



PacifiCorp dba Pacific Power & Light Company,

**2021 Renewable Portfolio Standard Report
Washington**

June 1, 2021

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Introduction

PacifiCorp dba Pacific Power & Light Company (PacifiCorp), submits this 2021 Annual Renewable Portfolio Standard Report (RPS Report) to the Washington Utilities and Transportation Commission (Commission) and the Washington Department of Commerce (Commerce) in accordance with reporting requirements established as part of the Energy Independence Act (EIA). The report is consistent with RCW 19.285.070, which states, in relevant part:

- (1) On or before June 1, 2012, and annually thereafter, each qualifying utility shall report to the department on its progress in the preceding year in meeting the targets established in RCW 19.285.040, including expected electricity savings from the biennial conservation target, expenditures on conservation, actual electricity savings results, the utility's annual load for the prior two years, the amount of megawatt-hours needed to meet the annual renewable energy target, the amount of megawatt-hours of each type of eligible renewable resource acquired, the type and amount of renewable energy credits acquired, and the percent of its total annual retail revenue requirement invested in the incremental cost of eligible renewable resources and the cost of renewable energy credits.*
- (2) A qualifying utility that is an investor-owned utility shall also report all information required in subsection (1) of this section to the commission, and all other qualifying utilities shall also make all information required in subsection (1) of this section available to the auditor.*

This report is consistent with the collaborative workshop documents addressing annual reporting requirements from Docket UE-110523, Order 01 in Docket UE-120813, Order 01 in Docket UE-140802, and Docket UE-131723.

Executive Summary

Under RCW 19.285.040(2)(a) and WAC 480-109-200(1), each qualifying utility must use eligible renewable resources, equivalent renewable energy credits (RECs), or a combination of both to meet annual targets under Washington’s renewable portfolio standard (RPS). As demonstrated in this report, PacifiCorp met the 2020 renewable energy target with a combination of eligible renewable resources and RECs and will use a combination of eligible renewable resources and RECs to supply at least fifteen percent of its average Washington load to satisfy the 2021 renewable energy target.

A summary of the company’s 2019 and 2020 renewable targets and eligible renewable resources and RECs are provided below:

Table 1

PacifiCorp Renewable Target, Eligible Resource and RECs		
	2020	2021
Average Retail Sales (MWh)	4,046,853	4,104,871
Percentage Target	15%	15%
Renewable Target	607,028	615,731
Qualifying Resources & RECs (MWh)	607,028	615,731

The company does not intend to rely on any of the alternative compliance mechanisms provided in WAC 480-109-210 for meeting either the 2020 or 2021 renewable energy targets.

Annual Load for Previous Two Years and Renewable Energy Target

Under RCW 19.285.040(2)(c) and WAC 480-109-200(1), a utility must calculate its annual target based on its average load for the previous two years. Accordingly, using the average of Washington annual retail loads for the previous two years, Table 2 calculates the company's annual renewable targets for 2020 and 2021.

Table 2

Target Year 2020	
Prior Year Retail Sales (2018)	3,949,116 MWh
Prior Year Retail Sales (2019)	4,144,590 MWh
Average Retail Sales	4,046,853
Percentage Target	15%
Renewable Target	607,028 MWh/RECs
Target Year 2021	
Prior Year Retail Sales (2019)	4,144,590 MWh
Prior Year Retail Sales (2020)	4,065,151 MWh
Average Retail Sales	4,104,871 MWh
Percentage Target	15%
Renewable Target	615,731 MWh/RECs

Renewable Energy Acquired to Meet Renewable Energy Target

PacifiCorp met its 2020 renewable resource target and plans to meet its 2021 renewable resource target with a combination of eligible RECs, company- and third-party-owned wind resources, and hydroelectric facilities with upgrades completed after March 1999. Included with this report as Confidential Attachment A is the Commission’s RPS Report Tool, which details the renewable resource targets for 2020 and 2021 and the RECs and renewable resources identified to meet the 2020 and 2021 targets.

