

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP d/b/a PACIFIC POWER  
& LIGHT COMPANY,

Respondent.

DOCKET UE-250460

ORDER 03

ORDER ON COMPLIANCE WITH  
ORDER 02; APPROVING RFP  
SUBJECT TO CONDITIONS

**BACKGROUND**

- 1 On June 10, 2025, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) filed a Petition for Partial Waiver of WAC Chapter 480-107 and Approval of the Draft 2025 RFP (Petition) with the Washington Utilities and Transportation Commission (Commission). PacifiCorp's Petition requests the Commission waive certain competitive bidding requirements contained in Chapter 480-107 WAC and approve the Company's Draft 2025 Request for Proposals (RFP) within seventy-five days of filing.
- 2 On June 12, 2025, the Commission issued a Notice of Opportunity to Comment in this Docket.
- 3 On June 26, 2025, Commission staff (Staff) filed a Petition for Exemption from WAC 480-107-017(4) (Staff's Petition). Staff's Petition requested that the Commission grant an exemption from the requirement that the Commission approve, approve with conditions, or suspend RFP filings within seventy-five days and set this matter to be heard at the August 28, 2025, open meeting.
- 4 On July 3, 2025, the Commission issued Order 01 Granting Petition for Exemption from WAC 480-107-017(4) (Order 01), which exempted PacifiCorp from the requirement for

Commission approval, approval with conditions, or suspension of its RFP filing within 75 days, permitting this matter to be heard on the August 28, 2025, open meeting.<sup>1</sup>

5 On August 28, 2025, this matter came before the Commission at its regularly scheduled open meeting.

6 On September 2, 2025, the Commission issued Order 02 in this docket, which among other things, approved the Company's draft RFP, subject to conditions. Condition four of Order 02 required PacifiCorp to amend "the Request for Proposal and the pro-forma contract before issuing it on September 2, 2025, work with all parties involved to resolve the scoring, and file a compliance filing" for consideration at the September 11, 2025, open meeting.<sup>2</sup>

7 On September 3, 2025, PacifiCorp filed its Final 2025 RFP.

8 On September 9, 2025, PacifiCorp submitted its Compliance Filing for Scoring of Conditional Firm Bids (compliance filing), as required by Order 02.<sup>3</sup>

9 Staff has reviewed PacifiCorp's compliance filing and notes that on September 8, 2025, the Company and interested parties conferred regarding PacifiCorp's proposed scoring methodology for conditional-firm bridge transmission service. Staff expresses that it believes the proposed methodology treats conditional-firm bids in an overly conservative manner, because it assumes 100 percent curtailment and assigns zero capacity value to such bids. In reviewing the methodology, Staff considered that recent Bonneville Power Administration (BPA) data indicates just 0.17 percent of conditional-firm hours were curtailed from 2008 through 2024. Staff also compared PacifiCorp's methodology to the methodologies recently utilized by Avista and Portland General Electric (PGE) and notes both methodologies are less conservative than PacifiCorp's.

10 Accordingly, Staff recommends the Commission issue an order approving the compliance filing, subject to the condition that PacifiCorp amend the scoring methodology consistent with Appendix A of this Order.

11 This matter came before the Commission at its regularly scheduled open meeting on September 11, 2025. The Commission heard comments from Staff, PacifiCorp, Public

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<sup>1</sup> *WUTC v. PacifiCorp d/b/a Pacific Power & Light Company*, Docket UE-250460 Order 01 (July 3, 2025).

<sup>2</sup> *WUTC v. PacifiCorp d/b/a Pacific Power & Light Company*, Docket UE-250460 Order 02, ¶ 37 (Sep. 2, 2025).

<sup>3</sup> *Id.*

Counsel, the Northwest and Intermountain Power Producers Association (NIPPC), and Renewable Northwest (RNW). Staff reiterated its recommendation and its belief that non-company parties are generally aligned with Staff's recommendation. Staff commented that it believes PacifiCorp's approach is too conservative given realities of curtailments and its belief that Staff and PacifiCorp fundamentally view the risks of conditional-firm differently.

