

Washington UTC Staff Review of Washington Statutes – September 2017 DRAFT

This table shows all of the statutory purpose statements covered by Staff's review under the Resource Value Test framework. It is arranged by the date of the statute, to show how policies have evolved over time.

Statute	Purpose	Policy goal or Principle	Staff review of impacts
Public Service Laws – General Powers and Duties of Commission (1911) RCW 80.01.040	RCW 80.01.040: Regulate in the public interest , as provided by the public service laws, the rates, services, facilities, and practices of all persons engaging within this state in the business of supplying any utility service or commodity to the public for compensation.	All	All
Public Service Laws – Duties as to rates, services, and facilities (1911) RCW 80.28.010	All charges shall be just, fair, reasonable and sufficient . Every company shall furnish and supply such service, instrumentalities and facilities as shall be safe, adequate and efficient , and in all respects just and reasonable.	Efficiency; Symmetry; Transparency; Safe; Reliable; Adequate;	All utility; Public health; Energy security;
Public Service Laws – Valuation of public service property (1911) RCW 80.04.250 Used and useful	The commission has power upon complaint or upon its own motion to ascertain and determine the fair value for rate making purposes of the property of any public service company used and useful for service in this state and shall exercise such power whenever it deems such valuation or determination necessary or proper under any of the provisions of this title. The commission has the power to make revaluations of the property of any public service company from time to time.	Used and useful;	All utility;
Public Service Laws – Filed Rate Doctrine (1911) RCW 80.28.080	Except as provided otherwise in this subsection, no company may charge, demand, collect or receive a greater or less or different compensation for any service rendered or to be rendered than the rates and charges applicable to such service as specified in its schedule filed and in effect at the time, or furnish its product at free or reduced rates except to its employees and their families, and its officers, attorneys, and agents; to hospitals, charitable and eleemosynary institutions and persons engaged in charitable and eleemosynary work; to indigent and destitute persons ; to national homes or state homes for disabled volunteer soldiers and soldiers' and sailors' homes.	Transparency; Fairness;	All utility;

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Public Utilities – Underground Storage of Natural Gas (1963) RCW 80.40.020	The underground storage of natural gas will promote the economic development of the state and provide for more economic distribution of natural gas to the domestic, commercial and industrial consumers of this state, thereby serving the public interest.	Economic development;	All utility; Economic development;
Public Utility Regulatory Policy Act (1978) ¹	Sec. 2. (1) a program providing for increased conservation of electric energy, increased efficiency in the use of facilities and resources by electric utilities, and equitable retail rates for electric consumers, (2) a program to improve the wholesale distribution of electric energy, the reliability of electric service , etc.	Efficiency; Equitable rates; Improve distribution and reliability;	All utility; Other fuel; Water and other resource; Economic development; Energy security;
Nonpolluting Power Generation Exemption (1979) RCW 80.58.010	The generation of power by a nonpolluting, renewable energy source by an individual natural person not otherwise engaged in the business of power generation is declared to be exempt from all statutes and rules otherwise regulating the generation of power: PROVIDED, That such an individual is hereby authorized to provide such power to the utility servicing the property on which the power is generated and the servicing utility is hereby authorized to accept such power under such terms and conditions as may be agreed to between the parties.	Nonpolluting; Renewable resource;	All utility; Other fuel; Water and other resource; Environmental; Public health;
Pacific Northwest Electric Power Planning and Conservation Act (1980)	To assist the electrical consumers of the Pacific Northwest through use of the Federal Columbia River Power System to achieve cost-effective energy conservation , to encourage the development of renewable energy resources , to establish a representative regional power planning process , to assure the region of an efficient and adequate power supply , and for other purposes.	Efficiency; Renewable resource; Planning; Adequate supply;	All utility; Other fuel; Water and other resource; Environmental; Energy security;

¹ The *National Energy Act of 1978* included the Public Utility Regulatory Policies Act (PURPA), Energy Tax Act, National Energy Conservation Policy Act (NECPA), Power Plant and Industrial Fuel Use Act, Natural Gas Policy Act. <https://www.jstor.org/stable/40923435>

