



# PREPROPOSAL STATEMENT OF INQUIRY

**CR-101 (June 2004)**  
(Implements RCW 34.05.310)  
Do **NOT** use for expedited rule making

**Agency:** Washington State Department of Commerce

**Subject of possible rule making:** Documentation of incremental generation as a result of capital investments by qualified biomass energy facilities

**Statutes authorizing the agency to adopt rules on this subject:** RCW 19.285.080(2); Chapter 315, Laws of 2017.

**Reasons why rules on this subject may be needed and what they might accomplish:**

Engrossed Senate Bill 5128 establishes a new form of eligible renewable resource that utilities may use for compliance with the renewable requirements of the Energy Independence Act (Chapter 19.285 RCW). The newly eligible resource is incremental generation as a result of capital investments completed after January 1, 2010, by biomass energy generating facilities that commenced operation before March 31, 1999. The law becomes effective on July 23, 2017.

Section 3 of Engrossed Senate Bill 5128 requires that Commerce establish by rule a methodology for calculating the baseline level of generation for the purpose of measuring eligible incremental generation.

Commerce expects to amend WAC 194-37-135 to add documentation requirements and establish the baseline generation methodology for incremental generation from qualified biomass energy facilities.

**Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:**

The Utilities and Transportation Commission (UTC) regulates investor-owned utilities, including their compliance with the Energy Independence Act. Commerce will coordinate the rulemaking with the UTC through staff-to-staff communications prior to each step.

**Process for developing new rule (check all that apply):**

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe) Standard rule making

**How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:**

(List names, addresses, telephone, fax numbers, and e-mail of persons to contact; describe meetings, other exchanges of information, etc.)

Commerce will conduct an initial stakeholder workshop; the date and location will be posted on the EIA rulemaking web page: <http://www.commerce.wa.gov/about-us/rulemaking/i-937-rulemaking/>. The web page includes an initial draft of rule language for stakeholder review.

Interested parties may submit written comments until **July 14, 2017**. Send comments by email to [eia@commerce.wa.gov](mailto:eia@commerce.wa.gov). All rulemaking documents and schedules will be posted on the web page. For questions or suggestions contact Glenn Blackmon, [glenn.blackmon@commerce.wa.gov](mailto:glenn.blackmon@commerce.wa.gov), (360) 725-3115.

**DATE**  
June 6, 2017

**NAME (TYPE OR PRINT)**  
Jaime Rossman

**SIGNATURE**

**TITLE**  
Rules Coordinator

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FILED

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