

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of)	DOCKET NO. UE-031311
)	
PACIFICORP, d/b/a PACIFIC)	ORDER NO. 01
POWER AND LIGHT COMPANY)	
)	
)	ORDER SUSPENDING DRAFT
)	REQUEST FOR PROPOSAL
)	FILING
)	
.....)	

BACKGROUND

- 1 Chapter 480-107 WAC establishes the rules that govern the purchases of electricity through a bidding process, and administers the Commission's implementation of the Public Utility Regulatory Policies Act (PURPA). On January 24, 2003, PacifiCorp filed its Least Cost Plan (LCP) with the Commission. WAC 480-107-060(2)(a) requires electric companies to file a draft Request For Proposal (RFP) with the Commission within ninety days of the electric utility's filing of its final least cost plan. Instead of filing a draft RFP on August 23, 2003, PacifiCorp filed a petition and a request for exception from the draft RFP filing requirement on August 14, 2003.

- 2 On September 25, 2003, PacifiCorp filed with the Commission an amendment to its August 14, 2003 filing, in which it included an RFP. The RFP included guidelines for submitting proposals, type of resources, size of resource block, avoided cost schedule, evaluation and ranking procedure, and prototype contracts.

3 There is a dispute between Staff and PacifiCorp as to whether PacifiCorp's RFP filing on September 25, 2003, fully satisfies the requirements of WAC 480-107 and PURPA. On the first page of the RFP filing PacifiCorp states, "Although PacifiCorp is currently seeking to acquire resources through specifically-tailored solicitation, it doesn't propose to issue a Commission-approved RFP in Washington as a means of securing additional resources." Staff believes this language effectively negates PacifiCorp's compliance with WAC 480-107 and PURPA. Staff believes this language implies that:

- (a) The Company might not consider bids from Washington, thus leading potential developers not to file a bid.
- (b) The Company might intend to discriminate against offers from Washington despite the fact that its ratepayers pay for a share of system-wide resource costs.
- (c) PacifiCorp may exclude offers that could improve system reliability and minimize cost.
- (d) The Company could undermine market and price efficiency that may be achieved through competitive bidding, and thus may affect the welfare of ratepayers.

FINDINGS AND CONCLUSIONS

4 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, and transfers of public service companies, including electric companies. *RCW 80.01.040; Chapter 80.04 RCW; and Chapter 80.28 RCW.*

- 5 (2) PacifiCorp is an electric company and is a public service company subject to the jurisdiction of the Commission.
- 6 (3) This matter was brought before the Commission at its regularly scheduled meeting on December 10, 2003.
- 7 (4) There is a dispute between PacifiCorp and Staff regarding whether PacifiCorp's RFP filing on September 25, 2003 satisfies the requirements of WAC 480-107 and PURPA.
- 8 (6) PacifiCorp has not yet demonstrated that the request for proposals filing is in the public interest. *WAC 480-107-060*.
- 9 (7) As authorized by Chapter 480-107 WAC, the Commission finds that it is in the public interest to suspend PacifiCorp's Request for Proposals.

ORDER

THE COMMISSION ORDERS:

- 10 (1) The Request for Proposal filed by PacifiCorp, on August 14, 2003, with amendments on September 25, 2003, is suspended pursuant to WAC 480-107-060(2)(b).

DATED at Olympia, Washington, and effective this 10th day of December, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner