

## **Electric Companies**

### **WAC 480-100-208 Financial reporting requirements. (1) Annual reports.**

(a) Electric utilities 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 annual reporting to this 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. Utilities 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, 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.

(b) Utilities 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;

(c) 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 ~~schemes~~ methods for rate-making purposes is accomplished only by commission order;

(d) 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.

### **(2) Commission basis reports (annual).**

(a) The intent of the "commission basis" report is to depict the electric operations of a utility under normal temperature and power supply conditions during the reporting period. The commission basis report must include the following:

(i) 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;

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

(iii) Adjusted booked revenues and power supply expenses to reflect operations under normal temperature and power supply conditions before the achieved return on rate base is calculated;

(b) 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.

(c) Utilities 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;

(d) Commission basis reports are due within four months of the end of a utility's fiscal year.

(3) **Quarterly reports.** Electric utilities must file a report of actual results for Washington operations within forty-five days of the end of each quarter. 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.

(4) **Special Reports.**

(a) **Financial transaction reports.** Twenty days prior to the transfer of cash, credit, or any pecuniary interest between an electric utility, its subsidiaries, or its affiliates, the utility must report to the commission the amount and the details of the transaction when:

(i) A single transaction amount exceeds two percent of the latest reported common shareholders equity; or

(ii) A cumulative transaction amount for the prior twelve months exceeds two percent of the latest reported common shareholders equity.

(b) **Essential electric services contracts.** Electric utilities subject to RCW 80.28 that enter into contracts for essential utility services when the annual value will exceed \$10,000,000, must file the contracts along with anticipated associated charges. Essential utility services include, but are not limited to:

(i) Operation and maintenance of electric system infrastructure;

(ii) Operation or maintenance of computer systems;

(iii) Purchase of electricity for classes of customer service regulated by the commission; and

(iv) Construction of electric system infrastructure.

(c) **Annual essential electric service contract report.** The annual essential electric service contract report must summarize all transactions that occurred as a result

of the contracts required in (b) of this subsection during the period January 1 through December 31 of the preceding year. This report is due by June 1 of each year.

(d) **Annual subsidiary transaction report.** The annual subsidiary transaction report must summarize all transactions that occurred between the electric utility and its subsidiaries during the period January 1 through December 31 of the preceding year. This report is due by June 1 of each year.

(e) **Annual affiliated interest transactions report.** Each electric utility, as defined in WAC 480-146-240 that has a contract or arrangement with an affiliate, must summarize all transactions that occurred between the electric utility and its affiliated interests during the period January 1 through December 31 of the preceding year. This report is due by June 1 of each year. The annual affiliated interest transactions report must include a corporate organization chart of the electric utility and its affiliates and must contain the following information for each affiliate that had transactions with the electric utility during the preceding year:

(i) A description of the products or services flowing between the electric utility and any affiliated interest;

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

(iii) A description of the terms of any loans between the electric utility and its affiliate and a listing of the year-end loan amounts and maximum loan amounts outstanding during the year;

(iv) A description of the terms and maximum amount of any debt guarantees by the electric utility for any affiliate and a listing of the year-end debt amounts and maximum debt amounts outstanding during the year;

(v) A description of all exchanges of cash or credit between the electric utility and its affiliates including the terms and amount of each exchange;

(vi) A detailed description of the activities of the affiliates with which the electric utility has transactions;

(vii) A list of all common officers and directors of the affiliated interest company and the electric utility along with their titles in each organization; and

(viii) Appropriate financial information for each affiliated interest company including, but not limited to, a balance sheet and income statement.

The commission may request any additional information during its review of the electric utility's annual affiliated interest transactions report.

(f) The electric utility may submit the reports required in (c), (d), and (e) of this subsection:

(i) As stand-alone reports; or

(ii) As part of the annual report required in subsection (1) of this section.

(g) The annual affiliated interest transactions report required in (e) of this subsection will supersede the reporting requirements contained in previous commission orders authorizing affiliated interest transactions pursuant to chapter 80.16 RCW.

(45) **Additional reports.** This section does not supersede any reporting requirement specified in a commission order or limit the commission's ability to request additional information.