

January 16, 2013

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Attention: David W. Danner
Executive Director and Secretary

RE: **Docket UE-100749 – Order 12 Compliance Filing**

Dear Mr. Danner:

PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) submits this filing to comply with paragraph 14 of the Washington Utilities and Transportation Commission (Commission) Order 12, Order Modifying Order 06 and Requiring Compliance Filing, issued December 28, 2012.¹ This paragraph directs:

By January 16, 2013, PacifiCorp shall file (a) a full accounting of REC sales proceeds the Company has received from April 3, 2011, through December 31, 2012; (b) a forecast of the REC sales proceeds PacifiCorp reasonably anticipates receiving from January 1, 2013, through December 31, 2013; (c) a proposed revised customer credit amount for inclusion in Schedule 95 that will reflect that forecast for 2013 and reconcile the previous forecasted REC sales proceeds to the actual amounts the Company has received since April 3, 2011; and (d) a report on the status of discussions with the other parties on development of a mechanism for crediting historic and future REC sales proceeds to the Company's customers as required by Orders 10 and 11.

In accordance with Commission Order 12, this filing includes an accounting of actual and forecast proceeds from the sale of Washington renewable energy credits and renewable energy attributes² from April 3, 2011, through December 31, 2013, attributable to Washington under the

¹ This compliance filing reflects the Company's understanding of Orders 6, 10, 11, and 12 in docket UE-100749. By submitting this filing, the Company is not indicating acceptance of or agreement with the terms of Orders 10 and 11. The Company filed for judicial review of Commission Orders 10 and 11 on December 28, 2012, and reserves all rights pending the outcome of the appeal.

² Whether renewable energy attributes can be used for compliance purposes as "renewable energy credits" or "renewable energy certificates" is dependent upon the terms of the applicable state law. In Washington, the requirements and associated restrictions are specified by Washington's Energy Independence Act, chapter 19.285 RCW (EIA). In this compliance filing and accompanying attachments, the Company uses the term renewable energy credits (RECs) to refer to renewable energy attributes eligible to be used for compliance with Washington's renewable portfolio standard (RPS) adopted in the EIA. The term renewable energy attributes (REAs) is used for those attributes not eligible to be used for compliance under the EIA.

West Control Area inter-jurisdictional allocation methodology. Washington's allocation of revenues is calculated in accordance with Orders 10 and 11 in this docket. This filing also includes an accounting of actual credits to customers through Schedule 95—Renewable Energy Revenue Adjustment, from April 3, 2011, through December 31, 2012, and the forecast of credits to customers for January 2013. Based on the data presented in this filing, the amount of REC and REA revenues credited to customers through Schedule 95 will exceed the amount of actual and reasonably forecast REC and REA revenues by approximately \$3.6 million.

In addition, this filing provides a report on the status of the discussions with Commission Staff, the Industrial Customers of Northwest Utilities (ICNU), and Public Counsel on the development of a mechanism for crediting historical and future REC/REA sales proceeds to the Company's Washington customers as required by Orders 10 and 11.

Accounting of REC and REA Revenues

Confidential Attachment A shows an accounting of actual and forecast revenues from April 3, 2011,³ through December 31, 2013, calculated in compliance with Orders 10 and 11.⁴ In addition, the attachment shows actual credits provided to customers through Schedule 95—Renewable Energy Revenue Adjustment from April 3, 2011, through December 31, 2012, and a forecast of Schedule 95 credits for January 2013. Confidential Attachment B shows a summary of the Company's megawatt hours (MWh) of renewable generation, quantities of REAs and RECs sold, quantities of REAs and RECs held for compliance, and revenues from sales of REAs and RECs for the various types of renewable generation (wind, small hydro, large hydro, and biomass) from resources included in the west control area. This attachment also shows the average price of REAs and RECs used for the revenue imputation calculations in Confidential Attachment A. Confidential Attachment C shows actual and forecast transaction details for west control area resources by contract by month for calendar years 2011 through 2013.

Page 1 of Confidential Attachment A shows, for the period April 3, 2011, through December 31, 2013, a summary of the Washington allocation of actual and forecast revenues from known contracts as of January 10, 2013 (line 1), the Washington allocation of revenues in 2013 for additional forecast transactions based on the Company's business plan (line 2),⁵ the Washington allocation of imputed revenues associated with REAs or RECs held for compliance (line 3), an adjustment for Washington's RPS compliance requirements (line 4). Total Washington-allocated revenue is calculated on line 5. Line 6 shows actual credits to customers through Schedule 95 from April 3, 2011, through December 31, 2012. Line 7 shows forecast Schedule 95 credits for January 2013.