- 12 PacifiCorp provided comments stating it has not evaluated conditional-firm transmission because conditions are not known, and the Company cannot model unknown conditions. However, the Company indicated its willingness to commit to modeling conditions once known. PacifiCorp stated it met with Avista and PGE and provided that it prefers the Commission approve the methodology used by Avista over the methodology recommended by Staff and negotiated by PGE. PacifiCorp explained that the PGE methodology treats all conditional-firm resources the same, which misses varying conditions, consideration of energy value, and potential benefits. PacifiCorp offered as an alternative to model each conditional-firm bid using their own methodology and PGE's methodology and to discuss those results with Staff and Public Counsel.
- 13 Public Counsel stated its position that the proposal that should be used is whichever produces the most bids. Public Counsel believes that by increasing the number of bids, the Company can maximize benefits to ratepayers. Public Counsel believes Staff's proposal is likely to result in an increased number of bids as compared to PacifiCorp's.
- 14 NIPPC and RNW provided joint comments through four speakers. NIPPC and RNW recommended that the Commission adopt Staff's proposal. NIPPC and RNW stated that PacifiCorp has expressed its preference not to use conditional-firm resources and recommends the Commission provide clear guardrails to minimize the Company's discretion to avoid such bids being treated unfairly. NIPPC and RNW also provided comments clarifying that conditional-firm resources can firm their service through BPA's reserve sharing program. The joint commenters also reiterated that conditional-firm products are increasingly viewed as a reliable product, are the primary product available from BPA, and if they are restricted, it could significantly reduce the number of bids received.
- 15 In response to comments from others, Staff stated it may be concerned with being put in the position of being an independent evaluator. Further, Staff expressed its position that Revised Code of Washington (RCW) 19.208.110 requires utilities to reasonably consider conditional-firm service, and that ultimately, whether reasonable consideration is given and whether acquisitions are prudent, is a burden the Company must meet.

- 16 In response to party comments, PacifiCorp expressed that contracting with an independent evaluator may be the most prudent path forward. PacifiCorp also stated its commitment to follow Commission orders and simply does not want its hands to be tied to one methodology, allowing it to avoid acquiring a “lemon” of a resource. Public Counsel and Staff expressed support for involving an independent evaluator.
- 17 NIPPC and RNW expressed general support for an independent evaluator but stressed that the methodology needs to be defined and subjectivity be minimized. NIPPC and RNW clarified that PacifiCorp’s proposal, without clear baseline methodologies, unnecessarily puts the independent evaluator in an adjudicatory rule, which is inappropriate.

### DISCUSSION AND DECISION

- 18 Washington Administrative Code (WAC) 480-107 “establish[es] the requirements for various utility solicitations and procurements, including provisions governing competitive solicitations, all-source RFPs, targeted RFPs, independent evaluators and system emergencies.”<sup>4</sup>
- 19 RCW 19.280.110 requires electric utilities to give reasonable consideration to conditional-firm service in planning and selection of resources.
- 20 In Order 02, we approved PacifiCorp’s RFP subject to several conditions, one of which required that the Company and interested parties convene to discuss the scoring of conditional-firm transmission bid scoring and for PacifiCorp to then submit its methodology for consideration at the September 11, 2025, open meeting.
- 21 PacifiCorp and interested parties met and discussed the proposed methodology on September 8, 2025. We appreciate and thank the parties for doing so on such a quick timeline. We also appreciate the in-depth conversation from the parties during the open meeting.
- 22 On the methodology itself, we agree with Staff that PacifiCorp’s proposed scoring method is overly conservative in its treatment of conditional-firm bids and is not consistent with the realities of conditional-firm curtailment, nor consistent with peer utilities in the region. Accordingly, we find it is in the public interest to require PacifiCorp to amend its proposed methodology as proposed by Staff, consistent with Appendix A of this Order, and in doing so, we acknowledge PacifiCorp’s compliance with Order 02, subject to condition. In adopting the methodology in Appendix A, we do

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<sup>4</sup> WAC 480-107-001(1).

so in recognition of the realities of curtailment, the availability of transmission products, and the need to attract as many bids as possible.

- 23 However, given the conversation at the open meeting and concerns expressed from PacifiCorp, we find that PacifiCorp should be able to evaluate conditional-firm bids using their proposed methodology, but that each bid must first be evaluated using the methodology proposed in Appendix A, and that there shall be a rebuttable presumption favoring the scoring of bids using the methodology in Appendix A. To ensure clarity, PacifiCorp's alternative methodology may be one consideration in the totality of circumstances in evaluating bids received but shall not be the default scoring mechanism for conditional-firm bids.
- 24 Further, we agree with the parties that an independent evaluator (IE) is necessary to review the Company's consideration of bids including conditional-firm transmission. Accordingly, we find that PacifiCorp should be required to obtain an IE for this purpose. To ensure that the process of selecting an IE does not include delay in the process, the Company's process for selecting, and the Commission's process for approving, an IE, should occur in parallel to the Company pursuing the RFP at issue in this docket. The Company must provide the IE's report on the evaluation of conditional-firm bids in compliance with the requirements of WAC 480-107.

