

WSR 06-03-124
EXPEDITED RULES
OFFICE OF
ADMINISTRATIVE HEARINGS

[Filed January 18, 2006, 8:03 a.m.]

Title of Rule and Other Identifying Information: Update the administrative office physical address in WAC 10-04-020.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Art Wang, Chief Administrative Law Judge, Office of Administrative Hearings, 2420 Bristol Court S.W., P.O. Box 42488, Olympia, WA 98504-2488, AND RECEIVED BY March 21, 2006.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The only change to the existing rule is to update the administrative office physical address.

Statutory Authority for Adoption: RCW 34.12.030(6).

Rule is not necessitated by federal law, federal or state court decision.

Name of Agency Personnel Responsible for Drafting, Implementation and Enforcement: Art Wang, 2420 Bristol Court S.W., Olympia, WA 98504-2488, (360) 664-2031.

January 18, 2006

Art Wang
 Chief Administrative
 Law Judge

AMENDATORY SECTION (Amending WSR 99-20-115, filed 10/6/99, effective 11/6/99)

WAC 10-04-020 Function—Organization—Offices.

The office of administrative hearings conducts impartial administrative hearings for state agencies and local governments pursuant to chapter 34.12 RCW. The office is under the direction of the chief administrative law judge.

Administrative law judges preside over hearings in adjudicative proceedings and issue initial or final orders, including findings of fact and conclusions of law.

The administrative office is located at (~~919 Lakeridge Way SW, 2nd Floor~~) 2420 Bristol Ct. SW, P.O. Box 42488, Olympia, Washington, 98504-2488. The office hours are 8:00 a.m. to noon and 1:00 p.m. to 5:00 p.m., Monday through Friday except legal holidays. Administrative law judges are assigned to field offices located in Everett, Olympia, Seattle, Spokane, Vancouver, and Yakima. Each office is headed by a senior administrative law judge.

All written communications by parties pertaining to a particular case shall be filed with the field office, if any,

assigned to the case, and otherwise with the chief administrative law judge or designee at the administrative office.

WSR 06-03-129
EXPEDITED RULES
UTILITIES AND TRANSPORTATION
COMMISSION

[Docket No. A-060085—Filed January 18, 2006, 10:09 a.m.]

Title of Rule and Other Identifying Information: Expedited rule making under RCW 34.05.353 (1)(c) and (e) to include recently adopted regulatory fee provisions, specifically subsection (5) in WAC 480-120-303, 480-120-304, 480-90-208, 480-100-208, and 480-110-275 at WSR 04-05-031 (Docket A-031232) that were mistakenly omitted in the repeal and reorganization of those sections to WAC 480-120-382, 480-120-385, 480-90-252, 480-100-252, and 480-110-505 in the financial reporting rules rule making at WSR 05-06-051 (Docket A-021178).

Docket A-031232 Added subsection (5) Regulatory fees to gas, electric, water, and telecommunications chapters		Docket A-021178 New section added during reorganization, intending to retain subsection (5) Regulatory fees to gas, electric, water, and telecommunications chapters	
WAC	Title	WAC	Title
480-90-208	Financial reporting requirements.	480-90-252	Federal Energy Regulatory Commission (FERC) Form No. 2.
480-100-208	Financial reporting requirements.	480-100-252	Federal Energy Regulatory Commission (FERC) Form No. 1.
480-110-275	Accounting and reporting requirements, and regulatory fees.	480-110-505	Accounting and reporting requirements and regulatory fees.
480-120-303	Reporting requirements for competitively classified companies.	480-120-382	Annual report for competitively classified companies.
480-120-304	Reporting requirements for companies not classified as competitive.	480-120-385	Annual report and quarterly results of operations reports for companies not classified as competitive.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT

LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Carole J. Washburn, Executive Secretary, Docket No. A-060085, Washington Utilities and Transportation Commission, P.O. Box 47250, Olympia, WA 98504-7250, AND RECEIVED BY March 20, 2006.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The purpose of this rule making is to correct a production error in a prior rule adoption in 2005. The effect of the error was to eliminate a provision that exempted telecommunications, gas, electric, and water chapters from the requirement to pay regulatory fees on *de minimus* [*de minimis*] revenue amounts, which was defined as less than \$20.

This rule making will correct the error by restoring the *de minimus* [*de minimis*] exemption that had been in effect prior to the 2005 adoption error.

Reasons Supporting Proposal: See Purpose above.

Statutory Authority for Adoption: RCW 34.05.353, 80.01.040, 80.04.160.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Washington utilities and transportation commission, governmental.