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Conservation and Renewable Resource Generation (1980) RCW 80.28.024	<p>The legislature finds and declares that the potential for meeting future energy needs through conservation measures, including energy conservation loans, energy audits, the use of appropriate tree plantings for energy conservation, and the use of renewable resources, such as solar energy, wind energy, wood, wood waste, municipal waste, agricultural products and wastes, hydroelectric energy, geothermal energy, and end-use waste heat, may not be realized without incentives to public and private energy utilities.</p> <p>The legislature therefore finds and declares that actions and incentives by state government to promote conservation and the use of renewable resources would be of great benefit to the citizens of this state by encouraging efficient energy use and a reliable supply of energy based upon renewable energy resources.</p>	Energy Efficiency; Renewable Resources; Reliability;	All utility; Other fuel; Water and other resource; Environmental; Energy security;
Energy Financing Voter Approval Act (1981) RCW 80.52.020 Provides definitions of “cost-effective” and “system cost” used in RCW 19.285.030	The purpose of this chapter is to provide a mechanism for citizen review and approval of proposed financing for major public energy projects. The development of dependable and economic energy sources is of paramount importance to the citizens of the state, who have an interest in insuring that major public energy projects make the best use of limited financial resources. Because the construction of major public energy projects will significantly increase utility rates for all citizens , the people of the state hereby establish a process of voter approval for such projects.	Transparency; Dependable; Economic;	All utility;
Electric Heat— Termination of Service (1984) RCW 80.28.010	Utility service for residential space heating shall not be terminated between November 15 and March 15 if customers meet certain conditions, including proof of low-income status and application for energy efficiency assistance.	Energy efficiency; Just; Reasonable;	All utility; Low-income customer;

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Banded Rates (1988) RCW 80.28.074	The legislature declares it is the policy of the state to: (1) Preserve affordable natural gas and electric services to the residents of the state; (2) Maintain and advance the efficiency and availability of natural gas and electric services to the residents of the state of Washington; (3) Ensure that customers pay only reasonable charges for natural gas and electric service ; (4) Permit flexible pricing of natural gas and electric services.	Affordable; Efficient; Available; Reasonable rates; Symmetric;	All utility;
Energy Efficient Residential Building Standards (1990) RCW 80.28.260 Allows application of an incentive rate of return on conservation programs for low-income and senior customers.	The legislature finds that using energy efficiently in housing is one of the lowest cost ways to meet consumer demand for energy ; that using energy efficiently helps protect citizens of the state from negative impacts due to changes in energy supply and cost ; that using energy efficiently will help mitigate negative environmental impacts of energy use and resource development ; and that using energy efficiently will help stretch our present energy resources into the future. It is declared policy of the state of Washington that energy be used efficiently . It is the intent of this act to establish residential building standards that bring about the common use of energy efficient building methods, and to assure that such methods remain economically feasible and affordable to purchasers of newly constructed housing.	Energy efficiency; Energy supply; Energy cost; Mitigate negative environmental impacts of use and development; Economically feasible and affordable;	All utility; Other fuel; Water and other resource; Environmental; Public health; Economic development; Energy security;
Public Service Laws -- construction-work-in-progress (1991) RCW 80.04.250	The legislature finds that the state is facing an energy shortage as growth occurs and that inadequate supplies of energy will cause harmful impacts on the entire range of state citizens. The legislature further finds that energy efficiency improvement is the single most effective near term measure to lessen the risk of energy shortage . In the area of electricity, the legislature additionally finds that the Northwest power planning council has made several recommendations, including an update of the commercial building energy code and granting flexible ratemaking alternatives for utility commissions to encourage prudent acquisition of new electric resources.	Efficiency; Manage Risk; Avoid energy shortage;	All utility; Energy security;

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Energy Conservation Measures – Extension of Payment Responsibility to Subsequent Owners (1993) RCW 80.28.065	(1) The legislature finds that: (a) The ability of utilities to acquire cost-effective conservation measures is instrumental in assuring that Washington citizens have reasonable energy rates and that utilities have adequate energy resources to meet future energy demands; (2) It is the intent of the legislature to encourage utilities to develop innovative approaches designed to promote energy efficiency and conservation that have limited rate impacts on utility customers . It is not the intent of the legislature to restrict the authority of the utilities and transportation commission to approve tariff schedules. (3) It is also the intent of the legislature that utilities which establish conservation tariffs should undertake measures to assure that potential purchasers of property are aware of the existence of any conservation tariffs.	Reasonable; Adequate; Affordable; Transparent;	All utility;
Urban Forestry Programs to Conserve Energy Encouraged (1993) RCW 80.28.300	The legislature finds that large-scale reduction of tree cover increases the temperature of urban areas, known as the "heat island effect." Planting trees in urban areas for shading and cooling mitigates the urban heat island effect and reduces energy consumption . Tree planting also can benefit the environment by combating global climate change, reducing soil erosion, and improving air quality . Urban forestry programs can improve urban aesthetics that will improve public and private property values .	Efficiency; Reduce soil erosion; Climate change; improve air quality; improve property values;	All utility; Environmental; Public health; Economic development;
Conservation Investment by Public Utilities (1994) RCW 80.28.303 , 306 , 309	Allows conservation tariffs and bonds. Nothing in this chapter precludes the commission from adopting or continuing other conservation policies and programs intended to provide incentives for and to encourage utility investment in improving the efficiency of energy or water end use.	Energy efficiency;	All utility;