PacifiCorp will use the following company- and third-party-owned wind facilities for 2021:

Table 3

Resource Name	Fuel Type	Location
Adams Solar	Solar	Oregon
Bear Creek Solar	Solar	Oregon
Bigfork	Incremental Hydro	Montana
Blundell	Geothermal	Utah
Blundell II	Geothermal	Utah
Bly Solar	Solar	Oregon
Campbell Hill/Three Buttes	Wind	Wyoming
Cedar Springs Wind I	Wind	Wyoming
Cedar Springs Wind II	Wind	Wyoming
Cedar Springs Wind III	Wind	Wyoming
Dunlap I	Wind	Wyoming
Ekola Flats Wind	Wind	Wyoming
Elbe Solar	Solar	Oregon
Enterprise	Solar	Utah
Foote Creek I	Wind	Wyoming
Glenrock I	Wind	Wyoming
Glenrock II	Wind	Wyoming
Goodnoe Hills	Wind	Washington
Granite Mountain East	Solar	Utah
Granite Mountain West	Solar	Utah
High Plains	Wind	Wyoming
JC Boyle	Incremental Hydro	Oregon
Latigo Wind	Wind	Utah
Leaning Juniper	Wind	Oregon
Marengo I	Wind	Washington
Marengo II	Wind	Washington
McFadden Ridge	Wind	Wyoming
Mountain Wind 1	Wind	Wyoming
Mountain Wind 2	Wind	Wyoming

Pavant	Solar	Utah
Pavant Solar II	Solar	Utah
Pioneer Wind Park I	Wind	Wyoming
Prospect 2	Incremental Hydro	Oregon
Rock River I	Wind	Wyoming
Sage Solar I	Solar	Utah
Sage Solar II	Solar	Utah
Sage Solar III	Solar	Utah
Seven Mile Hill I	Wind	Wyoming
Seven Mile Hill II	Wind	Wyoming
Sweetwater Solar	Solar	Wyoming
Top of the World	Wind	Wyoming
TB Flats I	Wind	Wyoming
TB Flats II	Wind	Wyoming
Wolverine Creek	Wind	Idaho

Descriptions of the projects are referenced in the Supporting Documents for Renewable Report section of this RPS Report and on the company’s website.

PacifiCorp’s incremental hydroelectric facilities are located in the Pacific Northwest and underwent efficiency improvements that were completed after March 31, 1999. PacifiCorp performed analyses to determine the incremental energy associated with these upgrades to hydroelectric facilities, consistent with Method Two in WAC 480-109-200(7)(c). The methodology, described in more detail in Attachment B of this report, is consistent with the methodology the company submitted to the Oregon Department of Energy to certify these facilities and calculate the percentage of incremental energy for the Oregon RPS program. The company performed an analysis of the incremental energy for upgrades to hydroelectric facilities that includes actual generation data from 2007 through 2012. The company re-submitted the analysis to the Oregon Department of Energy in December 2013, and the Oregon Department of Energy approved the updated incremental hydropower efficiency percentages effective January 2014. The eligibility was reviewed and made effective once again by the Oregon Department of Energy in December 2015 and December 2020. The company is providing the analyses in Confidential Work Papers—PacifiCorp Hourly Incremental Hydro Analyses.

In January 2017, PacifiCorp contracted to purchase the RECs from six Washington-RPS-eligible solar projects over a consecutive ten-year term.

On November 6, 2019, the company executed a single-year, 2020-vintage REC purchase, for Washington only, to address a forecast, short-term compliance shortfall in 2020. These two solar facilities, Granite Mountain East and Granite Mountain West, are located in Salt Lake County, Utah—a state in which PacifiCorp serves retail electrical customers—in the PacifiCorp-East balancing authority area. The facilities were commercially operational September 21, 2016, and September 30, 2016, respectively. The company also purchases the energy from these facilities

under a twenty-year qualifying-facility power purchase agreement.¹ These facilities are registered in the Western Renewable Energy Generation Information System (WREGIS).²

Pages 8-12 of this RPS Report contain information required by Commerce that will be resubmitted to Commerce upon Commission approval of this report. These pages include a summary of the forecasted number of megawatt-hours and RECs to meet the 2021 compliance target.