Name of Agency Personnel Responsible for Drafting: Sharyn Bate, 1300 South Evergreen Park Drive S.W., Olympia, WA 98504, (360) 664-1295; **Implementation and Enforcement:** Carole J. Washburn, Secretary, 1300 South Evergreen Park Drive S.W., Olympia, WA 98504, (360) 664-1174.

January 18, 2006
Carole J. Washburn
Executive Secretary

AMENDATORY SECTION (Amending Docket No. A-021178 and TO-030288 [A-050271], General Order No. R-518 [R-521], filed 2/28/05 [10/10/05], effective 3/31/05 [11/10/05])

WAC 480-90-252 Federal Energy Regulatory Commission (FERC) Form No. 2. (1) Each gas utility must use the annual report form (FERC Form No. 2) promulgated by the Federal Energy Regulatory Commission in Title 18 of the Code of Federal Regulations, Part 141, for purposes of this report to the commission. Data required by RCW 80.04.080 (Annual reports), but not included in the FERC Form No. 2, must also be submitted with the annual report. The utility 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 No. 2, 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. 2 regarding the version adopted and where to obtain it is set out in WAC 480-90-999 (Adoption by reference).

(2) Each utility must also submit to this commission, in essentially the same format and content as the FERC Form No. 2, 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.

(3) 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 methods for rate-making purposes is accomplished only by commission order.

(4) 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.

(5) Regulatory fees. The gas utility annual regulatory fee is set by statute at one tenth of one percent of the first fifty thousand dollars of gross intrastate operating revenue plus two tenths of one percent of any gross intrastate operating revenue in excess of fifty thousand dollars.

(a) The maximum regulatory fee is assessed each year, unless the commission issues an order establishing the regulatory fee at an amount less than the statutory maximum.

(b) The minimum regulatory fee that a gas utility must pay is twenty dollars.

(c) The twenty dollar minimum regulatory fee is waived for any gas utility with less than twenty thousand dollars in gross intrastate operating revenue.

(d) The commission does not grant extensions for payment of regulatory fees.

(e) If a company does not pay its regulatory fee by May 1, the commission will assess an automatic late fee of two percent of the amount due, plus one percent interest for each month the fee remains unpaid.

Reviser's note: The bracketed material preceding the section above was supplied by the code reviser's office.

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules. The rule published above varies from its predecessor in certain respects not indicated by the use of these markings.

AMENDATORY SECTION (Amending Docket No. A-021178 and TO-030288, General Order No. R-518, filed 2/28/05, effective 3/31/05)

WAC 480-100-252 Federal Energy Regulatory Commission (FERC) Form No. 1. (1) Each electric utility 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 this report to the 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. The utility 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 No. 1, 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).

(2) Each utility 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.

(3) 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 methods for rate-making purposes is accomplished only by commission order.

(4) 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.

(5) Regulatory fees. The electric utility annual regulatory fee is set by statute at one tenth of one percent of the first fifty thousand dollars of gross intrastate operating revenue plus two tenths of one percent of any gross intrastate operating revenue in excess of fifty thousand dollars.

(a) The maximum regulatory fee is assessed each year, unless the commission issues an order establishing the regulatory fee at an amount less than the statutory maximum.

(b) The minimum regulatory fee that an electric utility must pay is twenty dollars.

(c) The twenty dollar minimum regulatory fee is waived for any electric utility with less than twenty thousand dollars in gross intrastate operating revenue.

(d) The commission does not grant extensions for payment of regulatory fees.

(e) If a company does not pay its regulatory fee by May 1, the commission will assess an automatic late fee of two percent of the amount due, plus one percent interest for each month the fee remains unpaid.

AMENDATORY SECTION (Amending Docket No. A-021178 and TO-030288, General Order No. R-518, filed 2/28/05, effective 3/31/05)

WAC 480-110-505 Accounting and reporting requirements and regulatory fees. (1) Water companies must use the uniform system of accounts (USOA) published by the National Association of Regulatory Utility Commissioners (NARUC). Information about the USOA regarding the version adopted and where to obtain it is set out in WAC 480-110-999 (Adoption by reference). The USOA sets out the accounting requirements for Class A, B, and C water companies.

Water companies are classified by revenues.

Class	Annual Gross Operating Revenue
A	\$1,000,000 or more
B	\$200,000 to \$999,999
C	Less than \$200,000

(2) A water company may use the accounting requirements for a higher class if it chooses.

(3) The commission will distribute an annual report form that each water company must complete and file with the commission for the prior calendar year. The annual report must be filed, and the company's regulatory fee paid, no later than May 1 of each year.

(4) A written request for the extension of the time for filing the annual report can be made prior to May 1. The commission does not grant an extension of time for payment of regulatory fees.