### FINDINGS AND CONCLUSIONS

- 25 (1) The Commission is an agency of the state of Washington vested by statute with the authority to regulate rates, regulations, and practices of public service companies, including electric companies.
- 26 (2) PacifiCorp is an electric company and a public service company subject to Commission jurisdiction.
- 27 (3) PacifiCorp filed a Petition for Partial Waiver of WAC Chapter 480-107 and Approval of the Draft 2025 RFP on June 10, 2025.
- 28 (4) Pursuant to WAC 480-107-017(4), the Commission will approve, approve with conditions, or suspend an RFP filing.
- 29 (5) A resources need was identified in the Company's 2025 IRP, and its RFP is required to be an all-source RFP.
- 30 (6) On September 2, 2025, the Commission entered Order 02 in this docket, approving PacifiCorp's RFP subject to conditions, one of which required

PacifiCorp to make a compliance filing for consideration at the Commission's September 11, 2025, open meeting.

- 31 (7) This matter came before the regularly scheduled open meeting on September 11, 2025.
- 32 (8) After reviewing PacifiCorp's compliance filing, and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the compliance filing meets the requirements of Order 02 and should be acknowledged subject to PacifiCorp being required to amend its proposed scoring methodology consistent with Appendix A.
- 33 (9) PacifiCorp may consider its alternative methodology in evaluating bids with conditional-firm service, however, there shall be a rebuttable presumption favoring the scoring of bids using the methodology in Appendix A to this Order. PacifiCorp's alternative methodology may be one consideration in the totality of circumstances in evaluating bids received, but it shall not be the default scoring mechanism for conditional-firm bids.
- 34 (10) Further, we find PacifiCorp shall be required to engage an independent evaluator to review the Company's consideration of bids including conditional-firm transmission and shall submit the Company's selection of an independent evaluator for approval by the Commission before November 1, 2025.

## **ORDER**

### **THE COMMISSION ORDERS:**

- 35 (1) The Commission approves PacifiCorp d/b/a Pacific Power & Light Company's compliance with Order 02 in this docket, subject to the following conditions:
1. PacifiCorp d/b/a Pacific Power & Light Company shall hire an independent evaluator to specifically address conditional-firm transmission bids, and shall submit its choice of an independent evaluator to the Commission for approval before November 1, 2025;
  2. PacifiCorp d/b/a Pacific Power & Light Company shall submit the independent evaluator's report in this docket; and
  3. PacifiCorp d/b/a Pacific Power & Light Company, in coordination with the independent evaluator, shall apply the scoring methodology consistent with Appendix A of this Order, and there shall be a rebuttable presumption

favoring the Appendix A methodology when evaluating conditional-firm bids, but PacifiCorp d/b/a Pacific Power & Light Company may rebut that presumption after considering its own methodology, with evaluation and documentation of the evaluation by the independent evaluator.

- 36 (2) The Commission retains jurisdiction over this matter and PacifiCorp d/b/a Pacific Power & Light Company to effectuate the terms of this Order.

DATED at Lacey, Washington September 15, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



BRIAN J. RYBARIK, Chair



ANN E. RENDAHL, Commissioner



MILTON H. DOUMIT, Commissioner

## **Appendix A – Condition of Approval**

### **Eligible CFS products**

- CFS bridge, with
  - Number of hours conditional curtailment option, or
  - System conditions conditional curtailment option
- Proposals using CFS reassessment conditional curtailment option not eligible for the 2025 WA Situs RFP.

### **Capacity contribution and energy value implications**

- Maximum resource output limited for the amount of CFS bridge rights (no less than applicable minimum requirement).

### **Reserve value implications (Western Power Pool)**

- No reserve value attributed to resources using CFS bridge transmission service.

### **Scoring and modelling methodology assumptions**

When determining capacity contribution, the maximum resource output will be limited by the amount of conditional firm bridge rights (no less than applicable minimum requirement).

**Number of Hours products:** For the purposes of capacity contribution calculations, generation delivered by conditional firm bridge number of hours will be assumed to be curtailed. Specifically, resources on conditional firm bridge number of hours products will also have their output curtailed for 50 percent of annual curtailment hours as identified and reserved for use by BPA. The model will assume that these curtailments happen during PacifiCorp's approximate times of highest need. Upon the forecasted completion of transmission upgrades necessary to convert conditional firm bridge service into long-term firm service, a resource's forecasted curtailment conditions will be removed. If BPA's cluster study results are not available to indicate the maximum number of curtailed hours, PacifiCorp will use the average assessed hours from the previous study.

**System Conditions products:** For the purposes of capacity contribution calculations, generation delivered by conditional firm bridge system conditions will be assumed to be curtailed. PacifiCorp will apply the Number of Hours methodology described above, with an assumption of 200 hours (100 curtailment hours). Upon the forecasted completion of transmission upgrades necessary to convert conditional firm bridge service into long-term firm service, a resource's forecasted curtailment conditions will be removed.

No capacity value will be attributed to the portion of the resource's interconnection limit that is relying on short-term firm, if any.