Keeping You Informed

Proposed rate change

On October 3, 2014, Pacific Power & Light Company (Pacific Power) submitted an advice filing with the Washington Utilities and Transportation Commission (Commission) requesting a change to Schedule 95, the Renewable Energy Revenue Adjustment tariff.

As part of its normal business practices, Pacific Power sells renewable energy credits (RECs) on the open market. RECs, also known as “green tags,” represent the environmental attributes of the power produced from energy projects. RECs are proof that one megawatt-hour (MWh) of renewable energy was generated.

The Commission ordered Pacific Power to credit proceeds from the sale of RECs to customers. Pacific Power credits these amounts to customers through Schedule 95. In its current filing, Pacific Power seeks to true up amounts already credited to customers with the amount of actual REC sales proceeds received by the company. From April 2011 through December 2013, credits to customers exceeded actual REC sales proceeds received by Pacific Power by $5.2 million. In its filing, Pacific Power proposes to collect this difference over a one-year period.

If approved by the Commission, this proposed change will result in a temporary increase of $5.2 million for an overall average increase to Washington customers of approximately 1.6 percent. A residential customer using approximately 1,300 kilowatt-hours (kWh) per month would see a bill impact of $1.86 per month.

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| --- |
| **Summary of Proposed Rate Increase for Schedule 95** |
| Overall increase in dollars | $5.2 million |
| Overall increase in percent | 1.6% |
|  |
|  | **Current rates** | **Proposed rates** |
| **Type of service** | **(¢/kWh)** | **(¢/kWh)** |
| Residential | 0.00 | 0.143 |
|  |  |  |
| **Commercial/Industrial** |  |  |
| Small general service | 0.00 | 0.129 |
| Medium general service | 0.00 | 0.125 |
| Large general service | 0.00 | 0.118 |
| Public streetlighting | 0.00 | 0.095 |
| Agricultural Pumping service | 0.00 | 0.124 |

The Commission will examine Pacific Power's request. As a result of this examination, the Commission may determine that the schedule should be accepted as filed, modified, or rejected. If accepted as filed, the rate change would go into effect on November 16, 2014.

You are invited to comment to the Commission. The Commission has the authority to set final rates that may be lower or higher than the Company's request, depending on the outcome of its examination. You can comment by using the "Submit a Comment" feature on the Commission's website, at utc.wa.gov, or by using the contact information below. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia. These meetings are scheduled every other Tuesday at 9:30 a.m. Please contact the Commission to request to be notified of the scheduled open meeting at which the proposal will be considered by the Commission.

You will have an opportunity to comment in person at this meeting. The Commission is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the Commission at 360-664-1132 or human\_resources@utc.wa.gov.

If you are unable to attend the open meeting, the Commission has a bridge line that allows you to participate by telephone. Call 360-664-1234 the day before the open meeting for instructions and to sign in.

**Washington Utilities and Transportation Commission**

1300 S. Evergreen Park Drive SW

P.O. Box 47250, Olympia, WA 98504-7250

Email: comments@utc.wa.gov

Telephone: 1-888-333-WUTC (9882)

For more information or to contact Pacific Power, please call us toll free at **1-888-221-7070** or write to:

Pacific Power

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ISSUED: October X, 2014

Pacific Power

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