

PART ((1)) I--GENERAL ((RULES)) PROVISIONS

AMENDATORY SECTION (Amending General Order R-510, Docket No. A-010648, filed 11/24/03, effective 1/1/04)

WAC 480-100-008 Exemptions from rules in chapter 480-100 WAC. (~~((1) The commission may grant an exemption from the provisions of any rule in this chapter, if consistent with the public interest, the purposes underlying regulation, and applicable statutes.~~

~~(2) To request a rule exemption, a person must file with the commission a written request identifying the rule for which an exemption is sought, giving a full explanation of the reason for requesting the exemption.~~

~~(3) The commission will assign the request a docket number, if it does not arise in an existing docket, and will schedule the request for consideration at one of its regularly scheduled open meetings or, if appropriate under chapter 34.05 RCW, in an adjudication. The commission will notify the person requesting the exemption, and other interested persons, of the date of the hearing or open meeting when the commission will consider the request.~~

~~(4) In determining whether to grant the request, the commission may consider whether application of the rule would impose undue hardship on the petitioner, of a degree or a kind different from hardships imposed on other similarly situated persons, and whether the effect of applying the rule would be contrary to the purposes of the rule.~~

~~(5) The commission will enter an order granting or denying the request, or setting it for hearing, pursuant to chapter 480-07 WAC.)~~ The commission may grant an exemption from the provisions of any rule in this chapter in the same manner and consistent with the standards and according to the procedures set forth in WAC 480-07-110 (Exceptions from and modifications to the rules in this chapter; special rules).

AMENDATORY SECTION (Amending Docket No. UE-990473, General Order No. R-482, filed 5/3/01, effective 6/3/01)

WAC 480-100-023 Definitions. "Affiliated interest" means a person or corporation as defined in RCW 80.16.010.

"Applicant" means any person, corporation, partnership, government agency, or other entity that applies for service with an electric utility or who reapplies for service at a new or existing location after service has been discontinued.

"Business day" means Monday through Friday, 8:00 a.m. until

5:00 p.m., except for official state holidays.

"Commission" means the Washington utilities and transportation commission.

"Control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a company, whether through the ownership of voting shares, by contract, or otherwise.

"Customer" means any person, corporation, partnership, government agency, or other entity that has applied for, has been accepted, and is currently receiving service.

"Electric utility (utility)" means any business entity (e.g., corporation, company, association, joint stock association, or partnership) or person, including a lessee, trustee, or court appointed receiver that meets the following conditions:

Owns, controls, operates, or manages any electric plant for hire in Washington state; and

Is subject to the commission's jurisdiction.

"Subsidiary" means any company in which the electric utility owns directly or indirectly five percent or more of the voting securities, unless the utility demonstrates it does not have control.

Terms used in this chapter and defined in the public service laws of Washington state (i.e., principally Title 80 RCW) have the same meaning here as in the statutes. Terms not defined in these rules or the applicable statutes have the meaning generally accepted in the electric industry, or their ordinary meaning if there is no meaning generally accepted in the electric industry.

PART ((2)) II--CONSUMER RULES

PART ((3)) III--FINANCIAL RECORDS AND REPORTING RULES

Subpart A: General Rules

NEW SECTION

WAC 480-100-207 Filing information. (1) **Filing.** The commission records center will accept all reports required in Part III in person, by mail, or when procedures are in place, electronic mail message.

(2) **Commission may require additional information.** The commission may require pertinent information in addition to that specified by statute or in this chapter.

(3) **Information by reference.** When any information required to support a filing is on file with the commission, it is sufficient to make specific reference to the information indicating the proceeding, report, or other filing that contains the referenced information.

(4) **When information is unavailable.** If any required information is unavailable at the time of the filing, the filing must include the reason why the information is not available and state when it will be available.

NEW SECTION

WAC 480-100-209 Additional reports. Part III does not supersede any reporting requirement specified in a commission order or limit the commission's ability to request additional information.

Subpart B: Financial Transaction Reporting Requirements

NEW SECTION

WAC 480-100-244 Transferring cash or assuming obligations.

