WAC 480-100-244  Transferring cash or assuming obligations.  (1)
At least five business days before an electric utility whose corpo-
rate/issuer rating is not in one of the four highest rating categories
of either Standard & Poor's L.L.C. or Moody's Investors Service, Inc.,
or its subsidiary transfers cash to any of its affiliated interests or
subsidiaries or assumes an obligation or liability of any of its af-
filiated interests or any of its subsidiaries, the utility must report
to the commission an estimate of the amount to be transferred and the
terms of the transaction when the transaction will exceed thresholds
described in (a) or (b) of this subsection.

(a) The utility must report if the cumulative transactions to a
subsidiary or affiliated interest for the prior twelve months exceed a
threshold of two percent, which is based on the utility's common
shareholders equity.

(b) When the threshold in (a) of this subsection has been
reached, the utility must report each subsequent transaction exceeding
a threshold of one percent for the prior twelve-month period, which is
based on the utility's common shareholders equity.

A utility's common shareholder equity is determined according to
the latest annual report filed pursuant to WAC 480-100-252 (Federal
Energy Regulatory Commission (FERC) Form No. 1). Information about the
FERC Form No. 1 regarding the version adopted and where to obtain it
is set out in WAC 480-100-999 (Adoption by reference).

(2) The reporting requirements in subsection (1) in this section
do not include payments for:
(a) Federal and state taxes;
(b) Goods, services, or commodities, including fuel supplies
(e.g., gas, coal, or oil);
(c) Transactions, attributed to the regulated entity, previously
approved or ordered by the commission, other regulatory agencies, or
the court;
(d) Dividends to the extent the level of such dividends over a
twelve-month period does not exceed the larger of:
(i) Net income during such period; or
(ii) The average level of dividends over the preceding three
years; or
(e) Sweep or cash management accounts used to transfer funds to
or from a subsidiary or affiliate as part of the customary and routine
cash management functions between or among the utility and its subsid-
iary or affiliate.

[Statutory Authority: RCW 80.01.040, 80.04.160, 81.04.160 and
34.05.353. WSR 05-06-051 (Docket No. A-021178 and TO-030288, General
Order No. R-518), § 480-100-244, filed 2/28/05, effective 3/31/05.]