



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)
(Implements RCW 34.05.310)
Do **NOT** use for expedited rule making

Agency: Washington Utilities and Transportation Commission

Subject of possible rule making: In the spring of 2011, the Washington House Technology, Energy, and Communications Committee requested the Utilities and Transportation Commission (UTC or Commission) conduct an interim study on the potential for distributed generation in the territories of investor-owned electric utilities. In Docket UE-110667, the UTC developed a set of policy recommendations based upon that study, including a recommendation that the UTC initiate a rulemaking to consider changes to the rules for interconnecting with utility electric systems (WAC 480-108). At a legislative hearing to discuss the recommendations, the UTC committed to initiating the rulemaking before the end of 2011. The rulemaking has been assigned Docket UE-112133.

Statutes authorizing the agency to adopt rules on this subject: RCW 80.01.040 and RCW 80.04.160

Reasons why rules on this subject may be needed and what they might accomplish: The UTC adopted two sets of rules in 2006 (WSR 06-07-017, codified in WAC 480-108) addressing electrical standards to ensure safety and reliability, and responsibility for the costs of interconnection. During the UTC's interim study in the summer of 2011, many commenters suggested that technological advances made some of the current requirements redundant, such as the requirements for an external disconnect switch and additional insurance. In addition, modifications to the system capacity sizes reflected in the two sets of rules may enable streamlined or simplified interconnection requirements for larger systems. This rulemaking will focus on reviewing requirements in the rules, that if modified, would lower costs for interconnection and accelerate the development of distributed generation systems, without unduly shifting costs between ratepayers or classes.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: Federal Energy Regulatory Commission (FERC) regulates interconnection of generation facilities to transmission facilities used to transmit power in interstate commerce. The current rules in WAC 480-108 provide a model for regulation of interconnection in Washington. The UTC will provide notice of the rulemaking broadly to all interested persons, including investor-owned utilities in the state, as well as the Department of Commerce, the Department of Labor and Industries, consumer-owned utilities and those electric generators seeking to interconnect with electric utilities.

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe)

The Commission will ask for initial written comments by January 30, 2012, and will conduct a stakeholders' workshop during the spring of 2012. The Commission will provide the opportunity for additional written comments.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:

Interested persons may file comments with the Executive Director and Secretary, Utilities and Transportation Commission, P.O. Box 47250, 1300 S Evergreen Park Drive SW, Olympia, WA 98504-7250; Telephone (360) 664-1174; Fax (360) 586-1150, by 5:00 p.m., **Monday, January 30, 2012**. For specific information regarding opportunities for written comments and to ensure receipt of further information concerning this rulemaking, please see the attachment to this form.

DATE
December 21, 2011

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: December 21, 2011
TIME: 8:25 AM

WSR 12-01-100

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
CR-101 - ATTACHMENT
DOCKET UE-112133

Interested persons may contact the Executive Director and Secretary, Washington Utilities and Transportation Commission, P. O. Box 47250, Olympia, Washington, 98504-7250, 360-664-1174 (Fax: 360-586-1150).

WRITTEN COMMENTS

Written comments may be submitted to the Commission at the address given above and should be filed with the Commission no later than **Monday, January 30, 2012**.

Electronic copies. The Commission requests that comments be provided in electronic format to enhance public access, for ease of providing comments, to reduce the need for paper copies, and to facilitate quotations from the comments. Comments may be submitted via the Commission's Web portal at www.utc.wa.gov/e-filing or by electronic mail to the Commission's Records Center at records@utc.wa.gov. Please include:

- The docket number of this proceeding (UE-112133)
- The commenting party's name
- The title and date of the comment or comments

An alternative method for submitting comments may be by mailing/delivering an electronic copy on a 3 ½ inch, IBM-formatted, high-density disk, in .pdf Adobe Acrobat format or in Word 97 or later. Include all of the information requested above. The Commission will post on the Commission's web site all comments that are provided in electronic format. The web site is located at <http://www.utc.wa.gov/112133>. If you are unable to file your comments electronically or to submit them on a disk, the Commission will always accept a paper document.

Opportunity for further comment is anticipated. Information about the schedule and other aspects of the rulemaking, including comments, will be posted on the Commission's web site as it becomes available. If you wish to receive further information on this rulemaking you may (1) call the Commission's Records Center at 360-664-1234, (2) e-mail the Commission at <records@utc.wa.gov>, or (3) mail written comments to the address above to the attention of David W. Danner, Executive Director and Secretary. When contacting the Commission, please refer to Docket UE-112133 to ensure that you are placed on the appropriate service list. Questions may be addressed to Elizabeth Osborne (360) 664-1209 or e-mail at eosborne@utc.wa.gov.

NOTICE

TO CONTINUE RECEIVING NOTICES AND INFORMATION ABOUT THIS RULEMAKING -- The Commission wants to ensure its mailings are sent to persons who are interested in the topic and want to receive that information. **ANY PERSON WHO COMMENTS** will continue to receive notices and information. If you do not submit comments but wish to remain on the mailing list for this rulemaking, please advise the Records Center by any one of the following methods: (1) send a note with your name, address (or a copy of your mailing label), and telephone and fax numbers referencing Docket UE-112133, and the words "Please keep me on the mailing list"; or (2) E-mail your name, address, telephone and fax numbers, referencing Docket UE-112133, and the words "Please keep me on the mailing list" to <records@utc.wa.gov>. Please note that all information in the mailings will be accessible through the Commission's Internet web site at <http://www.utc.wa.gov/112133>. **THOSE INTERESTED PERSONS WHO DO NOT RESPOND MAY NOT RECEIVE FURTHER MAILINGS OR INFORMATION ON THE RULEMAKING.**