Please see Table 5 of this report for a summary of PacifiCorp's expected Washington-allocated resource costs compared to the annual revenue requirement.

¹ WAC 480-109-060 (12)(e)

² See Attachment A – RPS Report Tool for WREGIS IDs.

Energy Independence Act (I-937) Commerce Renewable Report – 2021

Energy Independence Act (EIA) Renewable Energy Report 2021

Utility	Pacific Power & Light Company
Report Date	June 1, 2021
Utility Contact Name/Dept	Ariel San Roque-Lujan Jazrica Zahnauf Environmental Policy
Phone	(503) 813-5410 (503) 813-6052
Email	ariel.san@pacificorp.com jazrica.zahnauf@pacificorp.com

Loads and Resources	
2019 Annual Load (MWh)	4,144,590
2020 Annual Load (MWh)	4,065,151
Average of 2019 & 2020 Annual Loads (MWh)	4,104,871
2021 Renewable Target (% of load)	15%
2021 Eligible Renewable Energy Target (MWh)	615,731
2021 Eligible Renewable Resources and RECs	615,731

2021 Compliance Method:

- RPS Target [RCW 19.285.040(2)(a)]
- Resource Cost [RCW 19.285.050]
- No Load Growth [RCW 19.285.040(2)(d)]

Expenditures on Renewable Resources and RECs - 2021	
Amount invested in incremental cost of eligible renewable resources and the cost of RECs	-\$7,910,353
Total annual retail revenue requirement - 2021	\$366,359,248
Investment in renewables and RECs as a percent of retail revenue requirement	-2.16%

	Water	Wind	Solar	Geothermal	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass (including incremental)	Qualified Biomass (pre-1999)	Apprentice Labor Credit	Distributed Generation Credit
Eligible Renewable Resources (MWh)	1,857	459,328	36,268	23,852	-	-	-	-	-	-	-	
Renewable Energy Credits	-	-	94,426	-	-	-	-	-	-	-	-	-
Total Renewables (MWh+RECs)	1,857	459,328	130,694	23,852	-	-	-	-	-	-	-	-

2021 Reporting Year:

This renewable energy report summarizes the eligible renewables resources and renewable energy credits (RECs) that the utility has acquired by January 1, 2021 for the purpose of meeting its Energy Independence Act (EIA) renewables target for 2021. The actual resources and RECs used to comply with the 2021 EIA target may vary from those reported here. Utilities will report in June of 2022 on the actual results for 2021.

Compliance Methods:

The EIA provides three compliance methods for utilities:

- Meet the renewable energy target using any combination of renewable resources and RECs. The target for 2021 is 15% of the utility's load.
- Invest at least 4% of the utility's annual revenue requirement in the incremental cost of renewable resources and RECs.
- Invest at least 1% of its annual revenue requirement in renewable resources and RECs. This option is available only to certain utilities that are not growing.

All utilities must report the renewable resources and RECs acquired for the 2021 target year. Utilities that elect to use a compliance method based on renewable investments must provide additional information demonstrating compliance with that method. Refer to WAC 194-37-110(2) and (3) for specific requirements.

NOTE: This is a general explanation of the renewable energy requirements of the Energy Independence Act, intended to help members of the public understand the information reported by the utility. Consult Chapter 19.285 RCW and Chapter 194-37 WAC for details.

