

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PACIFICORP dba
PACIFIC POWER & LIGHT COMPANY

for a Declaratory Order Approving
the Avoided Cost Methodology for
Power Purchases from Large
Qualifying Facilities per WAC 480-
106-050(5).

Docket UE-20_____

PETITION OF PACIFICORP

I. INTRODUCTION

1 PacifiCorp dba Pacific Power & Light Company (PacifiCorp or Company) respectfully submits this petition requesting that the Washington Utilities and Transportation Commission (Commission) approve its avoided cost methodology for qualifying facilities (QFs) with capacities greater than five megawatts in accordance with WAC 480-106-050(5). PacifiCorp’s avoided cost methodology for large QFs with capacities greater than five megawatts is described and enclosed as Exhibit A.

II. BACKGROUND

2 PacifiCorp is an electric utility and public service company doing business in the state of Washington under RCW 80.04.010, and its public utility operations, retail rates, service, and accounting practices are subject to the Commission’s jurisdiction. PacifiCorp provides retail electricity service under the trade name Pacific Power in Washington, Oregon, and California, and under the trade name Rocky Mountain Power in Idaho, Utah, and Wyoming. The Company’s principal place of business is 825 NE Multnomah Street, Suite 2000, Portland, Oregon, 97232.

3 PacifiCorp's name and address:

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In addition, PacifiCorp respectfully requests that all data requests be addressed to:

By e-mail (preferred) datarequest@pacificorp.com

By regular mail Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Ariel Son, Regulatory Affairs Manager, at (503) 813-5410.

III. PETITION

4 PacifiCorp requests Commission approval of the avoided cost methodology for large QFs as enclosed in Exhibit A and briefly described below. The proposed methodology is based on the methodology approved for standard fixed rates in Schedule QF¹, which reflects the Commission's directives in Order 01 in docket UE-190666 and several months of collaboration with Commission Staff and stakeholders. While PacifiCorp maintains its concerns regarding certain aspects of the standard fixed rates in Schedule QF under the approved methodology, the Company recognizes the Commission's decisions in docket UE-190666 and proposes implementation of a similar methodology here.

¹ PacifiCorp Schedule QF, Avoided Cost Purchases and Procedures for Qualifying Facilities, effective May 8, 2020. https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificpower/rates-regulation/washington/rates/QF_Avoided_Cost_Purchases_and_Procedures_for_Qualifying_Facilities.pdf.

5 The proposed methodology incorporates consideration of the factors identified in WAC 480-106-050(5). PacifiCorp’s proposed methodology also incorporates the exemption to WAC 480-106-040(1)(b)(i) granted by the Commission in Order 01 regarding the calculation of avoided cost of capacity for solar resources.

6 The Federal Energy Regulatory Commission (FERC) requires that utilities take into account several factors in determining avoided costs, to the extent practicable, including: data on the utility’s system cost and planning, the availability of capacity or energy from a QF during system daily and seasonal peak periods, the relationship of the availability of energy or capacity from the QF to the ability of the utility to avoid costs, and the costs or savings resulting from variations in line losses from those that would have existed in the absence of purchases from a QF, if the purchasing utility generated an equivalent amount of energy itself or purchased an equivalent amount of electric energy or capacity.² To take into account the factors required by FERC and as further described in Exhibit A, PacifiCorp’s methodology considers the following value categories: Energy Value, Integration Charges, Contingency Reserve Charges, Capacity Value, and Other Values.

7 In support of this methodology, PacifiCorp is providing data and workpapers that rely upon the approved standard Schedule QF filing or are comparable to the inputs contained within that filing. Given the market sensitive nature of the hourly forward market prices and certain resource cost data, PacifiCorp is submitting these as confidential under WAC 480-07-160. PacifiCorp is also providing redacted versions of this information as required by WAC 480-07-160(4)(d).

² 18 C.F.R. § 292.304(e).

IV. CONCLUSION

8 PacifiCorp respectfully requests a declaratory order approving the enclosed avoided cost methodology for QFs with capacities greater than five megawatts, as set forth in Exhibit A.

Respectfully submitted this 22nd day of June, 2020.

/s/

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