(1) At least five business days before an electric utility whose corporate/issuer rating is not in one of the four highest rating categories of either Standard & Poor's L.L.C. or Moody's Investors Service, Inc., or its subsidiary transfers cash to any of its affiliated interests or subsidiaries or assumes an obligation or liability of any of its affiliated interests or any of its subsidiaries, the utility must report to the commission an estimate of the amount to be transferred and the terms of the transaction when the transaction will exceed thresholds described in (a) or (b) of this subsection.

(a) The utility must report if the cumulative transactions to a subsidiary or affiliated interest for the prior twelve months exceed a threshold of two percent, which is based on the utility's common shareholders equity.

(b) When the threshold in (a) of this subsection has been reached, the utility must report each subsequent transaction exceeding a threshold of one percent for the prior twelve-month period, which is based on the utility's common shareholders equity.

A utility's common shareholder equity is determined according to the latest annual report filed pursuant to WAC 480-100-252 (Federal Energy Regulatory Commission (FERC) Form No. 1). Information about the FERC Form No. 1 regarding the version adopted and where to obtain it is set out in WAC 480-100-999 (Adoption by reference).

(2) The reporting requirements in subsection (1) in this section do not include payments for:

(a) Federal and state taxes;

(b) Goods, services, or commodities, including fuel supplies (e.g., gas, coal, or oil);

(c) Transactions, attributed to the regulated entity, previously approved or ordered by the commission, other regulatory agencies, or the court;

(d) Dividends to the extent the level of such dividends over a twelve-month period does not exceed the larger of:

(i) Net income during such period; or

(ii) The average level of dividends over the preceding three years; or

(e) Sweep or cash management accounts used to transfer funds to or from a subsidiary or affiliate as part of the customary and routine cash management functions between or among

the utility and its subsidiary or affiliate.

NEW SECTION

WAC 480-100-245 Affiliated interests--Contracts or arrangements. Prior to the effective date of any contract or arrangement described in RCW 80.16.020, each electric utility must file a verified copy or a verified summary, if unwritten, of contracts or arrangements, except transactions provided at tariff rates, with any affiliated interest. Prior to the effective date of any modification or amendment, the utility must file verified copies of the modifications or amendments to the contracts or arrangements. If the contract or arrangement is unwritten, the utility must file a verified summary of any modification or amendment. The commission may institute an investigation and disapprove the contract or arrangement if the commission finds the utility has failed to prove that it is reasonable and consistent with the public interest.

NEW SECTION

WAC 480-100-248 Securities and transfers of property. (1) Before an electric utility issues stock, securities, or other evidence of indebtedness, the utility must comply with the requirements of chapters 80.08 RCW and 480-146 WAC.

(2) Before selling, leasing, or assigning any of its property or facilities which are necessary or useful in the performance of its duties to the public, or before acquiring property or facilities of another public utility, an electric utility must obtain from the commission an order authorizing such transaction in accordance with chapters 80.12 RCW (Transfers of property) and 480-143 WAC (Commission general--Transfers of property).

Subpart C: Annual Reporting Requirements

NEW SECTION

WAC 480-100-252 Federal Energy Regulatory Commission (FERC) Form No. 1. (1) Each electric utility must use the annual report form (FERC Form No. 1) promulgated by the Federal Energy Regulatory Commission in Title 18 of the Code of Federal Regulations, Part 141, for purposes of this report to the commission. Data required by RCW 80.04.080 (Annual reports), but not included in the FERC Form No. 1, must also be submitted with the annual report. The utility must submit the annual report for the preceding calendar year, along with the regulatory fee, by May 1st of each year. If not presented in the prescribed FERC Form No. 1, the annual report must include the following data per customer class for the calendar year: Revenues, average customer count, and total unit sales. Information about the FERC Form No. 1 regarding the version adopted and where to obtain it is set out in WAC 480-100-999 (Adoption by reference).