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Net Metering for Certain Renewable Energy Systems (1998) RCW 80.60.005 Systems up to 100 kW	The legislature finds that it is in the public interest to: (1) Encourage private investment in renewable energy resources; (2) Stimulate the economic growth of this state; and (3) Enhance the continued diversification of the energy resources used in this state.	Economic growth; Diversification; Renewable resource;	All utility; Other fuel; Water and other resource; Environmental; Economic development; Energy security;
Reduced Utility Rates For Low-Income Citizens (1999) RCW 80.28.068	The commission may approve rates, charges, services, and/or physical facilities at a discount for low-income senior customers and low-income customers . Expenses and lost revenues as a result of these discounts shall be included in the company's cost of service and recovered in rates to other customers.	Affordable;	All utility; Low-income customer; Public health
Voluntary Option to Purchase Qualified Alternative Energy Resources (2001) RCW 19.29A.090	RCW 19.29A.090 – Findings – Intent (1) The legislature finds that: (a) Electricity is a basic and fundamental need of all residents; and (b) Currently Washington's consumer-owned and investor-owned utilities offer consumers a high degree of reliability and service quality while providing some of the lowest rates in the country. (2) The legislature intends to: (a) Preserve the benefits of consumer and environmental protection, system reliability, high service quality, and low-cost rates; (b) Ensure that all retail electrical customers have the same level of rights and protections; and (c) Require the adequate disclosure of the rights afforded to retail electric customers.	Consumer and environmental protection; Reliability; Service quality; Low rates; Transparency;	All utility; Other fuel; Water and other resource; Environmental; Public health; Energy security;

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<p>Electric Utility Integrated Resource Plans (2006) RCW 19.280 Requires plans to consider state and federal resource preference, as well as the cost of risk associated with CO2</p>	<p>RCW 19.280.010: It is the intent of the legislature to encourage the development of new safe, clean, and reliable energy resources to meet demand in Washington for affordable and reliable electricity. To achieve this end, the legislature finds it essential that electric utilities in Washington develop comprehensive resource plans that explain the mix of generation and demand-side resources they plan to use to meet their customers' electricity needs in both the short term and the long term. The legislature intends that information obtained from integrated resource planning under this chapter will be used to assist in identifying and developing: (1) New energy generation; (2) conservation and efficiency resources; (3) methods, commercially available technologies, and facilities for integrating renewable resources, including addressing any overgeneration event; and (4) related infrastructure to meet the state's electricity needs.</p>	<p>New investment; Safe, clean, reliable resources; Planning</p>	<p>All utility; Other fuel; Water and other resource; Environmental; Public health; Economic development; Energy security;</p>
<p>Energy Independence Act (2006) RCW 19.285 Includes Renewable Portfolio Standard (15 percent of new load) and Energy Efficiency Resource Standard (all cost-effective)</p>	<p>RCW 19.285.020 - Declaration of Policy: Increasing energy conservation and the use of appropriately sited renewable energy facilities builds on the strong foundation of low-cost renewable hydroelectric generation in Washington state and will promote energy independence in the state and the Pacific Northwest region. Making the most of our plentiful local resources will stabilize electricity prices for Washington residents, provide economic benefits for Washington counties and farmers, create high-quality jobs in Washington, provide opportunities for training apprentice workers in the renewable energy field, protect clean air and water, and position Washington state as a national leader in clean energy technologies.</p>	<p>Stable prices; Economic benefits; High-quality jobs; Protect clean air and water; Develop clean energy technologies;</p>	<p>All utility; Other fuel; Water and other resource; Environmental; Public health; Economic development; Jobs; Energy security;</p>