(5) The maximum water company regulatory fee is set by statute at one tenth of one percent of the first fifty thousand dollars of gross intrastate operating revenue plus two tenths of one percent of any gross operating revenue in excess of fifty thousand dollars.

(a) The maximum regulatory fee is assessed each year, unless the commission issues an order establishing the regulatory fee at an amount less than the statutory maximum.

(b) The minimum regulatory fee that a water company must pay is twenty dollars.

(c) The twenty dollar minimum regulatory fee is waived for any water company with less than twenty thousand dollars in gross intrastate operating revenue.

(d) The commission does not grant extensions for payment of regulatory fees.

(e) If a company does not pay its regulatory fee by May 1, the commission will assess an automatic late fee of two percent of the amount due, plus one percent interest for each month the fee remains unpaid.

AMENDATORY SECTION (Amending Docket No. A-021178 and TO-030288, General Order No. R-518, filed 2/28/05, effective 3/31/05)

WAC 480-120-382 Annual report for competitively classified companies. The commission will distribute an annual report form including a regulatory fee form. A competitively classified company must:

(1) Complete both forms, file them with the commission, and pay its regulatory fee, no later than May 1 of each year;

(2) Provide total number of access lines as required on the annual report form;

(3) Provide income statement and balance sheet for total company; and

(4) Provide revenues for Washington and Washington intrastate operations subject to commission jurisdiction.

(5) Regulatory fees. The telecommunications annual regulatory fee is set by statute at one tenth of one percent of the first fifty thousand dollars of gross intrastate operating revenue plus two tenths of one percent of any gross intrastate operating revenue in excess of fifty thousand dollars.

(a) The maximum regulatory fee is assessed each year, unless the commission issues an order establishing the regulatory fee at an amount less than the statutory maximum.

(b) The minimum regulatory fee that a company must pay is twenty dollars.

(c) The twenty dollar minimum regulatory fee is waived for any company with less than twenty thousand dollars in gross intrastate operating revenue.

(d) The commission does not grant extensions for payment of regulatory fees.

(e) If a company does not pay its regulatory fee by May 1, the commission will assess an automatic late fee of two percent of the amount due, plus one percent interest for each month the fee remains unpaid.

(f) The commission may take action to revoke a company's registration certificate if it fails to pay its regulatory fee.

(d) The commission does not grant extensions for payment of regulatory fees.

(e) If a company does not pay its regulatory fee by May 1, the commission will assess an automatic late fee of two percent of the amount due, plus one percent interest for each month the fee remains unpaid.

AMENDATORY SECTION (Amending Docket No. A-021178 and TO-030288, General Order No. R-518, filed 2/28/05, effective 3/31/05)

WAC 480-120-385 Annual report and quarterly results of operations reports for companies not classified as competitive. (1) Annual reports for companies not classified as competitive. The commission will distribute an annual report form as specified in (c)(i), (ii), and (iii) of this subsection, and a regulatory fee form. A company not classified as competitive must:

(a) Complete both forms, file them with the commission, and pay its regulatory fee, no later than May 1 of each year;

(b) Provide total number of access lines as required on the annual report form; and

(c) Provide income statement and balance sheet for total company and results of operations for Washington and Washington intrastate.

(i) Class A companies that the FCC classified as Tier 1 telecommunications companies in Docket No. 86-182 must file annual report forms adopted by the FCC.

(ii) All other Class A companies must file annual reports on the form prescribed by the commission.

(iii) Class B companies must file annual reports as prescribed by RCW 80.04.530(2).

(2) Quarterly reports for companies not classified as competitive:

(a) All Class A companies must file results of operations quarterly.

(b) Each report will show monthly and twelve-months-ended data for each month of the quarter reported.

(c) The reports are due ninety days after the close of the period being reported, except for the fourth-quarter report which is due no later than May 1 of the following year.

(3) Methods used to determine Washington intrastate results of operations must be acceptable to the commission.

(4) This rule does not supersede any reporting requirements specified in a commission rule or order, or limit the commission's authority to request additional information.

(5) Regulatory fees. The telecommunications annual regulatory fee is set by statute at one tenth of one percent of the first fifty thousand dollars of gross intrastate operating revenue plus two tenths of one percent of any gross intrastate operating revenue in excess of fifty thousand dollars.

(a) The maximum regulatory fee is assessed each year, unless the commission issues an order establishing the regulatory fee at an amount less than the statutory maximum.

(b) The minimum regulatory fee that a company must pay is twenty dollars.

(c) The twenty dollar minimum regulatory fee is waived for any company with less than twenty thousand dollars in gross intrastate operating revenue.