Page 2 of Confidential Attachment A shows the more detailed calculations that are summarized on page 1. The first step in determining Washington-allocated REA or REC revenues is allocating revenues from the sale of REAs or RECs from west control area resources. Lines 1 through 6 show the total revenue (actual or forecast) from west control area resources. Lines 10 through 15 show Washington's allocation of these revenues using the Control Area Generation West (CAGW) factor.

³ For administrative ease, post April 3, 2011 revenues reflect amounts from April 1, 2011 forward.

⁴ The Company designates portions of Attachment A and all of Attachments B and C as confidential under the Protective Order in this docket, Order 03.

⁵ The additional forecast transactions for 2013 are estimates only and are not based on actual contracts.

The second step is the calculation of imputed revenues associated with REAs or RECs held for compliance according to section C of Order 10. From lines 17 through 50, the Company calculates the Washington allocation of the value of REAs or RECs held for compliance. These imputation calculations are categorized by renewable generation resource type (wind, small hydro, large hydro, and biomass). The Company allocates Washington its CAGW share of all REAs or RECs held for compliance, and then multiplies that share by an average price based on transactions for that type and vintage of REA or REC. As described in paragraph 31 of Order 11, this calculation is based on the premise that 100 percent of these REAs or RECs were effectively “sold” by the Company.

The final step in the calculation is shown on Lines 52 through 55 and reflects an adjustment for Washington’s RPS compliance requirement. This calculation uses the same average price assumption for wind RECs as used in the revenue imputation calculation for RECs held for compliance (described above). Total Washington-allocated REA or REC revenue is calculated on Line 57 and is carried forward to page 1, line 5.

Based on the data presented in Confidential Attachment A, the Company estimates that the net excess distribution to customers through Schedule 95 will equal approximately \$3.6 million. This assumes actual and forecast Washington-allocated REC and REA revenues from April 3, 2011, through December 31, 2013, and actual and forecast credits to customer through Schedule 95 from April 3, 2011, through January 31, 2013. Accordingly, as discussed in the Company’s December 13, 2012, motion to amend Order 06, the Company proposes to revise Schedule 95 to zero cents per kilowatt hour (kWh) effective immediately. At this time the Company is not proposing to revise Schedule 95 to charge customers the over-credited amounts.

Report on Discussions with Other Parties

On January 9, 2013, the Company held a conference call with Commission Staff, ICNU, and Public Counsel to discuss the development of a mechanism for crediting historical and future REC/REA sales proceeds to the Company’s customers as required by Orders 10 and 11. The Company believes the parties are making progress on reaching agreement on the appropriate mechanism. As ordered by the Commission, the Company will make a compliance filing within 90 days of Order 11 describing the mechanism. The Company anticipates that filing will reflect a mechanism agreed to by all parties.

The Company respectfully requests that all formal correspondence and Staff requests regarding this filing be addressed to:

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

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

Washington Utilities and Transportation Commission

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Informal questions regarding this filing should be directed to Bryce Dalley at (503) 813-6389 or by e-mail to Bryce.Dalley@PacifiCorp.com.

Sincerely,

A handwritten signature in black ink that reads "William R. Griffith" followed by a large, stylized slash and the initials "PBD".

William R. Griffith
Vice President, Regulation

Enclosures

cc: UE-100749 Service List

CERTIFICATE OF SERVICE

I certify that I have cause to be served the foregoing document, via E-mail and Overnight Delivery, to the following:

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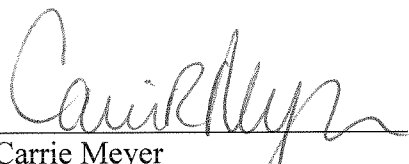
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DATED this 16th day of January 2013.