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<p>Greenhouse Gas Emissions—Baseload Electric Generation Performance Standard (2007) RCW 80.80.005 Prevents new investment in coal-fired generation.</p>	<p>(1) (f) ... there is a need to assess the trend of greenhouse gases emissions statewide over the next several decades, and to take sufficient actions so that Washington meets its responsibility to contribute to the global actions needed to reduce the impacts and the pace of global warming; (g) Actions to reduce greenhouse gases emissions will spur technology development and increase efficiency, thus resulting in benefits to Washington's economy and businesses; and (h) The state of Washington has an obligation to provide clear guidance for the procurement of baseload electric generation to alleviate regulatory uncertainty while addressing risks that can affect the ability of electric utilities to make necessary and timely investments to ensure an adequate, reliable, and cost-effective supply of electricity.</p> <p>(3) The legislature intends ... to authorize immediate actions in the electric power generation sector for the reduction of greenhouse gases emissions.</p> <p>(4) The legislature finds that: (a) To the extent energy efficiency and renewable resources are unable to satisfy increasing energy and capacity needs, the state will rely on clean and efficient fossil fuel-fired generation and will encourage the development of cost-effective, highly efficient, and environmentally sound supply resources to provide reliability and consistency with the state's energy priorities; (b) It is vital to ensure all electric utilities internalize the significant and underrecognized cost of emissions and to reduce Washington consumers' exposure to costs associated with future regulation of these emissions, which is consistent with the objectives of integrated resource planning by electric utilities under chapter 19.280 RCW; (5) The legislature finds that the climate change challenge stakeholder group provides a process for identifying the policies necessary to achieve the economic and emissions reduction goals in *RCW 80.80.020 in a manner that maximizes economic opportunities and job creation in Washington.</p>	<p>Reduce global warming; Efficiency; Technology development; Adequate, reliable and cost-effective supply; Economic opportunities and job creation;</p>	<p>All utility; Other fuel; Water and other resource; Environmental; Public health; Economic development; Jobs; Energy security;</p>

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Coal-fired Electric Generation Facilities (2011) RCW 80.04.560, 570 RCW 80.80.100, 110, 120 RCW 80.82 Agreements for closure of Centralia Coal Plant by 2025	<p>It is the purpose of this act to provide for the reduction of greenhouse gas emissions from large coal-fired baseload electric power generation facilities, to effect an orderly transition to cleaner fuels in a manner that ensures reliability of the state's electrical grid, to ensure appropriate cleanup and site restoration upon decommissioning of any of these facilities in the state, and to provide assistance to host communities planning for new economic development and mitigating the economic impacts of the closure of these facilities.</p> <p>The legislature finds that an electrical company's acquisition of coal transition power helps to achieve the state's greenhouse gas emission reduction goals by effecting an orderly transition to cleaner fuels and supports the state's public policy.</p>	Reduce greenhouse gas emissions; Orderly transition to cleaner fuels; Reliability; Appropriate cleanup and restoration; assistance to host communities;	All utility; Other fuel; Water and other resource; Environmental; Public health; Economic development; Jobs; Energy security;
Coal Plants—Transition—Retirement Accounts (2016) RCW 80.84	Relating to the pathway for a transition of eligible coal units. Requires fully funded retirement accounts for decommissioning and remediation of eligible coal plants.	Decommissioning and remediation;	All utility; Other fuel; Water and other resource; Environmental; Public health; Economic development; Jobs; Energy security;

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<p>Electric Vehicles—Infrastructure Build-out—Capital Investments (2015)</p> <p>RCW 80.28.360</p>	<p>(1) The legislature finds that the transportation sector is Washington's largest contributor to greenhouse emissions and hazardous air pollutants as defined by federal national ambient air quality standards and mobile source air toxics rules. The sector's portion is considerably higher than the national average because our state relies heavily on hydropower for electricity generation, unlike other states that rely on fossil fuels such as coal, petroleum, and natural gas to generate electricity.</p> <p>(2) The legislature also finds that federal clean air act regulations and complementary Washington policies supporting renewable energy generation, energy efficiency, and energy conservation are likely to result in further reduction of emissions in the electricity and in the combined residential, commercial, and industrial sectors. The legislature finds that state policy can achieve the greatest return on investment in reducing greenhouse gas emissions and improving air quality by expediting the transition to alternative fuel vehicles, including electric vehicles.</p> <p>(3) The legislature finds that utilities, who [that] are traditionally responsible for understanding and engineering the electrical grid for safety and reliability, must be fully empowered and incentivized to be engaged in electrification of our transportation system. The legislature further finds that it has given utilities other policy directives to promote energy conservation which do not make the benefits of building out electric vehicle infrastructure, as well as any subsequent increase in energy consumption, readily apparent. Therefore the legislature intends to provide a clear policy directive and financial incentive to utilities for electric vehicle infrastructure build-out.</p>	<p>Reduce greenhouse gas; Improve air quality; Increased energy use is ok for EV usage;</p>	<p>All utility; Other fuel; Water and other resource; Environmental; Public health; Economic development; Energy security;</p>