

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

Establishing Fees to be Paid to the Washington Utilities and Transportation Commission by Gas Companies, Interstate Gas Pipeline Companies, and Hazardous Liquid Pipeline Companies Pursuant to RCW 80.24.060 and RCW 81.24.090

DOCKET P-220159

ORDER 01

ESTABLISHING PIPELINE SAFETY FEES FOR FISCAL YEAR 2022-2023

BACKGROUND

- 1 The Commission imposes an annual pipeline safety fee pursuant to Revised Code of Washington (RCW) 80.24.060 and RCW 81.24.090 to meet the costs of its pipeline safety program. Specifically, RCW 80.24.060(1) requires that every gas company and every interstate gas pipeline company subject to inspection or enforcement by the Commission pay an annual pipeline safety fee to the Commission, and RCW 81.24.090(1) requires that every hazardous liquid pipeline company as defined in RCW 81.88.010 pay an annual pipeline safety fee to the Commission. The fee is determined by the fee methodology established in WAC 480-93-240 (gas) and WAC 480-75-240 (hazardous liquid).
- 2 The fees set by the Commission are paid quarterly, beginning September 1 of each year. In accordance with WAC 480-93-240 (4) and WAC 480-75-240 (4), the Commission emails invoices to each company by August 1, 2022, showing the total amount of the pipeline fee for fiscal year 2022-2023, and the first quarterly payment amount due September 1, 2022.

DISCUSSION

- 3 The Commission has determined each company’s fiscal 2022-2023 fee pursuant to RCW 80.24.060 and WAC 480-93-240 (gas pipeline companies), and RCW 81.24.090 and WAC 480-75-240 (hazardous liquid pipeline companies).
- 4 To determine the amount of the fees, the Commission first deducts from the total program cost (\$2,600,000) the federal funding amount (\$1,492,988) the Commission received from the Federal Department of Transportation Natural Gas Pipeline and Hazardous Liquid Pipeline Safety Program base grants, and the damage prevention penalty collection amount (\$70,900) the Commission received during calendar year 2021.

5 The Commission then allocates overhead costs (\$207,222.40) to the pipeline program based on each company's percentage of the total pipeline miles within Washington State.

6 Finally, the Commission allocates the total remaining program cost (\$828,889.60) to each company based on the proportion of a company's share of the program staff hours that are directly attributable to each pipeline company. The Commission determines each company's hours by dividing the total hours directly attributable to the company during the two preceding calendar years by the total of directly attributable hours for all companies over the same period.

7 The total fiscal year 2022-2023 fee for each company is the sum of each company's directly assigned overhead cost, plus the cost based on the percentage of the program staff hours attributable to each company. The Commission divides the fee by four to determine each company's quarterly payment that is due and payable beginning September 1, 2021. Exhibit A, attached to and incorporated into this order by reference, shows the calculation of the fiscal year 2022-2023 pipeline safety fee.

8 The Commission has considered all monies on hand, the fees currently to be paid, and other anticipated revenues and credits, and enters this Order to establish the fiscal year 2022-2023 pipeline safety fee. One-quarter of each company's pipeline safety fee will be due and payable no later than September 1, 2022. The remaining quarterly amounts will be due and payable on or before December 1, 2022, March 1, 2023, and June 1, 2023.

FINDINGS AND CONCLUSIONS

- 9 (1) The Commission has jurisdiction under RCW 80.24.060 and RCW 81.24.090 to establish pipeline safety fees.
- 10 (2) The Commission provided notice of the proposed fees to the pipeline operators by email on May 16, 2022.
- 11 (3) Exhibit A to this Order shows the calculation of the fiscal year 2022-2023 pipeline safety fee. The calculations shown in Exhibit A are appropriate. The Commission includes with each order served on a company subject to the payment of fees a statement of the payment due September 1, 2022.
- 12 (4) The pipeline safety fees calculated as described in this Order and shown in Exhibit A, comply with RCW 80.24.060 and RCW 81.24.090, and correctly apply the methodology set forth in WAC 480-93-240 and WAC 480-75-240.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The pipeline safety fees to be paid to the Commission for fiscal year 2022-2023 (the period July 1, 2022, through June 30, 2023) under the provisions of RCW 80.24.060 and RCW 81.24.090, and the fee methodology in WAC 480-93-240 and WAC 480-75-240, are established as set out in Exhibit A, attached to and incorporated into this Order by reference.
- 14 (2) The fees are payable in quarterly installments according to WAC 480-93-240 and WAC 480-75-240, due and payable on or before September 1, 2022; December 1, 2022; March 1, 2023; and June 1, 2023.
- 15 (3) Pursuant to RCW 80.24.060(7) and RCW 81.24.090(7), any entity seeking to contest the imposition of the fees established by this Order must pay the fee and request a refund within six months of the due date of the fee. The procedures are described in WAC 480-93-240(6) and WAC 480-75-240(6).
- 16 The Commissioners, having determined the fee for 2022-2023, directed the Executive Director and Secretary to issue this Order.

DATED at Lacey, Washington, and effective June 16, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL
Executive Director and Secretary