

STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 ● Olympia, Washington 98504-7250 (360) 664-1160 ● TTY (360) 586-8203

March 23, 2017

Re: Pacific Power & Light's 2016 Energy and Emissions Intensity Report Docket UE-160781

R. Bryce Dalley Vice President, Regulation Pacific Power & Light Company 825 NW Multnomah St., Suite 2000 Portland, OR 97232

On June 1, 2016, Pacific Power & Light Company (Pacific Power or Company), filed with the Washington Utilities and Transportation Commission (Commission) its first annual Energy and Emissions Intensity (EEI) report in accordance with WAC 480-109-300. Section (1) of the rule states, in part, that:

A utility must report metrics of energy and emissions intensity to the commission on or before June 1st of each year. The report must include annual values for each metric for the preceding ten calendar years.

The Commission acknowledges Pacific Power's efforts in complying with this new reporting requirement. The Company filed the report in a timely fashion, provided solid, well-reasoned data to support its report, and the report itself was well-written, with clear, concise and accessible language.

Pacific Power demonstrates some interesting trends, which the Commission recognized through analysis of the data provided in its report.

- The Company shows flat or decreasing energy use per-capita in its service territory.
- Emissions trends for Pacific Power show that a business-as-usual approach is unlikely to achieve the Company's pro-rata share of the state policy goal to reduce total CO₂ emissions to 1990 levels by 2020, as described in RCW 70.235.020.

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In analyzing and comparing the companies' reports, Staff identified some unanticipated differences in how Pacific Power and other companies accounted for emissions from energy transactions, both purchases and sales. After requests from Staff, the companies, including Pacific Power, submitted revised or supplemental reports. The Commission appreciates Pacific Power's efforts, as the revisions allowed Staff to more easily compare and evaluate the reports.

In addition, WAC 480-109-300(4) provides that the "energy and emissions intensity report must include narrative text and graphics describing trends and an analysis of the likely causes of changes, or lack of changes, in the metrics." In this first set of reports, the companies did not provide the quality and depth of the narrative analysis as expected. The Commission highlights this as an area for improvement in the 2016 reports, to be filed by June 1, 2017.

The Commission encourages Pacific Power and Staff to continue working together to increase the uniformity and consistency of reporting going forward. The Commission applauds the collaborative efforts of Staff and the companies, including their recently convened technical work session.

If Pacific Power has any questions on this matter, or wishes to discuss the contents of this letter, please contact Dave Nightingale at (360) 664-1154 or at dnightin@utc.wa.gov, or Kyle Frankiewich at (360) 664-1316 or at kfrankie@utc.wa.gov.

Sincerely,

STEVEN V. KING Executive Director and Secretary