules establish the information required to be included in electrical company filings requesting determination by the Commission that new long-term financial commitments for base-load electric generation comply with the greenhouse gases emissions performance standard (EPS), and the process by which these requests will be considered. In addition, the proposed rules establish the information required to be included in requests electrical companies may make to be exempted from the EPS under certain circumstances. Finally, the proposed rules specify reports required to be filed by electrical companies using the cost deferral accounting authorized under RCW 80.80.060(6).

The Department of Ecology (Ecology) is required to adopt rules to implement the EPS standard at RCW 80.80.040(10). Ecology adopted rules at WAC 173-407 on June 19, 2008, that establish procedures and methods for determining greenhouse gas emissions and compliance with the EPS. The Commission's proposed rules adopt the procedures and methods established in WAC 173-407.

**Reasons supporting proposal:** See above.

**Statutory authority for adoption:**  
 RCW 80.80.060 and RCW 80.01.040

**Statute being implemented:** RCW 80.80.060

**Is rule necessary because of a:**

- Federal Law?  Yes  No
  - Federal Court Decision?  Yes  No
  - State Court Decision?  Yes  No
- If yes, CITATION:

**DATE**  
 August 20, 2008

**NAME** (type or print)  
 David W. Danner

**SIGNATURE**

**TITLE**  
 Executive Director and Secretary

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
 STATE OF WASHINGTON  
 FILED

**DATE:** August 20, 2008

**TIME:** 9:24 AM

**WSR 08-17-106**

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

None.

**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..... Dick Byers	1300 S. Evergreen Pk Drive SW, Olympia, WA 98504	(360) 664-1209
Implementation.... David W. Danner	1300 S. Evergreen Pk Drive SW, Olympia, WA 98504	(360) 664-1208
Enforcement..... David W. Danner	1300 S. Evergreen Pk Drive SW, Olympia, WA 98504	(360) 664-1208

**Has a small business economic impact statement been prepared under chapter 19.85 RCW?**

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No. Explain why no statement was prepared.

The proposed rules require investor-owned utilities, none of which qualify as a small business, to comply with the greenhouse gases emissions performance standard established in RCW 80.80. Because there will not be any increase in costs to small businesses resulting from the proposed rule changes, an SBEIS is not required under RCW 19.85.030 (1).

**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 ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No: Please explain:

The Commission is not an agency to which RCW 34.05.328 applies. The proposed rules are not significant legislative rules of the sort referenced in RCW 34.05.328 (5).