Energy Independence Act (I-937) Commerce Renewable Report – 2021

Renewable Resources		Utility		Pacific Power & Light Company		
		Compliance Year		2021		
WREGIS ID	Facility Name	Resource Type	Apprentice Labor Eligibility	Generation	Apprentice Labor	Explanatory Notes (as needed)
				Amount (MWh)	Amount (MWh equiv.)	
W179	Big Fork	Water	No	90	-	
W194	Blundell I	Geotherma	No	16,104	-	
W230	Blundell II	Geotherma	No	7,748	-	
W1383	Campbell Hill	Wind	No	5,200	-	
W10953	Cedar Springs Wind I	Wind	No	40,191	-	
W11072	Cedar Springs Wind II	Wind	No	39,796	-	
W10972	Cedar Springs Wind III	Wind	No	39,947	-	
W1687	Dunlap I	Wind	No	37,560	-	
W11488	Ekola Flats Wind	Wind	No	60,025	-	
W201	Footo Creek I	Wind	No	8,284	-	
W964	Glenrock Wind I	Wind	No	9,664	-	
W965	Glenrock Wind III	Wind	No	11,265	-	
W536	Goodnoe Hills	Wind	No	10,691	-	
W1334	High Plains	Wind	No	17,390	-	
W180	JC Boyle	Water	No	191	-	
W4909	Latigo Wind	Wind	No	11,364	-	
W200	Leaning Juniper I	Wind	No	13,615	-	
W157	Lemolo 1	Water	No	1,175	-	
W158	Lemolo 2	Water	No	107	-	
W185	Marengo I	Wind	No	12,926	-	
W772	Marengo II	Wind	No	28,923	-	
W1341	McFadden Ridge	Wind	No	9,150	-	
W5057	Pavant II	Solar	No	10,315	-	
W5126	Pioneer Wind	Wind	No	21,885	-	
W140	Prospect 2	Water	No	294	-	
W187	Rock River I	Wind	No	8,564	-	
W928	Rolling Hills	Wind	No	29,264	-	
W8800	Sage Solar I	Solar	No	3,927	-	
W8808	Sage Solar II	Solar	No	3,971	-	
W8811	Sage Solar III	Solar	No	3,291	-	
W975	Seven Mile Hill I	Wind	No	33,184	-	
W976	Seven Mile Hill II	Wind	No	6,954	-	
W7365	Sweetwater Solar	Solar	No	14,764	-	
TBD	TB Flats Wind II	Wind	No	3,486	-	

Renewable Energy Credits

Utility **Pacific Power & Light Company**
 Compliance Year **2021**

ID	Facility Name	REC Vintage (Year)	Resource Type	Apprentice Labor Eligibility	Distributed Generation Eligibility	Quantity RECs	Apprentice Labor Amount MWh equiv.	Distributed Generation Amount MWh equiv.	Explanatory Notes (as needed)
W7039	Adams Solar	2020	Solar	No	No	4,627	-	-	
W7047	Bear Creek Solar	2020	Solar	No	No	4,806	-	-	
W7046	Bly Solar	2020	Solar	No	No	4,555	-	-	
W7044	Elbe Solar	2020	Solar	No	No	4,725	-	-	
W4938	Enterprise Solar	2020	Solar	No	No	48,622	-	-	
W4619	Pavant Solar	2020	Solar	No	No	27,091	-	-	

Energy Independence Act (I-937) Commerce Renewable Report – 2021

*Costs for acquired RECs may be provided on an aggregated basis when there are sufficient and multiple contracts to obscure the contract price for any single resource or contract. Costs for acquired RECs from an individual resource may be provided five years from execution of the contract for that resource. The cost of an unbundled REC represents the cost of a resource-independent renewable attribute, and is not indicative of the cost of any given resource type – wind, solar, etc..

