

Multiple Agency Fiscal Note Summary

Bill Number: 6248 E S SB	Title: Transition of coal units
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Estimated Cash Receipts

Agency Name	2015-17		2017-19		2019-21	
	GF- State	Total	GF- State	Total	GF- State	Total
Utilities and Transportation Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Total \$	0	0	0	0	0	0

Estimated Expenditures

Agency Name	2015-17			2017-19			2019-21		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of Attorney General	Fiscal note not available								
Utilities and Transportation Commission	.7	0	179,866	.1	0	19,056	.1	0	19,056
Total	0.7	\$0	\$179,866	0.1	\$0	\$19,056	0.1	\$0	\$19,056

Estimated Capital Budget Impact

NONE

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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 44189

Individual State Agency Fiscal Note

Bill Number: 6248 E S SB	Title: Transition of coal units	Agency: 215-Utilities and Transportation Comm
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.0	1.4	0.7	0.1	0.1
Account					
Public Service Revolving Account-State 111-1	0	179,866	179,866	19,056	19,056
Total \$	0	179,866	179,866	19,056	19,056

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

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OFM Review: Kathy Cody	Phone: (360) 902-9822	Date: 02/23/2016

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

To implement this legislation, the UTC assumes it would conduct an adjudicative proceeding under chapters 34.05 and 80.04. Multiple parties will participate in this proceeding, which will take place in FY17.

If the accounting treatment authorized in Section 2(1) is approved, the UTC will engage in ongoing oversight of a reserve account for decommissioning and remediation, equivalent to 0.1 FTE in FY18-21.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Electrical companies pay regulatory fees to the UTC pursuant to RCW 80.24.010, at a rate of two-tenths of one percent of gross intrastate operating revenue. If the petition is approved, the UTC assumes that one company would acquire an increased interest in an eligible coal unit at its net book value in the first biennium.

However, because the net book value of the acquired portion of the eligible coal unit is unknown at this time, the impact to gross intrastate operating revenues is unknown. The UTC therefore assumes that the cash receipts are indeterminate.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Adjudicative Proceeding: To implement this legislation, the UTC assumes it would conduct an adjudicative proceeding under chapters 34.05 and 80.04. The UTC assumes that multiple parties will participate in the proceeding, which will take place in FY17. The proceeding will include the following expenditures:

Accounting Treatment: Sec. 2(1) of the bill specifies that the UTC may authorize an electrical company to place amounts from one or more regulatory liabilities into a retirement account to cover decommissioning and remediation costs of eligible coal units. The UTC assumes that it would oversee the creation of a reserve account, as well as the transfer of any regulatory liabilities to such account, and the accrual of depreciation expense to such account for decommissioning and remediation costs. For the purposes of this fiscal note, the UTC assumes that it would engage an in-house senior regulatory accountant to review the proposed accounting treatment, and if approved, oversee the reserve account, equivalent to approximately 0.5 FTE in FY17.

Compliance: If the creation of such account is approved, the UTC will engage an in-house regulatory accountant in ongoing oversight of a reserve account for decommissioning and remediation, equivalent to 0.1 FTE in FY18-21.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years		1.4	0.7	0.1	0.1
A-Salaries and Wages		123,186	123,186	14,012	14,012
B-Employee Benefits		29,565	29,565	3,362	3,362
C-Professional Service Contracts					
E-Goods and Other Services		27,115	27,115	1,682	1,682
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$179,866	\$179,866	\$19,056	\$19,056

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2016	FY 2017	2015-17	2017-19	2019-21
Administrative Law Judge	112,411		0.2	0.1		
Assist. Director Conservation & Energy Planning	88,154		0.1	0.0		
Assistant Director, Energy	93,097		0.1	0.0		
Assistant Power Supply Manager	83,741		0.3	0.2		
Chair	132,000		0.0	0.0		
Commissioner	117,972		0.0	0.0		
Confidential Secretary	71,604		0.0	0.0		
Regulatory Analyst 2	70,056				0.1	0.1
Regulatory Analyst 3	79,296		0.5	0.3		
Senior Policy Advisor	98,220		0.1	0.1		
Sr. Reg. Engineering Specialist	79,598		0.0	0.0		
Total FTE's	1,026,149		1.4	0.7	0.1	0.1

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

No rulemaking required.