(2) Each utility must also submit to this commission, in essentially the same format and content as the FERC Form No. 1, a report that documents the costs incurred and the property necessary to furnish utility service to its customers and the revenues obtained in the state of Washington. The report must include the following data per customer class for the calendar year: Revenues, average customer count, and total unit sales.

(3) Combination and multistate utilities must submit with the annual report their cost allocation methods necessary to develop results of operations for the state of Washington. Approval of cost allocation methods for rate-making purposes is accomplished only by commission order.

(4) The total utility results of operations reported by each utility in its annual report to the commission must agree with the results of operations shown on the utility's books and records.

NEW SECTION

WAC 480-100-257 Commission basis report. (1) Commission basis reports are due within four months of the end of a utility's fiscal year.

(2) The intent of the commission basis report is to depict

the electric operations of an electric utility under normal temperature and power supply conditions during the reporting period. The commission basis report must include:

(a) Booked results of electric operations and rate base, and all the necessary adjustments as accepted by the commission in the utility's most recent general rate case or subsequent orders;

(b) Results of operations adjusted for any material out-of-period, nonoperating, nonrecurring, and extraordinary items or any other item that materially distorts reporting period earnings and rate base; and

(c) Booked revenues and power supply expenses adjusted to reflect operations under normal temperature and power supply conditions before the achieved return on rate base is calculated.

(3) Commission basis reports should not include adjustments that annualize price, wage, or other cost changes during a reporting period, nor new theories or approaches that have not been previously addressed and resolved by the commission.

(4) Each utility must submit the basis of any cost allocations and the allocation factors necessary to develop the commission basis results of electric operations for the state of Washington.

NEW SECTION

WAC 480-100-264 Affiliated interest and subsidiary transactions report. (1) Each electric utility must file an annual report summarizing all transactions, except transactions provided at tariff rates, that occurred between the utility and its affiliated interests, and the utility and its subsidiaries. The report is due one hundred fifty days from the end of each reporting period, whether a fiscal or calendar year. The report must include a corporate organization chart of the utility and its affiliated interests and subsidiaries.

(2) When total transactions with an affiliated interest or a subsidiary are less than one hundred thousand dollars for the reporting period, the utility must provide the name of the affiliated interest or subsidiary participating in the transactions and the total dollar amounts of the transactions. When total transactions with an affiliated interest or subsidiary equal or exceed one hundred thousand dollars for the reporting period, the utility must provide:

(a) A balance sheet and income statement for such affiliated interest;

(b) A description of the products or services provided to or from the utility and each such affiliated interest or subsidiary;

(c) A description of the pricing basis or costing method, and procedures for allocating costs for such products or services, and the amount and accounts charged during the year;

(d) A description of the terms of any loans between the utility and each such affiliated interest or subsidiary and a listing of the year-end loan amounts and maximum loan amounts outstanding during the year;

(e) A description of the terms and total amount of any obligation or liability assumed by the utility for each such affiliated interest or subsidiary;

(f) A description of the activities of each such affiliated interest or subsidiary with which the utility has transactions; and

(g) A list of all common officers and directors between the electric utility and each such affiliated interest or subsidiary, along with their titles in each organization.

(3) The report required in this section supersedes the reporting requirements contained in previous commission orders authorizing affiliated interest transactions pursuant to chapter 80.16 RCW.

(4) The utility is obligated to file verified copies of affiliated interest contracts and arrangements as stated in WAC 480-100-245 (Affiliated interest--Contracts and arrangements).

NEW SECTION

WAC 480-100-268 Essential utilities services contracts report. (1) When the annual transactions with a vendor exceed one and one-half percent of total company sales to ultimate customers as reported in the utility's most recent Federal Energy Regulatory Commission (FERC) Form No. 1 (or combined Forms No. 1 and No. 2 for combined utilities), each electric utility must report the total contracts with that vendor for essential utility services specifying the relevant terms of the contract or contracts, along with anticipated associated charges. Information about the FERC Form No. 1 regarding the version adopted and where to obtain it is set out in WAC 480-100-999 (Adoption by reference).

