

## Attachment A

### NEW SECTION

#### **WAC 480-93-240 Annual pipeline safety fee methodology**

- (1) Every gas company and every interstate gas pipeline company subject to inspection or enforcement by the commission will pay an annual pipeline safety fee as established in the methodology set forth in section (2) below.
- (2) The fee will be set by general order of the commission entered before July 1 of each year and will be collected in four equal installments payable on the first day of each calendar quarter, beginning July 1, 2001.
  - (a) The total of pipeline safety fees will be calculated to recover the costs of the legislatively authorized workload represented by current appropriations, less the amount received in federal funds through the Federal Department of Transportation's Natural Gas Pipeline Safety Program base grant. Federal grants, other than the federal base grant, received by the commission for additional activities not included or anticipated in the legislatively directed workload will not be credited against company pipeline safety fees, nor will the work supported by such grants be considered a cost for purposes of calculating such fees.
  - (b) Total pipeline fees as determined in subsection (a) will be divided between gas companies and interstate gas pipeline companies based on two components:
    - (i) The first component is direct assignment of average costs associated with a company's standard inspections, including the average number of inspection days per year, which will be determined annually. Standard inspections are conducted to comply with the state's participation requirement under the "Guidelines for States Participating in the Pipeline Safety Program" of the Federal Department of Transportation, Office of Pipeline Safety.
    - (ii) The second component is an allocation of the remaining program costs that are not directly assigned in (i) . Distribution of these costs between gas companies and interstate gas pipeline companies will be based on miles of transmission lines as defined in WAC 480-93-005 (18) and miles of main as defined in WAC 480-93-005 (12) operated within Washington state.

- (c) The commission general order setting fees pursuant to this rule will detail the allocation of program costs between gas companies and interstate gas pipeline companies, and the specific calculation of each company's pipeline safety fee.
- (3) By April 1 of each year every gas company and every interstate gas pipeline company subject to this section must file an annual report as prescribed by the Commission that is necessary to establish the annual pipeline safety fee. By June 1 of each year the commission staff will mail to each company subject to this section an annual invoice showing an estimate of the quarterly amounts.
- (4) All pipeline safety fees received from gas companies and interstate gas pipeline companies will be deposited to the pipeline safety account. For those companies subject to RCW 80.24.010, the portion of the company's total regulatory fee applicable to pipeline safety will be transferred from the public service revolving fund to the pipeline safety account.
- (5) Any company wishing to contest the amount of the fee imposed under this section must pay the fee and, within 6 months of the due date of the fee, file a petition in writing with the commission requesting a refund. The petition must state the name of the petitioner; the date and the amount paid, including a copy of any receipt, if available; the amount of the fee that is contested; and any reasons why the commission may not impose the fee. The commission may grant the petition administratively or may set the petition for adjudication or for brief adjudication.

NEW SECTION

**WAC 480-75-240 Annual pipeline safety fee methodology**

- (1) Every hazardous liquid pipeline company subject to inspection or enforcement by the commission will pay an annual pipeline safety fee as established in the methodology set forth in section (2) below.
- (2) The fee will be set by general order of the commission entered before July 1 of each year and will be collected in four equal installments payable on the first day of each calendar quarter, beginning July 1, 2001.
  - (a) The total of pipeline safety fees will be calculated to recover the costs of the legislatively authorized workload represented by current appropriations, less the amount received in federal funds through the Federal Department of Transportation's Hazardous Liquids Pipeline Safety Program base grant. Federal grants, other than the federal base grant, received by the commission for additional activities not included or anticipated in the legislatively directed workload will not be credited against company pipeline safety fees, nor will the work supported by such grants be considered a cost for purposes of calculating such fees.
  - (b) Total pipeline fees as determined in (a) will be divided between intrastate hazardous liquid pipeline companies and interstate hazardous liquid pipeline companies based on two basic components:
    - (i) The first component is direct assignment of average costs associated with a company's standard inspections, including the average number of inspection days per year which will be determined annually. Standard inspections are conducted to comply with the state's participation requirement under the "Guidelines for States Participating in the Pipeline Safety Program" of the Federal Department of Transportation, Office of Pipeline Safety.
    - (ii) The second component is an allocation of the remaining program costs that are not directly assigned in (i). Distribution of these costs between interstate and intrastate hazardous liquid pipeline companies will be based on miles of pipeline operated within Washington state.
  - (c) The commission general order setting fees pursuant to this rule will detail the allocation of program costs between interstate and intrastate hazardous

liquid companies and the specific calculation of each company's pipeline fee.

- (3) By April 1 of each year every hazardous liquids pipeline company subject to this section must file an annual report as prescribed by the commission that is necessary to establish the annual pipeline safety fee. By June 1 of each year the commission staff will mail to each company subject to this section an annual invoice showing an estimate of the quarterly amounts.
- (4) All pipeline safety fees received from hazardous liquid pipeline companies will be deposited to the pipeline safety account. For those companies subject to RCW 81.24.010 the portion of the company's total regulatory fee applicable to pipeline safety will be transferred from the public service revolving fund to the pipeline safety account.
- (5) Any company wishing to contest the amount of the fee imposed under this section must pay the fee and, within 6 months of the due date of the fee, file a petition in writing with the commission requesting a refund. The petition shall state the name of the petitioner; the date and the amount paid, including a copy of any receipt, if available; the amount of the fee that is contested; and any reasons why the commission may not impose the fee. The commission may grant the petition administratively or may set the petition for adjudication or for brief adjudication.