Carrie Meyer
Coordinator, Regulatory Operations

REDACTED
ATTACHMENT A

CONFIDENTIAL PER THE PROTECTIVE ORDER IN
WUTC DOCKET UE-100749

Summary of Washington-Allocated Revenue from Sale of Renewable Energy Attributes (REAs) and Renewable Energy Credits (RECs)
 Docket UE 100749

Line	Description	(A) Actual Apr - Dec 2011 ²	(B) Actual/Forecast CY 2012 ²	(C) Forecast CY 2013 ²	(D) (A) + (B) + (C) Total	Notes/Formula
1	Washington Allocation of Revenue (WCA Resources) from Known Contracts	\$ 2,630,001	\$ 4,303,295			CONF Attach A Page 2, Line 15
2	Washington Allocation of Revenue (WCA Resources) from Forecast Contracts ¹	\$ -	\$ -			CONF Attach A Page 2, Line 15
3	Washington Allocation of Imputed Revenue for MWhs Held for Compliance (WCA Resources)	\$ 1,867,587	\$ 2,709,256			CONF Attach A Page 2, Line 50
4	Adjustment for Washington RPS Compliance Requirement	\$ (2,693,196)	\$ (4,116,102)			CONF Attach A Page 2, Line 55
5	Washington-Allocated Revenue - Before Schedule 95 Credits	\$ 1,804,392	\$ 2,896,449		\$ 4,752,994	CONF Attach A Page 2, Line 57
6	Less: Actual Schedule 95 Credits - April 2011 through December 2012				\$ (7,910,300)	
7	Less: Forecast January 2013 Schedule 95 Credits				\$ (458,547)	
8	Total Washington-Allocated Revenue	\$ 1,804,392	\$ 2,896,449		\$ 3,615,853	Sum Lines 5 - 7

Notes:

(1) Forecast additional transactions occurring in 2013 are estimates only and are not based on actual contracts

Washington-Allocated Revenue from Sale of Renewable Energy Attributes (REAs) and Renewable Energy Credits (RECs)
 Docket UE 100749

Line	Description	(A)	(B)	(C)	(D)
		Actual Apr - Dec 2011	Actual/Forecast 2012 Total	Forecast 2013 Total ³	Actual/Forecast Total
1	Total Company Revenues (WCA Resources)				
2	WCA Wind				
3	WCA Small Hydro				
4	WCA Large Hydro				
5	WCA Biomass				
6	Total Revenues (WCA Resources)	\$ 11,825,757	\$ 19,213,969		
7					
8	Washington % (CAGW) ²	22.2396%	22.3967%	22.3967%	
9					
10	WA Allocated Revenues (WCA Resources)				
11	WCA Wind				
12	WCA Small Hydro				
13	WCA Large Hydro				
14	WCA Biomass				
15	Total WA Allocated Revenues (WCA Resources)	\$ 2,630,001	\$ 4,303,295		
16					
17	Imputed Revenue Calculations (MWhs Held for RPS Compliance)				
18	MWhs Held for Compliance (WCA Wind)				
19	Washington % (CAGW)	22.2396%	22.3967%	22.3967%	
20	Washington Allocation				
21	Assumed Percentage Sold	100.00%	100.00%	100.00%	
22	Washington Allocation Considered Sold				
23	Average Price				
24	WA Allocated Imputed Revenues (WCA Wind)				
25					
26	MWhs Held for Compliance (WCA Small Hydro)				
27	Washington % (CAGW)	22.2396%	22.3967%	22.3967%	
28	Washington Allocation				
29	Assumed Percentage Sold	100.00%	100.00%	100.00%	
30	Washington Allocation Considered Sold				
31	Average Price ⁴				
32	WA Allocated Imputed Revenues (WCA Small Hydro)				
33					
34	MWhs Held for Compliance in (WCA Large Hydro)				
35	Washington % (CAGW)	22.2396%	22.3967%	22.3967%	
36	Washington Allocation				
37	Assumed Percentage Sold	100.00%	100.00%	100.00%	
38	Washington Allocation Considered Sold				
39	Average Price ⁴				
40	WA Allocated Imputed Revenues (WCA Large Hydro)				
41					
42	MWhs Held for Compliance in (WCA Biomass)				
43	Washington % (CAGW)	22.2396%	22.3967%	22.3967%	
44	Washington Allocation				
45	Assumed Percentage Sold	100.00%	100.00%	100.00%	
46	Washington Allocation Considered Sold				
47	Average Price ⁴				
48	WA Allocated Imputed Revenues (WCA Biomass)				
49					
50	Total WA Allocated Imputed REC Revenues	\$ 1,867,587	\$ 2,709,256		
51					
52	Adjustment for Washington RPS Compliance Requirement				
53	Washington RPS Compliance Requirement (WCA Wind) ¹				
54	Average Price				
55	Subtract Revenue for Washington RPS Compliance (WCA Wind)	\$ (2,693,196)	\$ (4,116,102)		
56					
57	Washington-Allocated Revenue - Before Schedule 95 Credits	\$ 1,804,392	\$ 2,896,449		\$ 4,752,994

Notes:

- (1) The RPS compliance requirement shown in the Apr - Dec 2011 column is based on 9/12ths of the Company's compliance requirement for January 1, 2012. The RPS compliance requirements for 2012 and 2013 are based on the Company's projected compliance requirement for January 1, 2013 and January 1, 2014, respectively.
- (2) Washington's CAGW factor for 2011 is based on the 2011 Commission Basis Report. Washington's CAGW factor for 2012 and 2013 are estimates. The actual 2012 and 2013 CAGW factors will be reported in the 2012 and 2013 Commission Basis Reports.