Energy Independence Act (EIA) Incremental Cost and REC Cost Report 2021

Incremental Cost of Renewable Resources

Facility Name	WREGIS II	MWh	Utility		Description of Substitute Resource	Substitute Resource Annual Cost in 2020	Substitute Resource Cost per MWh	Incremental Cost of Renewable Resource in 2020
			Compliance Year	Pacific Power & Light Company 2021				
			Renewable Resource Annual Cost in 2020	Renewable Resource Cost per MWh				
Big Fork	W179	90	-\$1,740	(19.34)			-	-\$1,740
Blundell I	W194	16,104	\$0	-			-	\$0
Blundell II	W230	7,748	-\$492,326	(63.54)			-	-\$492,326
Campbell Hill	W1383	5,200	-\$184,672	(35.51)			-	-\$184,672
Cedar Springs Wind I	W10953	40,191	-\$1,289,247	(32.08)			-	-\$1,289,247
Cedar Springs Wind II	W11072	39,796	\$1,332,549	33.48			-	\$1,332,549
Cedar Springs Wind III	W10972	39,947	-\$1,271,273	(31.82)			-	-\$1,271,273
Dunlap I	W1687	37,560	-\$883,227	(23.52)			-	-\$883,227
Ekola Flats Wind	W11488	60,025	-\$2,434,955	(40.57)			-	-\$2,434,955
Foote Creek I	W201	8,284	\$0	-			-	\$0
Glenrock Wind I	W964	9,664	-\$44,254	(4.58)			-	-\$44,254
Glenrock Wind III	W965	11,265	-\$43,396	(3.85)			-	-\$43,396
Goodnoe Hills	W536	10,691	\$182,704	17.09			-	\$182,704
High Plains	W1334	17,390	\$7,330	0.42			-	\$7,330
JC Boyle	W180	191	-\$12,689	(66.44)			-	-\$12,689
Latigo Wind	W4909	11,364	-\$413,102	(36.35)			-	-\$413,102
Leaning Juniper I	W200	13,615	\$248,920	18.28			-	\$248,920
Lemolo 1	W157	1,175	-\$53,145	(45.23)			-	-\$53,145
Lemolo 2	W158	107	-\$7,025	(65.65)			-	-\$7,025
Marengo I	W185	12,926	\$188,768	14.60			-	\$188,768
Marengo II	W772	28,923	\$592,903	20.50			-	\$592,903
McFadden Ridge	W1341	9,150	-\$78,590	(8.59)			-	-\$78,590
Pavant II	W5057	10,315	-\$629,922	(61.07)			-	-\$629,922
Pioneer Wind	W5126	21,885	-\$851,108	(38.89)			-	-\$851,108
Prospect 2	W140	294	-\$11,840	(40.27)			-	-\$11,840
Rock River I	W187	8,564	\$100,387	11.72			-	\$100,387
Rolling Hills	W928	29,264	-\$257,922	(8.81)			-	-\$257,922
Sage Solar I	W8800	3,927	-\$86,438	(22.01)			-	-\$86,438
Sage Solar II	W8808	3,971	-\$94,819	(23.88)			-	-\$94,819
Sage Solar III	W8811	3,291	-\$77,423	(23.53)			-	-\$77,423
Seven Mile Hill I	W975	33,184	-\$568,487	(17.13)			-	-\$568,487

Seven Mile Hill II	W976	6,954	-\$126,089	(18.13)		-	-\$126,089
Sweetwater Solar	W7365	14,764	-\$675,817	(45.77)		-	-\$675,817
TB Flats Wind II	TBD	3,486	-\$133,626	(38.33)		-	-\$133,626
Totals		521,305	-\$8,069,569			\$0	-\$8,069,569

Cost of Renewable Energy Credits

Utility **Pacific Power & Light Company**
 Compliance Year **2021**

Facility Name	WREGIS ID	REC Vintage (Year)	Number of RECs	Annual Cost of Renewable Energy Credits	Cost per REC
Adams Solar	W7039	2020	4,627	\$6,478	1.40
Bear Creek Solar	W7047	2020	4,806	\$6,728	1.40
Blq Solar	W7046	2020	4,555	\$6,377	1.40
Elbe Solar	W7044	2020	4,725	\$6,615	1.40
Enterprise Solar	W4938	2020	48,622	\$92,382	1.90
Pavant Solar	W4619	2020	27,091	\$40,637	1.50
Total			94,426	\$159,217	

Documentation of the calculation and inputs for percentage of revenue requirement invested in renewables:

Alternative Compliance

Under WAC 480-109-210(2)(b), the utility must state in its report if it is relying on one of the alternative compliance mechanisms provided in WAC 480-109-220 instead of meeting its renewable resource target. PacifiCorp has met its 2020 obligations and anticipates meeting its 2021 obligations without the need for an alternative compliance mechanism.

