

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of PACIFCORP d/b/a PACIFIC POWER & LIGHT COMPANY Petitioner, Seeking Exemption from the Provisions of WAC 480-106-040 Relating to Calculation of Avoided Capacity Costs	DOCKET UE-210848 ORDER 01 GRANTING EXEMPTION FROM RULE; ALLOWING TARIFF TO GO INTO EFFECT BY OPERATION OF LAW
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BACKGROUND

- 1 On November 1, 2021, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) a Petition requesting an exemption from WAC 480-106-040(1)(b) in the same docket as its annual avoided cost tariff filing (Petition).
- 2 WAC 480-106-040(1)(b) requires electric companies to calculate the avoided cost of capacity based on its most recently acknowledged integrated resource plan (IRP). PacifiCorp's 2017 IRP is its most recently acknowledged.
- 3 PacifiCorp requested the Commission continue the exemption granted in Order 01, Docket UE-190666, which, among other things, directs the Company to calculate the avoided cost of capacity for solar resources using the fixed costs for solar based on the results of PacifiCorp's 2017 request for proposals and a capacity contribution of 2 percent.
- 4 Commission staff (Staff) reviewed the request and recommends granting PacifiCorp's request for exemption and allowing the tariff filing to go into effect by operation of law.

DISCUSSION

- 5 We grant PacifiCorp's request for an exemption from WAC 480-106-040(1)(b). Under WAC 480-106-003, the Commission may grant an exemption from the provisions of any

rule in WAC 480-106 if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes.

6 Due to the newly implemented rules effectuating the Clean Energy Transformation Act, the Company's 2017 IRP is the most recently acknowledged IRP. We therefore agree with Staff that PacifiCorp's request is reasonable because allowing the Company to use more recent information will yield the most accurate results. Accordingly, we find that granting the Company's request for an exemption is in the public interest and consistent with both the purposes underlying the rule and applicable statutes. We further agree the tariff filing should be allowed to go into effect by operation of law.

FINDINGS AND CONCLUSIONS

- 7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 8 (2) PacifiCorp is engaged in the business of providing electric services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 9 (3) PacifiCorp is subject to WAC 480-106-040(1)(b), which requires electric companies to calculate the avoided cost of capacity based on its most recently acknowledged IRP.
- 10 (4) Under WAC 480-106-003, the Commission may grant an exemption from the provisions of any rule in WAC 480-106 if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes. See also WAC 480-07-110.
- 11 (5) This matter came before the Commission at its regularly scheduled meeting on December 23, 2021.
- 12 (6) After review of the Petition filed in Docket UE-210848 by PacifiCorp on November 1, 2021, and giving due consideration, the Commission finds that the exemption is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should be granted. The tariff should be allowed to go into effect by operation of law.

ORDER

THE COMMISSION ORDERS:

- 13 (1) PacifiCorp d/b/a Pacific Power & Light Company is granted an exemption from WAC 480-106-040(1)(b), continuing the exemption granted in Order 01, Docket UE-190666. The tariff is allowed to go into effect by operation of law.
- 14 (2) The Commission retains jurisdiction over the subject matter and PacifiCorp d/b/a Pacific Power & Light Company to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective December 23, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL
Executive Director and Secretary