

STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250 (360) 664-1160 • www.utc.wa.gov

October 6, 2014

NOTICE OF RECESSED OPEN MEETING (To be held Monday, November 3, 2014, at 1:30 p.m.) and NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS (By 5:00 p.m., Monday, October 27, 2014)

RE: Investigation of natural gas distribution infrastructure expansion;
Docket UG-143616

TO ALL INTERESTED PERSONS:

During the 2014 Legislative Session, the Washington State House of Representatives passed ESHB 2177, concerning the expansion of natural gas distribution infrastructure. This bill would have required the Washington Utilities and Transportation Commission (Commission) to initiate a stakeholder process to develop innovative proposals for financing and expanding natural gas distribution infrastructure to areas that currently lack service. While ESHB 2177 did not pass in the Senate, the bill's sponsor, Representative Jeff Morris has encouraged the Commission to move forward with the concepts outlined in the bill.

In response to Rep. Morris' request, the Commission has scheduled a workshop as a recessed open meeting on **Monday**, **November 3**, **2014** to discuss the need for natural gas distribution infrastructure expansion, and investigate the options available to implement such expansion. The Commission requests that local natural gas distribution companies and other interested parties submit written comments with the Commission by

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Monday, October 27, 2014, on the issues identified and address the following questions:¹

- 1. What is the need or level of expressed demand in Washington to expand natural gas distribution infrastructure? Please describe the basis for this need or expressed demand.
- 2. What costs and benefits should natural gas distribution companies and the Commission consider when assessing the need to expand natural gas infrastructure?
- 3. Are there certain geographic areas, communities, or districts that present a higher priority for expansion than others? Why?
- 4. How should the expansion of natural gas distribution infrastructure be financed?
- 5. What financing methods or cost recovery mechanisms are available to expand service to developed areas that cannot currently be served cost-effectively?
- 6. Are there specific potential incentives that may encourage utilities to pursue and facilitate gas infrastructure expansion?
- 7. Is the existing transmission pipeline and storage capacity in Washington sufficient to serve expanded distribution infrastructure? If so, what is the potential additional demand that may be served within existing capacity? If not, where is additional transmission pipeline and storage capacity needed?
- 8. To ensure a coordinated approach and comprehensive coverage, should the Commission require, subject to its approval, all regulated utilities and other stakeholders to identify unserved or underserved areas and develop a master plan for statewide gas infrastructure expansion?

RECESSED OPEN MEETING

The Commission will discuss these issues, comments and data provided, and will allow time for interested persons and stakeholders to provide feedback on the issues and ideas listed above at a recessed open meeting scheduled for **Monday, November 3, 2014, beginning at 1:30 p.m.** at the Commission's headquarters, Room 206, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Commission will issue an agenda for the workshop in the week prior to the workshop.

WRITTEN COMMENTS AND RESPONSES

The Commission requests written comments and information in response to this notice. Written comments must be filed with the Commission no later than **5:00 p.m.**, **Monday**,

¹ The Commission is not requesting confidential information in this inquiry. If an interested person believes information responsive to this inquiry is confidential, please contact Lauren McCloy, by email at lmccloy@utc.wa.gov or by calling (360) 664-1209, to clarify the information in question.

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October 27, 2014. The Commission requests that the responses be provided in electronic format to enhance public access, reduce the need for paper copies, and facilitate quotations from the submissions. You may submit comments via the Commission's Web portal at www.utc.wa.gov/e-filing or by electronic mail to the Commission's Records Center at records@utc.wa.gov. You must include:

- The docket number of this proceeding (UG-143616).
- The commenting party's name.
- The title and date of the comment or comments.

An alternative method for submitting comments is by mailing or delivering an electronic copy to the Commission's Records Center on a 3 ½ inch, IBM-formatted, high-density disk, in .pdf Adobe Acrobat format or in Word 2010 or later, a flash drive, or CD. Include all of the information requested above. The Commission will post on its web site all comments that are provided in electronic format. The web site is located at www.utc.wa.gov.

If you are unable to file your comments electronically or to submit them on a disk, the Commission will accept a paper document. If you have questions regarding this Notice, you may contact Lauren McCloy, by email at lmccloy@utc.wa.gov or by calling (360) 664-1209.

STEVEN V. KING Executive Director and Secretary