(2) The report of essential service vendors is due one hundred twenty days from the end of each reporting period, whether a fiscal or calendar year.

(3) For each vendor the report must include:

- (a) The parties to the contract;
 - (b) The type of contract;
 - (c) The essential obligations of each party to the contract;
 - (d) The length of the contract;
 - (e) The budgeted annual dollar value of the contract during the reporting period; and
 - (f) The actual payments for services rendered under the contract during the reporting period.
- (4) Essential utility services are those services necessary to provide electric service such as:
- (a) Operation or maintenance of electric system infrastructure;
 - (b) Operation or maintenance of computer systems;
 - (c) Purchase of electricity for classes of customer service regulated by the commission; and
 - (d) Construction of electric system infrastructure.
- (5) The requirements under this section may be satisfied in whole or in part by cross-reference to the applicable portions of other documents that the utility has on file with the commission.

Subpart D: Quarterly Reporting Requirement

NEW SECTION

WAC 480-100-275 Actual results for Washington operations report. Within sixty days of the end of each quarter, each electric utility must file a report of actual results for Washington operations. The results of operations report must contain each of the three monthly balances and the latest twelve months' ending balance for all accounts of the uniform system of accounts. The report must include the average customer count and total unit sales per customer class for each reported period.

PART IV--LEASE OF UTILITY FACILITIES

PART ((4)) V--METERING RULES

PART ((5)) VI--SAFETY AND STANDARDS RULES

PART ((6)) VII--ADOPTION BY REFERENCE

AMENDATORY SECTION (Amending General Order No. R-511, Docket No. A-030852, filed 12/22/03, effective 1/22/04)

WAC 480-100-999 Adoption by reference. In this chapter, the commission adopts by reference all or portions of regulations and standards identified below. They are available for inspection at the commission branch of the Washington state library. The publications, effective date, references within this chapter, and availability of the resources are as follows:

(1) Title 18 Code of Federal Regulations, cited as 18 CFR, including all appendices and amendments is published by the United States Government Printing Office.

(a) The commission adopts the version in effect on April 1, 2003.

(b) This publication is referenced in WAC 480-100-203 (Accounting system requirements) (~~and WAC 480-100-208 (Financial reporting requirements)~~), WAC 480-100-244 (Transferring cash or assuming obligation), WAC 480-100-252 (Federal Energy Regulatory Commission (FERC) Form No. 1), and WAC 480-100-268 (Essential utilities services contracts report).

(c) Copies of 18 CFR are available from the U.S. Government Printing Office in Pittsburgh, Pennsylvania.

(2) The *Regulations to Govern the Preservation of Records of Electric, Gas, and Water Companies* is published by the National Association of Regulatory Utility Commissioners (NARUC).

(a) The commission adopts the version in effect in 1985.

(b) This publication is referenced in WAC 480-100-228

(Retention and preservation of records and reports).

(c) The *Regulations to Govern the Preservation of Records of Electric, Gas, and Water Companies* is a copyrighted document. Copies are available from NARUC in Washington, D.C.

(3) The National Electrical Code is published by the National Fire Protection Association (NFPA).

(a) The commission adopts the version published in 2002.

(b) This publication is referenced in WAC 480-100-163 (Service entrance facilities).

(c) The National Electrical Code is a copyrighted document. Copies are available from the NFPA in Quincy, Massachusetts.

(4) The American National Standard for Electric Meters: Code for Electricity Metering, ANSI C12.1 is published by the American National Standards Institute.

(a) The commission adopts the version published in 2001.

(b) This publication is referenced in WAC 480-100-318 (Meter readings, multipliers, and test constants), WAC 480-100-338 (Accuracy requirements for electric meters), and WAC 480-100-343 (Statement of meter test procedures).

(c) The ANSI C12.1 is a copyrighted document. Copies are available from Global Engineering Documents in Englewood, Colorado.

REPEALER

The following sections of the Washington Administrative Code are repealed:

WAC 480-100-208	Financial reporting requirements.
WAC 480-100-218	Securities, affiliated interests, and transfers of property.