

## WSR 21-07-150

## PROPOSED RULES

## DEPARTMENT OF COMMERCE

[Filed March 24, 2021, 11:08 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 19-14-050.

Title of Rule and Other Identifying Information: Chapter 194-40 WAC, Clean Energy Transformation Act (CETA).

Hearing Location(s): On April 28, 2021, at 1:00 p.m. Zoom meeting. This hearing will be virtual only. Please check the CETA web page for meeting information <https://www.commerce.wa.gov/growing-the-economy/energy/ceta/>.

Date of Intended Adoption: May 21, 2021.

Submit Written Comments to: Sarah Vorpahl, P.O. Box 42525, Olympia, WA 98504, email [ceta@commerce.wa.gov](mailto:ceta@commerce.wa.gov), by April 28, 2021.

Assistance for Persons with Disabilities: Contact Austin Scharff, phone 360-764-9632, email [ceta@commerce.wa.gov](mailto:ceta@commerce.wa.gov), by April 28, 2021.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The proposed rule establishes definitions for energy assistance need and low-income in WAC 194-40-030. The definitions affect requirements for electric utilities in RCW 19.405.120 and are proposed to ensure proper implementation of CETA. These definitions do not limit any utility from designing a program that uses values below the defined threshold for energy assistance need and low-income to define eligible participants.

Reasons Supporting Proposal: The rule implements commerce's statutory directive to adopt rules establishing reporting requirements for electric utilities to demonstrate compliance with CETA and to ensure proper implementation of CETA. Both of the statutory definitions of energy assistance need and low-income in RCW 19.405.020 direct commerce to provide specific thresholds for the terms. The proposed regulatory definitions provide the thresholds for those terms. These definitions are identical to definitions already adopted by the utilities and transportation commission.

Statutory Authority for Adoption: RCW 19.405.100, 19.405.120.

Statute Being Implemented: Chapter 19.405 RCW.

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

Name of Proponent: Department of commerce, governmental.

Name of Agency Personnel Responsible for Drafting: Sarah Vorpahl, 1011 Plum Street S.E., P.O. Box 42525, Olympia, WA 98504-2525, 360-688-6000; Implementation: Department of Commerce, 1011 Plum Street S.E., P.O. Box 42525, Olympia, WA 98504-2525, 360-407-6000; and Enforcement: Attorney General, 1125 Washington Street S.E., P.O. Box 40100, Olympia, WA 98504-0100, 360-725-6200.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. RCW 34.05.328 does not apply to the department of commerce.

The proposed rule does not impose more-than-minor costs on businesses. Following is a summary of the agency's analysis showing how costs were calculated. The proposed rule does not impose any additional cost on any person. It establishes definitions, as required by RCW 19.405.020, used in the implementation of RCW 19.405.120.

March 24, 2021  
Amber Siefer

## OTS-2972.1

AMENDATORY SECTION (Amending WSR 21-02-039, filed 12/29/20, effective 1/29/21)

**WAC 194-40-030 Definitions.** Unless specifically provided otherwise, the terms defined in RCW 19.405.020 have the same meaning in this chapter.

"100% Clean electricity standard" means the standard established in RCW 19.405.050(1) and any requirements necessary for compliance with that standard.

"BPA" means the Bonneville Power Administration.

"CEIP" means a clean energy implementation plan prepared in compliance with RCW 19.405.060.

"Energy assistance need" means the amount of assistance necessary to achieve an energy burden equal to six percent for utility customers.

"GHG neutral compliance period" means each of the periods identified in RCW 19.405.040 (1) (a).

"GHG neutral standard" means the standard established in RCW 19.405.040(1) and any requirements necessary for compliance with that standard.

"Indicator" means an attribute, either quantitative or qualitative, of a condition, resource, program or related distribution investment that is tracked for the purpose of evaluating change over time.

"Interim performance period" means either of the following periods:

- (a) From January 1, 2022, until December 31, 2025; and
- (b) From January 1, 2026, until December 31, 2029.

"Interim target" means a target established in compliance with RCW 19.405.060 (2) (a) (i). An interim target may cover an interim performance period or a GHG neutral compliance period.

"Low-income" means household incomes that do not exceed the higher of eighty percent of area median income or two hundred percent of federal poverty level, adjusted for household size.

"REC" means renewable energy credit.

"Retail revenue requirement" means that portion of a utility's annual budget approved by its governing body that is intended to be recovered through retail electricity sales in the state of Washington in the applicable year. It includes revenues from any retail rate or charge that is necessary to receive electric service from the utility and does not include the effect of taxes imposed directly on retail customers.

"Verification protocol" means a procedure or method used, consistent with industry standards, to establish with reasonable certainty that a conservation, energy efficiency, or demand response measure was installed and is in service. Industry standards include a range of appropriate protocols reflecting a balance of cost and accuracy, such as tracking installation of measures through incentive payments and the

use of on-site inspection of measures installed as part of a customer-specific project.

"WREGIS" means the Western Renewable Energy Generation Information System.

[Statutory Authority: RCW 19.405.100 and 19.405.060. WSR 21-02-039, § 194-40-030, filed 12/29/20, effective 1/29/21.]