

July 23, 2009

**NOTICE OF HEARING ON RULEMAKING
(Thursday, August 13, 2009, at 1:30 p.m.)**

RE: Review of PURPA Standards in the Energy Independence and Security Act of 2007
Docket U-090222

TO ALL INTERESTED PERSONS:

On March 18, 2009, the Washington Utilities and Transportation Commission (Commission or UTC) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to examine whether new regulations are needed to govern six aspects of investor-owned electric and natural gas utility operations for which new federal standards are included in the Energy Independence and Security Act of 2007, Public Law 110-140 (EISA).¹ For electric companies, these new federal standards address: 1) integrated resource planning – Standard 16; 2) rate design to promote energy efficiency investment – Standard 17; 3) consideration of smart grid investments – Standard 18; and 4) smart grid information – Standard 19. For natural gas companies, these new federal standards address: 1) energy efficiency – Standard 5; and 2) rate design to promote energy efficiency investment – Standard 6.

The CR-101 included a notice of opportunity to file written comments. By April 24, 2009, a number of interested persons filed written comments in response to the CR-101. On May 21, 2009, the Commission held a stakeholder workshop to discuss the proposed federal standards and the written comments the Commission had received. Interested persons filing written comments and participating in the stakeholder workshop included Puget Sound Energy, Inc. (PSE), PacifiCorp, MicroPlanet Technology Corp., Parker Holden, Washington Office of Attorney General, Public Counsel Section (Public Counsel), Cascade Natural Gas Corporation and Avista Corporation (Avista).

¹ PURPA Sections 111(d) and 303(b) are codified at 16 U.S.C. § 2621(d) and 15 U.S.C. § 3203(b), respectively.

Afterward, the Commission issued a Notice of Opportunity to File Comments relating to specific topics discussed at the workshop. Comments were received from Avista, PacifiCorp, NW Energy Coalition and the Energy Project, PSE, and Public Counsel.

After reviewing the various stakeholder comments, the Commission finds it appropriate to convene a hearing to discuss further steps in this rulemaking including, but not limited to, termination of this rulemaking with regard to any of the aforementioned federal standards addressing electric and natural gas company operations.

NOTICE OF HEARING. The Commission will convene a hearing on **Thursday, August 13, 2009, beginning at 1:30 p.m., in Room 206, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.** For those unable to attend in person, the Commission's conference bridge will be available by dialing (360) 664-3846.

If you have any procedural questions regarding this notice, please contact Steve Johnson at sjohnson@utc.wa.gov or by calling (360) 664-1346.

Sincerely,

DAVID W. DANNER
Executive Director and Secretary