The UTC and Energy Regulation

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May 18, 2016
What is the UTC?

- Agency established by the Legislature in 1905 as the Railroad Commission.
- The UTC protects consumers by ensuring that utility and transportation services are fairly priced, available, reliable, and safe.

**Economic regulation**
- Regulate private investor-owned monopolies
- Authorize changes in rates, terms and service
- Enforce statutes and rules, assess penalties

**Public safety**
- Inspect rail crossings, pipeline and motor carriers for safety
- Monitor insurance and register motor carriers

**Consumer Protection**
- Resolve customer complaints and disputes
- Investigate unfair business practices by companies
- Educate consumers to make good choices
Who is the UTC?

• **Three commissioners**
  o Staggered 6-year terms
  o Law requires political balance
  o Appointed by Governor
  o Confirmed by Senate
  o Governor appoints Chair

• **165 Staff**
  o Accountants
  o Economists
  o Engineers
  o Investigators
  o Safety Inspectors
  o Attorneys and Administrative Law Judges
  o Consumer Specialists
  o Support and Clerical Staff
Energy Companies UTC Regulates

3 Electric Companies (45% of state electric customers)
  o Puget Sound Energy (Western WA)
  o Avista Corporation (Eastern WA)
  o PacifiCorp d/b/a Pacific Power and Light (Southeastern WA)

4 Natural Gas Companies (About 1 M customers statewide)
  - Puget Sound Energy (Western WA)
  - Avista Corporation (Eastern WA)
  - Cascade Natural Gas (Across WA)
  - Northwest Natural Gas (Southeastern WA)

The UTC does not regulate publicly owned electric utilities:
  o Municipal utilities, e.g., Seattle City Light, Tacoma Power
  o Public Utility Districts, e.g., Snohomish PUD
  o Rural Electric Cooperatives
Other Industries UTC Regulates

- Telecommunications Companies
  - 400+ registered telecommunications companies
  - UTC does not regulate cable or wireless service

- Private Water Companies
  - 100 or more customers or
  - Receive $570> avg. annual revenue per customers

- Solid Waste Collection Companies
  - Low-Level Radioactive Waste Disposal Site Operator
  - Oil Pipeline & Pipeline Companies

- Railroads & Railroad Crossings
- Household Goods Movers
- Bus and Airporter Operations
- Commercial Ferries
- Common Carriers
UTC Jurisdiction

- Federal government has jurisdiction over wholesale energy sales and interstate transmission.

- State governments have jurisdiction over retail sales, distribution, and power produced by a utility for its own retail customers.
Energy Matters Before The UTC

• **Rate Cases & Filings**
  o Avista General Rate Case
  o Pacific Power General Rate Case
  o Cascade Natural Gas General Rate Case
  o PSE General Rate Case – planned for January 2017
  o PSE LNG Plant & Storage Facility
  o Electric Vehicle Pilots
  o Etc.

• **Rulemakings**
  o Reliability, possible Interconnection rules

• **Participation in:**
  o Clean Power Plan – coordinating with Commerce, Ecology
  o State Clean Air Rule
  o CA Independent System Operator
    ➢ Energy Imbalance Market
    ➢ Regional Transmission Operator