REDACTED
ATTACHMENT B

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	Actual		Forecast
	2011	2012	2013
West Control Area RPS Eligible Wind Generation (MWh)			
1 LEANING JUNIPER I			TBD
2 GOODNOE HILLS			TBD
3 MARENGO			TBD
4 MARENGO II			TBD
5 Total Generation (MWh)			TBD
6 MWhs Held for Compliance (MWh)			TBD
7 MWhs Available for Sale (MWh)			TBD
8 Actual Sales (MWh)			TBD
9 MWhs Retained			TBD
10 Total Revenues from REC Sales			TBD
11 Average Price			TBD
12 % of RECs Available for Sale Actually Sold			TBD

	Actual		Forecast
	2011	2012	2013
West Control Area RPS Eligible Small Hydro Generation (MWh)			
13 COPCO 1			TBD
14 COPCO 2			TBD
15 FALL CREEK			TBD
16 IRON GATE			TBD
17 BEND			TBD
18 CLEARWATER 1			TBD
19 CLEARWATER 2			TBD
20 CLINE FALLS			TBD
21 CONDIT			TBD
22 EAGLE POINT			TBD
23 EAST SIDE			TBD
24 FISH CREEK			TBD
25 POWERDALE			TBD
26 PROSPECT 1			TBD
27 PROSPECT 3			TBD
28 PROSPECT 4			TBD
29 SLIDE CREEK			TBD
30 SODA SPRINGS			TBD
31 WALLOWA FALLS			TBD
32 WEST SIDE			TBD
33 Total Generation (MWh)			TBD
34 MWhs Held for Compliance (MWh)			TBD
35 MWhs Available for Sale (MWh)			TBD
36 Actual Sales (MWh)			TBD
37 MWhs Retained			TBD
38 Total Revenues from REC Sales			TBD
39 Average Price			TBD
40 % of RECs Available for Sale Actually Sold			TBD

	Actual		Forecast
	2011	2012	2013
West Control Area RPS Eligible Hydro Generation (MWh)			
41 JC BOYLE			TBD
42 LEMOLO 1			TBD
43 LEMOLO 2			TBD
44 MERWIN			TBD
45 PROSPECT 2			TBD
46 SWIFT 1			TBD
47 TOKETEE			TBD
48 YALE			TBD
49 Total Generation (MWh)			TBD
50 MWhs Held for Compliance (MWh)			TBD
51 MWhs Available for Sale (MWh)			TBD
52 Actual Sales (MWh)			TBD
53 MWhs Retained			TBD
54 Total Revenues from REC Sales			TBD
55 Average Price			TBD
56 % of RECs Available for Sale Actually Sold			TBD

	Actual		Forecast
	2011	2012	2013
West Control Area RPS Eligible Biomass Generation (MWh)			
57 ROSEBURG FOREST PRODUCTS			TBD
58 Total Generation (MWh)			TBD
59 MWhs Held for Compliance (MWh)			TBD
60 MWhs Available for Sale (MWh)			TBD
61 Actual Sales (MWh)			TBD
62 MWhs Retained			TBD
63 Total Revenues from REC Sales			TBD
64 Average Price			TBD
65 % of RECs Available for Sale Actually Sold			TBD

	MWh
66 Washington Retail Sales	
67 Calendar Year 2010 (Actual)	3,984,631
68 Calendar Year 2011 (Actual)	4,005,863
69 Calendar Year 2012 (Forecast)	

	MWh	Reference
70 Washington RPS Compliance Requirements		
71 1/1/12 - 3% (2011 Generation Eligible for Compliance)	119,857	3% of Average 2010 and 2011 Retail Sales
72 1/1/13 - 3% (2012 Generation Eligible for Compliance)		3% of Average 2011 and 2012 Retail Sales

CONFIDENTIAL
ATTACHMENT C

CONFIDENTIAL PER THE PROTECTIVE ORDER IN
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THIS ENTIRE DOCUMENT IS CONFIDENTIAL