Resource Cost Compared to Annual Retail Revenue Requirement

Under RCW 19.285.070(1), a utility must report the percentage of its total annual retail revenue requirement invested in the incremental cost of eligible renewable resources and the cost of RECs. Similarly, under WAC 480-109-210, a utility must report the incremental cost of eligible renewable resources and RECs, and the ratio of this investment relative to the utility's total annual retail revenue requirement.

The incremental cost of an eligible renewable resource is defined in RCW 19.285.050(1)(b) as the difference between the levelized delivered cost of the eligible renewable resource, regardless of ownership, compared to the levelized delivered cost of an equivalent amount of reasonably available substitute resource that does not qualify as eligible, where the resources being compared have the same contract length or facility life.

With the adoption of General Order R-578 in Docket UE-131723, the Commission revised rules implementing the EIA, codified in RCW Ch. 19.285, including the application of a new methodology for calculating incremental cost. PacifiCorp performed the incremental cost calculations as defined in WAC 480-109-210; please refer to the company's confidential work paper labeled PacifiCorp Renewable Resource Incremental Cost Methodology.

REC Costs for REC-Only Purchases

The cost of RECs from a REC-only purchase is based on the contractual price set forth in the applicable bilateral agreement between the company and the counterparty.

Incremental Costs for Renewable Resources

The estimated cost of the RECs from renewable resources is the calculated levelized cost of each eligible renewable resource at the time of acquisition, compared to an equivalent amount of the lowest-reasonable-cost resource available to the utility at the time of the eligible resource's acquisition.

PacifiCorp repowered twelve resources in 2019 and 2020—Dunlap, Glenrock I, Glenrock III, Goodnoe Hills, High Plains, Leaning Juniper, Marengo I, Marengo II, McFadden Ridge, Rolling Hills, Seven Mile Hill I and Seven Mile Hill II. These projects underwent a capital upgrade or “repowering” that changed the capacity value, extended useful life, and changed costs and production tax credits. PacifiCorp will therefore recalculate incremental costs for repowering for those twelve resources in its 2021 compliance report.

Concurrently with the filing of this RPS Report, PacifiCorp filed a request for a one-time waiver of the requirement in WAC 480-109-210(2)(a)(i) that a utility (1) make a one-time incremental cost calculation for each eligible resource included in a utility’s renewable portfolio standard report, and (2) identify the capacity value of each eligible renewable resource as calculated in the utility’s most recent integrated resource plan (IRP) acknowledged by the Commission. The waiver allows PacifiCorp to provide an updated incremental cost calculation to reflect the repowering of its wind resources in this RPS report. It also allows the company to use its 2019 IRP Progress Report in the absence of a 2019 commission-acknowledges IRP.

Incremental Costs for Renewable Energy from Incremental Hydroelectric Upgrades

The estimated incremental cost of eligible renewable energy from incremental hydroelectric upgrades represents the calculated levelized cost of each hydroelectric upgrade at the time of investment in the upgrade, compared to an equivalent amount of the lowest-reasonable-cost resource available to the utility at the time of the eligible resource’s acquisition.

The company’s work paper provided with this report and labeled PacifiCorp Renewable Resource Cost Analysis provides the key assumptions and analysis that the company used to forecast the estimated resource costs associated with the renewable resources and RECs for the target years 2020 and 2021.

Revenue Requirement

The revenue requirement amounts used in this Renewable Report are from the applicable general rate case, Docket UE-152253 for 2020 and UE-191024 for 2021. The revenue requirement in 2020 is \$330,209,153, unchanged from 2019.³ For 2021, WA’s revenue requirement is \$366,359,248.

Resource Costs Compared to Revenue Requirement

Table 5 shows the expected Washington-allocated resource costs (incremental cost of eligible renewable resources and the cost of RECs) compared to the annual revenue requirements for 2020 and 2021.

