



# RULE-MAKING ORDER PERMANENT RULE ONLY

## CR-103P (December 2017) (Implements RCW 34.05.360)

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

DATE: May 24, 2021

TIME: 12:11 PM

WSR 21-12-026

**Agency:** Department of Commerce

**Effective date of rule:**

**Permanent Rules**

31 days after filing.

Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

Yes  No If Yes, explain:

**Purpose:** 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 Clean Energy Transformation Act. 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.

**Citation of rules affected by this order:**

New:

Repealed:

Amended: 1

Suspended:

**Statutory authority for adoption:** RCW 19.405.100; RCW 19.405.120

**Other authority:**

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as WSR 21-07-150 on March 24, 2021 (date).

Describe any changes other than editing from proposed to adopted version: There were no changes to the proposed rule.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Web site:

Other:

**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.

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

Federal statute:	New	___	Amended	___	Repealed	___
Federal rules or standards:	New	___	Amended	___	Repealed	___
Recently enacted state statutes:	New	<u>1</u>	Amended	___	Repealed	___

**The number of sections adopted at the request of a nongovernmental entity:**

New	___	Amended	___	Repealed	___
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**The number of sections adopted on the agency's own initiative:**

New	___	Amended	___	Repealed	___
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	___	Amended	___	Repealed	___
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**The number of sections adopted using:**

Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	___	Amended	___	Repealed	___

<b>Date Adopted:</b> May 24, 2021	<b>Signature:</b> 
<b>Name:</b> Amber Siefer	
<b>Title:</b> Legislative and Rules Coordinator	

**Concise Explanatory Statement – Clean Energy Transformation Act Phase 3 Rulemaking**

**WAC 194-40-030**

**Agency Response to Stakeholder Comments on Proposed Rules**

**May 25, 2021**

<b>Commenter</b>	<b>Suggested Change</b>	<b>Agency Response</b>
<p>NW Energy Coalition, The Energy Project, Spark Northwest</p>	<p>“Energy assistance need” means the amount of assistance necessary to achieve an energy burden <del>equal to</del> <u>not to exceed</u> six percent for utility customers.”</p>	<p>Not accepted. The statutory use of the “energy assistance need” definition is as an input to determine a statewide level of need for Commerce as they collect aggregated state data under RCW 19.405.120(3)(a) and for the utility assessment due under RCW 19.405.120(4). Therefore, the input of energy burden should be a discrete number that can be used to define comparable need across the state. This is not a programmatic threshold and therefore should not limit any utility from designing a program that uses a lower energy burden value to define eligible participants.</p>
<p>The Energy Project</p>	<p>Recommends that this language from the notice be incorporated in rule adoption documents for this CR 102 and in any formal guidance documents issued by the agency regarding CETA low-income requirements, including the Commerce “Guidelines for RCW 19.405.120” (Version 03.09.2020): “[t]hese 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.”</p>	<p>Thank you for the comment.</p>