

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PACIFIC POWER & LIGHT  
COMPANY,

For Waiver of WAC 480-100-238(4)

DOCKET UE-180259

ORDER 01

ORDER GRANTING TEMPORARY  
EXEMPTION FROM RULE  
SUBJECT TO CONDITION

**BACKGROUND**

- 1 On January 29, 2019, Pacific Power & Light Company (Pacific Power or Company) filed a petition (Petition) with the Washington Utilities and Transportation Commission (Commission) requesting a one-time waiver of WAC 480-100-238(4). WAC 480-100-238(4) requires electric companies to submit an Integrated Resource Plan (IRP) within two years of the date of the previous filing. The next deadline for the Company's IRP is March 31, 2019; the Company requests an extension to submit its IRP filing by August 1, 2019.
- 2 Pacific Power last filed its IRP on April 4, 2017, in Docket UE-160353. In that Docket, the Commission granted a temporary exemption from WAC 480-100-238(4) on March 29, 2017, allowing Pacific Power a four-day extension to file its IRP.<sup>1</sup>
- 3 Pacific Power states in the Petition that, at the impetus of stakeholders and state commissions, it is developing an economic analysis of its coal units, the results of which it will use in the portfolio-development phase of its 2019 IRP. Pacific Power states that it presented preliminary studies on its coal unit economic analysis at a December 3-4, 2018, IRP public-input meeting; according to the Company, this analysis identified potential reliability challenges that the Company needs to resolve before completing the coal studies. Thus, the Company requests additional time to prepare its 2019 IRP, asserting that it is necessary for developing a least-cost, least-risk preferred portfolio while allowing sufficient time for stakeholder review and input. Pacific Power also notes that it

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<sup>1</sup> *In re Pac. Power & Light Co.*, UE-160353, Order Granting Temporary Exemption from Rule (March 29, 2017).

communicated its intent to seek the extension and additional public-input meeting dates to stakeholders during its January 24, 2019, public input meeting.

4 Pacific Power submits an updated 2019 IRP Work Plan with the Petition. The work plan contains a table listing IRP stakeholder meetings and the development schedule for the 2019 IRP; six IRP stakeholder meetings are scheduled between February 21, 2019, and July 19, 2019.

5 Commission staff reviewed the Company's Petition and recommends that the Commission grant it, subject to the condition that Pacific Power file a supplement to its 2019 Integrated Resource Plan no later than December 15, 2019. Staff recommends that the supplement include, at minimum, a preferred portfolio and action items inclusive of any substantive changes to the Company's regulatory environment.

### DISCUSSION AND DECISION

6 Under WAC 480-07-110(1), the Commission may "grant an exemption from, or modify the application of, any of its rules in individual circumstances if the exemption or modification is consistent with the public interest, the purposes underlying regulation, and applicable statutes."<sup>2</sup>

7 It is in the public interest to have IRPs filed only when they are complete. While analyses should be initiated sufficiently in advance of a deadline to ensure their timely completeness, unforeseen developments may extend the time necessary to complete such analyses. It appears that such circumstances exist here.

8 The Commission is aware, however, of certain bills currently being considered by the Washington legislature that could significantly affect Pacific Power's IRP if it were filed in August 2019.<sup>3</sup> Current legislation in Montana and Oregon may also affect the operation of the Colstrip Power Plant,<sup>4</sup> which could affect the region's resource availability. That is, 2019 state-level legislation in Pacific Power's service area could quickly render obsolete the Company's IRP filed August 2019. Pacific Power's 2019

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<sup>2</sup> See also WAC 480-100-008.

<sup>3</sup> See, e.g., An Act Relating to supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future, S. 5116, 66th Legislature (2019 Regular Sess.); An Act Relating to energy efficiency, S. 5293, 66th Legislature (2019 Regular Sess.).

<sup>4</sup> See, e.g., Montana Energy Security Act, HB 203, 66th Legislature.

IRP, if filed August 1, 2019, should therefore subsequently be supplemented to incorporate material legislative changes.

