



# PROPOSED RULE MAKING

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

Do NOT use for expedited rule making

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STATE OF WASHINGTON  
FILED

DATE: May 04, 2020

TIME: 11:37 AM

WSR 20-10-080

**Agency:**

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

- Preproposal Statement of Inquiry was filed as WSR 18-15-019 ; 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) This rulemaking considers modification of WAC 480-100 (Electric Companies) and WAC 480-90 (Gas Companies) related to consumer protection in response to investor-owned utility deployment of Advanced Metering Infrastructure (AMI) technologies. This rulemaking addresses key concerns expressed by regulated companies, Commission staff, and utility stakeholders regarding data privacy; disconnection and reconnection of service; customer notice requirements; and meter testing, identification, and accuracy requirements. This rulemaking was assigned Commission Docket U-180525.)

**Hearing location(s):**

| Date:         | Time:     | Location: (be specific)  | Comment:   |
|---------------|-----------|--|--|
| July 13, 2020 | 9:30 a.m. | Richard Hemstad Hearing Room, Room 110<br>621 Woodland Square Loop SE, Lacey, Washington | Public hearing to consider adoption of the proposed rules. To join by phone, call (360) 407-3810 and enter Conference ID: 4818239. |

**Date of intended adoption:** \_\_\_\_\_ (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](mailto:records@utc.wa.gov)  
 Fax:  
 Other:  
 By (date) June 22, 2020

**Assistance for persons with disabilities:**

Contact Susan Holman  
 Phone: (360) 664-1243  
 Fax:  
 TTY: 1-800-833-6384 or 711  
 Email: [susan.holman@utc.wa.gov](mailto:susan.holman@utc.wa.gov)  
 Other:  
 By (date) June 29, 2020

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:** The proposed rules incorporate necessary regulatory protections for consumers in reaction to investor-owned utility deployment of AMI technologies.

**Reasons supporting proposal:** The proposed AMI rules formalize and standardize the expectations and requirements for companies implementing AMI technologies and revises requirements for data protection and disconnection and reconnection of service. The Commission held workshops and solicited company and stakeholder comments, and is satisfied that the proposed rules both provide a framework for companies and protect the interests of consumers.

**Statutory authority for adoption:** RCWs 80.28, 80.01.040, 80.01.160

**Statute being implemented:**

**Is rule necessary because of a:**

|                         |                              |  |
|-------------------------|------------------------------|--|
| Federal Law?            | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| State Court Decision?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> 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)  Private  
 Public  
 Governmental

**Name of agency personnel responsible for:**

|                 | Name             | Office Location                               | Phone          |
|-----------------|------------------|---|----------------|
| Drafting:       | Gregory J. Kopta | 621 Woodland Square Loop SE, Lacey, WA, 98503 | (360) 664-1355 |
| Implementation: | Mark L. Johnson  | 621 Woodland Square Loop SE, Lacey, WA, 98503 | (360) 664-1115 |
| Enforcement:    | Mark L. Johnson  | 621 Woodland Square Loop SE, Lacey, WA, 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 Washington Utilities and Transportation 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).

**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:

- RCW 34.05.310 (4)(b) (Internal government operations)
- RCW 34.05.310 (4)(c) (Incorporation by reference)
- RCW 34.05.310 (4)(d) (Correct or clarify language)
- RCW 34.05.310 (4)(e) (Dictated by statute)
- RCW 34.05.310 (4)(f) (Set or adjust fees)
- RCW 34.05.310 (4)(g) ((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 proposed rules will have no effect on small business because the rules apply only to the large investor-owned utility companies. Nevertheless, the Commission issued an SBEIS Questionnaire, soliciting comments and information on the financial impact of the proposed rules. The Commission received comments from three stakeholders. Puget Sound Energy (PSE) and Avista Corporation d/b/a Avista Utilities (Avista) expressed concern that it would be costly and burdensome for companies to adopt new systems and processes to comply with the draft revised data privacy rules and then to do so again if the legislature establishes comprehensive standards for data privacy, as it has considered in the last two legislative sessions. PSE and Avista further contended that the breadth and lack of specificity in the definition of “customer information” subject to protection would require companies to expend significant resources to identify, protect, and disclose such information in compliance with the rules. The proposed rules address these concerns by requiring only “reasonable” measures to safeguard “customer information,” defining such information using existing statutory definitions of protected information, and requiring customer access only to “account and usage information,” a subset of “customer information.”

UtilityAPI, Inc. (UtilityAPI), commented that requiring consent for disclosure of protected information in paper, rather than electronic, form would be needlessly expensive and burdensome. UtilityAPI further observed that the National Institute of Standards and Technology (NIST) has dozens of conflicting standards for data privacy, and the requirement in the draft rules to comply with those standards would result in costs in the millions of dollars. The proposed rules address these concerns by defining “written consent” to include both paper and electronic documentation, and by deleting the requirement to comply with NIST standards.

The Commission is unaware of any more-than-minor costs utilities must incur to comply with the proposed rules.

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:  
Address:  
Phone:

Fax:  
TTY:  
Email:  
Other:

**Date:** May 4, 2020

**Name:** Mark L. Johnson

**Title:** Executive Director and Secretary

**Signature:**

A handwritten signature in black ink, appearing to read "Mark L. Johnson". The signature is written in a cursive style with a large, sweeping initial "M".