Table 5

Calendar Year	Total Washington Allocated Resource Costs	Washington Annual Revenue Requirement	% of Washington Expected Allocated Resource Costs to Annual Revenue Requirement
2020	\$ 4,625,799	\$ 330,209,153	1.40%
2021	(\$7,910,232)	\$366,359,248	(2.16%)

³ The revenue requirement number for 2018 reported in the company’s 2018 report was \$346,967,880. This number has been revised to reflect the impacts of the Tax Cuts and Jobs Act.

Based on this analysis, the company is able to meet its compliance obligations without exceeding the threshold of four percent of annual revenue requirement.

Multistate Allocations

Under WAC 480-109-210(e)(i), a utility serving retail customers in more than one state must allocate RECs consistent with the utility's most recent Commission-approved inter-jurisdictional allocation methodology. This section explains how the company applied the current inter-jurisdictional allocation methodology to arrive at the number of RECs allocated to Washington customers.

PacifiCorp is a multi-jurisdictional utility providing electric retail service to more than 1.9 million customers in California, Idaho, Oregon, Utah, Washington, and Wyoming. Approximately 137,000 of these customers are located in Washington.

PacifiCorp allocates RECs to its states consistent with the inter-jurisdictional allocation methodologies approved in each state. Oregon, California, Idaho, Utah and Wyoming currently use the 2020 Protocol inter-jurisdictional allocation methodology, or its predecessor the 2017 Protocol.⁴ The 2017 and 2020 Protocol allocates all generation-related costs, revenues, rate base balances, and RECs to each state using the system generation (SG) allocation factor. The SG factor is calculated based on each state's contribution to PacifiCorp's energy and capacity requirements for its entire six-state system. Using this methodology, Washington's SG factor is approximately eight percent (*i.e.* Washington is approximately eight percent of PacifiCorp's six-state system).

In Washington, however, PacifiCorp will use the West Control Area Inter-Jurisdictional Allocation Methodology (WCA) through 2020. This methodology allocates generation resources located in the west control area (primarily located in California, Oregon, and Washington) using the control area generation west (CAGW) allocation factor. The CAGW factor is calculated based on each state's (California, Oregon, and Washington) contribution to PacifiCorp's energy and capacity requirements for the west control area. Washington's CAGW factor is approximately 22 percent (*i.e.*, Washington is approximately 22 percent of the west control area).

As a result of Washington's use of the WCA methodology, PacifiCorp's Washington rates reflect a CAGW share, approximately 22 percent, of generation resources located in the west control area. Accordingly, Washington customers are entitled to approximately 22 percent of RECs from these facilities. Using different inter-jurisdictional allocation methodologies for different states, however, creates challenges because the sum of each state's allocated share may not equal 100 percent. To address this issue, PacifiCorp first allocates each state its share of RECs using the state's SG factor. Using this process, Washington receives approximately eight percent of RECs from resources in the west-control-area.

⁴ The California Public Utility Commission approved use of the 2017 Protocol in the Company's most recent general rate case in that state, A.18-04-002. The Commissions in Oregon, Idaho, Utah and Wyoming have all approved the 2020 Protocol.

The west control area contains the following eligible resources:

- Goodnoe Hills (wind)
- Leaning Juniper (wind)
- Marengo I (wind)
- Marengo II (wind)
- Prospect 2 (incremental hydro)
- Lemolo 1 (incremental hydro)
- Lemolo 2 (incremental hydro)
- JC Boyle (incremental hydro)

PacifiCorp addresses the variance between Washington’s SG share of resources in the west control area (approximately eight percent) and Washington’s CAGW share (approximately 22 percent) by providing Washington RECs from other eligible resources. The EIA allows PacifiCorp to use RECs from PacifiCorp facilities in other states where PacifiCorp makes retail sales.⁵ This means that the actual RECs used to fulfill Washington’s CAGW share may include RECs from resources located in any of PacifiCorp’s jurisdictions or include REC purchases, but the total RECs will equal Washington’s CAGW share of resources in the west control area.

Any REC purchases necessary for RPS compliance in excess of Washington’s CAGW share of resources in the west control area will be reflected in Washington customers’ rates.⁶ This treatment ensures that Washington customers receive an allocation of costs and benefits of RECs proportionate to its share of costs for renewable resource reflected in rates.