9 Thus, if legislation enacted on or before August 31, 2019, by any state in the Company's service area materially alters the preferred portfolio and action items contained the Company's IRP as filed on August 1, 2019, the Company must file a supplement to its IRP no later than December 15, 2019. This supplement must include updated analyses incorporating the requirements of the enacted legislation, must have an updated preferred portfolio and updated action items, and must clearly indicate any changes from the filed August 2019 IRP. Alternatively, the Company must file a notice with the Commission by December 15, 2019, stating that its 2019 IRP is not materially altered by state-level legislation enacted as of August 31, 2019, or that any material alterations were incorporated into the 2019 IRP filed August 1, 2019.

10 We therefore grant the Company its requested one-time exemption, subject to the filing of a supplement or notice, as set out in paragraph 8, *supra*.

### FINDINGS AND CONCLUSIONS

- 11 (1) The Commission is an agency of the state of Washington, vested by statute with authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 12 (2) Pacific Power is engaged in the business of providing electric services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 13 (3) Pacific Power is subject to WAC 480-100-238(4), which requires electric companies to submit an IRP within two years after the date on which the previous plan was filed with the Commission.
- 14 (4) Pacific Power requests an exemption from WAC 480-100-238(4) to change the filing date of its 2019 IRP from March 31, 2019 to August 1, 2019.
- 15 (5) Under WAC 480-100-008 and WAC 480-07-110(1), the Commission may grant an exemption from the provisions of any rule in WAC 480-100 if the exemption is consistent with the public interest, the purposes underlying the regulation, and applicable statutes.

- 16 (6) This matter came before the Commission at its regularly scheduled meeting on February 15, 2019.
- 17 (7) After review of the petition filed in Docket UE-180259 by Pacific Power on January 29, 2019, and giving due consideration, the Commission finds that granting the exemption is consistent with the public interest, the purposes underlying WAC 480-100-238(4), and applicable statutes. The Commission grants Pacific Power's Petition subject to the condition that the Company files a supplement or notice as described in paragraph 8, above.
- 18 (8) Legislation enacted by states in Pacific Power's service area may materially alter Pacific Power's IRP filed by August 1, 2019.
- 19 (9) If legislation enacted on or before August 31, 2019, by any state in which Pacific Power's service area is located materially alters the preferred portfolio and action items contained in the Company's IRP as filed on August 1, 2019, the Company must file a supplement to its IRP no later than December 15, 2019. This supplement must include updated analyses incorporating the requirements of the enacted legislation, must have an updated preferred portfolio and updated action items, and must clearly indicate any changes from the filed August 2019 IRP.
- 20 (10) Alternatively, the Company must file a notice with the Commission by December 15, 2019, stating that its 2019 IRP is not materially altered by state legislation enacted as of August 31, 2019, or that any material alterations were incorporated into the 2019 IRP filed August 1, 2019.

## **ORDER**

### **THE COMMISSION ORDERS:**

- 21 (1) Pacific Power & Light Company is granted a temporary exemption from WAC 480-100-238(4) and may file its 2019 Integrated Resource Plan on or before August 1, 2019, subject to the condition in ordering paragraph (2).
- 22 (2) If legislation enacted on or before August 31, 2019, by any state in which Pacific Power & Light Company's service area is located materially alters the preferred portfolio and action items contained in Pacific Power & Light Company's Integrated Resource Plan as filed on August 1, 2019, Pacific Power & Light Company must file a supplement to its 2019 Integrated Resource Plan no later than December 15, 2019. This supplement must include updated analyses incorporating the

requirements of the enacted legislation, must have an updated preferred portfolio and updated action items, and must clearly indicate any changes from the filed August 2019 Integrated Resource Plan. Alternatively, Pacific Power & Light Company must file a notice with the Commission by December 15, 2019, stating that its 2019 Integrated Resource Plan is not materially altered by state legislation enacted as of August 31, 2019, or that any material alterations were incorporated into the 2019 Integrated Resource Plan filed August 1, 2019.

- 23 (3) The Commission retains jurisdiction to enforce the terms of this Order and delegates to the Executive Director and Secretary the authority to confirm compliance with this Order.

DATED at Olympia, Washington, and effective February 15, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner