



# PROPOSED RULE MAKING

**CR-102 (December 2017)**  
**(Implements RCW 34.05.320)**  
Do **NOT** use for expedited rule making

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FILED

DATE: March 22, 2022

TIME: 1:48 PM

WSR 22-07-100

**Agency:** Washington Utilities and Transportation Commission

**Original Notice**

**Supplemental Notice to WSR** \_\_\_\_\_

**Continuance of WSR** \_\_\_\_\_

**Preproposal Statement of Inquiry was filed as WSR 21-10-088 ; 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) WAC 480-100-600 through 665, Planning. The proposed rules revise sections of Chapter 480-100-600 through 665 WAC to implement Chapter 19.405 RCW, with a focus on Sections RCW 19.405.030, 040, 050, 130, and other portions of RCW 19.405 that may affect or be affected by these subsections as enacted in Engrossed Second Substitute Senate Bill 5116, the Clean Energy Transformation Act (CETA). The Commission is considering these changes under Commission Docket UE-210183.

**Hearing location(s):**

Date:	Time:	Location: (be specific)	Comment:
May 6, 2022	9:30 a.m.	Zoom: <a href="https://utc-wa.gov.zoom.us/j/99973659661?pwd=VVJ3a2pkZnNhWnlNTCtHWmRkeVBUUT09">https://utc-wa.gov.zoom.us/j/99973659661?pwd=VVJ3a2pkZnNhWnlNTCtHWmRkeVBUUT09</a> . To participate by phone, call (253) 215-8782 and use Meeting ID: 999 7365 9661 and Passcode: 317768.	Public hearing to consider adoption of the proposed rules.

**Date of intended adoption:** May 6, 2022 (Note: This is **NOT** the **effective** date)

**Submit written comments to:**

Name: Amanda Maxwell, 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) April 22, 2022

**Assistance for persons with disabilities:**

Contact Human Resources

Phone: (360) 664-1160

Fax:

TTY: (360) 586-8203

Email: [human\\_resources@utc.wa.gov](mailto:human_resources@utc.wa.gov)

Other:

By (date) April 22, 2022

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:** RCW 19.405.130(3) requires the Commission to adopt rules by June 30, 2022, defining the requirements for meeting the obligations under RCW 19.405.030 – 050 with market purchases from the Energy Imbalance Market and other centralized markets and to address the prohibition on double counting of nonpower attributes under RCW 19.405.040 that could occur under other programs. Specifically, the rulemaking interprets and implements RCW 19.405.040(1)(a), the treatment of energy storage for compliance with RCW 19.405.030 through RCW 19.405.050, and other portions of RCW 19.405 that may affect or be affected by these portions of CETA.

**Reasons supporting proposal:** The Washington Legislature in 2019 passed CETA, which in RCW 19.405.130(3) requires the Commission to promulgate new rules by June 30, 2022 for investor-owned electric utilities.

**Statutory authority for adoption:** RCW 80.01.040, RCW 80.04.160, RCW 80.28, RCW 19.280, and RCW 19.405

**Statute being implemented:** RCW 19.405, RCW 80.28, and RCW 19.280.

**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) Washington Utilities and Transportation Commission

<input type="checkbox"/> Private
<input type="checkbox"/> Public
<input checked="" type="checkbox"/> Governmental

**Name of agency personnel responsible for:**

	Name	Office Location	Phone
Drafting:	Steve Johnson	621 Woodland Square Loop SE Lacey, Washington 98503	(360) 481-1573
Implementation:	Amanda Maxwell	621 Woodland Square Loop SE Lacey, Washington 98503	(360) 664- 1110
Enforcement:	Amanda Maxwell	621 Woodland Square Loop SE Lacey, Washington 98503	(360) 664-1110

**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 Utilities and Transportation Commission is not an agency to which RCW 34.05.328 applies.

**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)(e)  
(Dictated by statute)

RCW 34.05.310 (4)(c)  
(Incorporation by reference)

RCW 34.05.310 (4)(f)  
(Set or adjust fees)

RCW 34.05.310 (4)(d)  
(Correct or clarify language)

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 UTC is proposing to adopt rules to implement provisions of CETA by (1) defining the requirements for complying with RCW 19.405.030 through 19.405.050 with electric market purchases from carbon and electricity markets outside of the state; (2) addressing the prohibition of double counting of nonpower attributes under RCW 19.405.040; (3) interpreting the requirement to “use” electricity for compliance with RCW 19.405.040(1)(a); and (4) addressing the treatment of energy storage for compliance with RCW 19.405.030 through RCW 19.405.050. On February 23, 2022, the UTC mailed a notice to all stakeholders interested in the rulemaking, providing a copy of the draft rules and an opportunity to respond to an SBEIS questionnaire. The notice requested that entities affected by the proposed rules provide information about possible cost impacts of the rules with specific information for each rule that the entity identified as causing an impact. The UTC did not receive any information in response to the questionnaire. Based on the information available to it, the UTC determined that the proposed rules merely implement the statute as required by the Legislature. The UTC further determined that the proposed rules adopt statutory requirements for investor-owned utilities, none of which are small businesses, and the proposed rules do not impose any more than minor costs on small businesses.

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: Steve Johnson  
Address: 621 Woodland Square Loop SE, Lacey, Washington 98503  
Phone: (360) 481-1573  
Fax:  
TTY: 800-833-6384 or 711  
Email: [steve.johnson@utc.wa.gov](mailto:steve.johnson@utc.wa.gov)  
Other:

**Date:** March 22, 2022

**Name:** Amanda Maxwell

**Title:** Executive Director and Secretary

**Signature:**

A handwritten signature in cursive script that reads "Amanda Maxwell". The signature is written in dark ink on a white background.