In 2020, PacifiCorp used company-owned and contracted generation from the following resources in Wyoming to provide Washington with its full CAGW allocation:

- Top of the World
- Dunlap I
- Glenrock I
- Campbell Hill/Three Buttes
- Seven Mile Hill I
- Cedar Springs Wind I
- Cedar Springs Wind II
- High Plains
- Rolling Hills

⁵ RCW 19.285.030(12)(e)

⁶ On February 9, 2017, in Docket UE-161067, the Washington Utilities and Transportation Commission approved PacifiCorp’s request seeking cost recovery for its 2016 unbundled REC purchase. On November 8, 2019, PacifiCorp submitted a petition for an order authorizing the company to defer costs associated with the purchase of unbundled RECs necessary for RPS compliance for calendar year 2020 (Docket UE-190929).

Beginning January 1, 2021, Washington transitioned to a new cost allocation protocol – the Washington Interjurisdictional Allocation Methodology (WIJAM). Under this protocol, Washington receives a system generation share of all system renewables, versus recognizing only west-side renewables under the former WCA. In PacifiCorp’s 2021 plan, Washington is allocated RECs from approximately 27 resources from which it did not previously receive an allocation.

PacifiCorp does not plan to use any third-party REC purchases to supply Washington’s CAGW allocation in 2021, apart from those RECs already delivered per January 2017 and November 2019 solar contracts. Table 6 summarizes how PacifiCorp plans to supply Washington with its CAGW share of renewable generation in 2021.

Table 6: Allocation of PacifiCorp’s Eligible Generation to Washington*

COMPLIANCE RECS	
Target	615,731
2021 Vintage (System renewables)	521,305
2021 Vintage Multistate REC RFP Purchases	94,426
2022 Vintage (System WIJAM renewables)	0
2022 Vintage Multistate REC RFP Purchases	0
	615,731

*see Attachment C, “(2)(a)(ii)Annual-2021, estimate” tab for detail.

PacifiCorp follows WREGIS and state RPS requirements to ensure that RECs are never double-counted.

Prior Year Progress

As demonstrated in this report, PacifiCorp met its Washington 2020 RPS compliance target with a combination of eligible renewable resources, REC purchases and renewable energy from hydroelectric facilities with upgrades completed after March 1999. The company set aside the WREGIS certificates for the 2020 compliance target and, upon Commission approval, will retire these WREGIS certificates. The company is providing a listing of the WREGIS certificates that have been created in its confidential work papers labeled WREGIS Certificates for Washington Compliance for 2020⁷.

The company did not rely on any alternative compliance mechanisms to meet its renewable resource targets for 2020.

⁷ 2020 certificates used for 2019 compliance, totaling 20,916 MWhs have not yet been created in WREGIS. Q4 2019 certificates totaling 2,864 MWhs for Adams Solar, Bear Creek Solar, Bly Solar, and Elbe Solar have not yet been transferred to the company by the contract counterparty. The counterparty has demonstrated to PacifiCorp their efforts to rectify the issue and delivery of the WREGIS certificates is anticipated to occur upon creation in that system under the Operating Rules by May 30, 2020.

Current Year Progress

PacifiCorp plans to meet its Washington 2021 RPS compliance target with eligible renewable resources, including renewable energy from hydroelectric facilities with upgrades completed after March 1999.

The company does not anticipate relying on any alternative compliance mechanisms to meet its renewable resource targets for 2021.

Supporting Documents for Renewable Report

Further information about PacifiCorp's renewable portfolio standard resources may be found at:
<https://www.pacificorp.com/energy/wind-solar.html>

List of Attachments

Attachment A – Washington Utilities and Transportation Commission RPS Report Tool

Attachment B – PacifiCorp Description of Incremental Hydro Methodology and Oregon
Department of Energy Correspondence on Updated Certification for Efficiency
Upgrades at Eleven Hydropower Generating Units

Attachment C – PacifiCorp Incremental Cost Report (Confidential)