



PROPOSED RULE MAKING

CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Washington Utilities and Transportation Commission

- Preproposal Statement of Inquiry was filed as WSR #09-07-096; or
- Expedited Rule Making--Proposed notice was filed as WSR _____; or
- Proposal is exempt under RCW 34.05.310(4).

- Original Notice
- Supplemental Notice to WSR _____
- Continuance of WSR _____

Title of rule and other identifying information: (Describe Subject) WAC 480-100-505 Smart grid technology report.

The proposed rule would establish requirements for each electric utility to submit periodic reports to the Commission of the utility's evaluation of smart grid technologies that are available or likely soon to be available and any plans for implementing smart grid technologies affecting or applicable to ratepayers of Washington state. By order entered September 14, 2009, the Commission determined not to go forward with the other federal electric and natural gas utility standards.

Hearing location(s):

Commission Hearing Room 206
Second Floor, Richard Hemstad Building
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7250

Date: February 25, 2010 Time: 1:30 PM

Submit written comments to:

Name: Washington Utilities and Transportation Commission
Address: 1300 S Evergreen Park Drive S.W.
PO Box 47250
Olympia, WA 98504-7250
e-mail records@utc.wa.gov
fax (360) 586-1150 by (date) January 28, 2010

Assistance for persons with disabilities: Contact

Susan Holman by February 11, 2010

TTY (360) 586-8203 or (360) 664-1243

Date of intended adoption: February 25, 2010

(Note: This is NOT the effective date)

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

Pursuant to 16 U.S.C. §§ 2621(a) and (d)(18), State regulatory commissions are required to consider and determine whether to require utilities to demonstrate that they considered qualified smart grid systems before investment in non-advanced grid technologies based on appropriate factors that include: total resource cost, cost-effectiveness, improved reliability, security, system performance, and societal benefit. The Commission initiated this inquiry to determine whether adoption by rule of this standard for consideration of smart grid investment would be in the public interest and would further the objectives of the Public Utilities Regulatory Policy Act to encourage: conservation of energy supplied by electric utilities; optimal efficiency of electric utility facilities and resources; and equitable rates for electric consumers.

The proposed rule will require electric utilities to report on smart grid technologies they are considering. The proposed rule does not alter WAC 480-100 (integrated resource planning) because it does not require additional planning and does not alter the requirement in WAC 480-100 for electric utilities to acquire the lowest reasonable cost set of resources. The proposed rule is in the public interest because it will provide information in a report on applicable smart grid technologies that are available or likely soon to be available allowing public consideration of smart grid technologies available or soon to be available for possible use by the electric utility.

Reasons supporting proposal: See above

Statutory authority for adoption: RCW 80.01.040 and RCW 80.04.160

Statute being implemented: N/A

Is rule necessary because of a:

- Federal Law? Yes No
 - Federal Court Decision? Yes No
 - State Court Decision? Yes No
- If yes, CITATION:
16 U.S.C. §§ 2621(a) and (d)(18)

DATE

December 23, 2009

NAME (type or print)

David W. Danner

SIGNATURE

TITLE

Executive Director and Secretary

CODE REVISER USE ONLY

**OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED**

DATE: December 23, 2009

TIME: 8:24 AM

WSR 10-01-196

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

None.

Name of proponent: (person or organization) Washington Utilities and Transportation Commission

- Private
 Public
 Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting..... Steve Johnson	1300 S. Evergreen Park Drive SW, Olympia, WA 98504	(360) 664-1346
Implementation....David W. Danner	1300 S. Evergreen Park Drive SW, Olympia, WA 98504	(360) 664-1208
Enforcement.....David W. Danner	1300 S. Evergreen Park Drive SW, Olympia, WA 98504	(360) 664-1208

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared.

The proposed rule will not result in or impose more than minor costs. Because there will not be more than minor increase in costs resulting from the proposed rule changes, a SBEIS is not required under RCW 19.85.030(1).

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 () _____

e-mail _____

No: Please explain:

The Commission is not an agency to which RCW 34.05.328 applies. The proposed rule is not a significant legislative rule of the sort referenced in RCW 34.05.328(5).