

Agenda Date: February 28, 2007  
Item Number: A1

**Docket: UE-070117**

Company Name: PacifiCorp, d/b/a Pacific Power and Light Company

Staff: Yohannes Mariam, Regulatory Analyst

### **Recommendation**

Approve PacifiCorp's second request for a temporary exemption from the filing deadline in WAC 480-100-238(4) and allow the company to file its draft electric integrated resource plan by April 20, 2007, instead of February 19, 2007, and require PacifiCorp to file its final plan by May 30, 2007.

### **Background**

Pacific Power & Light Company (PacifiCorp or Company) filed its 2004 integrated resource plan (IRP) on January 20, 2005. Under WAC 480-100-238(4), PacifiCorp should have filed its draft 2006 IRP by January 20, 2007. PacifiCorp did not do so.

On January 24, 2007, the commission granted PacifiCorp's petition requesting an extension of time until February 19, 2007, to file its draft 2006 IRP, and until March 30, 2007, for its final IRP.

On February 13, 2007, PacifiCorp filed a second petition seeking a 60-day extension of time for filing that IRP. The company requests filing dates of April 20, 2007, for the draft IRP, and May 30, 2007, for the final IRP.

PacifiCorp offers many of the same reasons to justify its second extension request as it offered the first. In addition, the company states that key employees are occupied in the rate case proceeding before the commission, and the company needs more time to evaluate the impact of recent legislation in Washington, California and Oregon.

### **Discussion**

PacifiCorp's support for a second extension of the filing date is not compelling. The reasons the Company provides, such as orders from other state commissions, analysis of the impact of recent legislation on the IRP results and changes to the IRP guidelines, should be used to provide updates to the commission after filing the draft IRP plan by current due date.

The company has always had alternatives to seeking yet another time extension. For example, if the company found it was unable to meet the new February 19, 2007, filing deadline, it could have filed a draft IRP that contains all the components required by WAC 480-100-238. Then, the company could have submitted updates when it received new information from other state

commissions such as the Oregon Public Utility Commission. Apparently, this option was not considered by PacifiCorp because it files the IRP simultaneously in all states. In order to simultaneously meet the requirements of all jurisdictions, PacifiCorp must incorporate all state-specific information in its filing

An important issue related to PacifiCorp's request for extension, and for other utilities that operate in Washington and others states, is the need to make sure that the WUTC rules are followed. It is vitally important that the commission addresses how to ensure compliance of future IRP filings with commission rules. WAC 480-100-238 requires that each regulated utility file its IRP every two years with an executable two-year action plan. A temporary one-time extension may not fundamentally alter the findings of the IRP. However, if requests for extension of filing dates become routine, then the applicable IRP rule becomes moot. That is why Staff recommends that the Commission must ensure that utilities comply with its rules. There are a lot of uncertainties that must be taken into account in the preparation of IRPs. Utilities handle these uncertainties using scenario analysis. Similarly, PacifiCorp and other multi-jurisdictional utilities should file draft IRPs assuming scenarios for unresolved issues or pending orders before state-specific regulatory bodies. Multi-jurisdictional utilities such as PacifiCorp should submit updates to the filed IRP when better information becomes available.

Despite the company's past problems in meeting the prescribed filing deadlines, staff submits it is in the best interest of ratepayers to allow PacifiCorp a 60-day extension for filing the draft IRP. The commission should extend the draft IRP filing deadline to April 20, 2007. Subject to the following conditions:

- PacifiCorp's draft 2006 IRP will be filed by April 20, 2007;
- PacifiCorp's final 2006 IRP will be filed by May 30, 2007;
- The requested temporary exemption is applicable only to the 2006 IRP;
- The 2008 IRP will be filed by January 20, 2009;
- Future IRP filings will be made in a timely manner even when there are unresolved issues with other state regulatory commissions;
- All interested stakeholders and participants will be notified of the change in the filing date of the IRP.

## **Conclusion**

Staff has reviewed PacifiCorp's petition and believes that it is reasonable to grant the company's request for extension by about 60 days, assuming that PacifiCorp is willing to accept the six conditions in paragraph four of the order and listed in this memo under discussion.

Staff has not received any complaints from stakeholders with respect to the extension request. Therefore, staff recommends that the commission approve PacifiCorp's request to delay the filing of the draft version of the IRP until April 20, 2007, and the final IRP until May 30, 2007, on the condition the commission will not grant additional extensions of this date. We require that future IRP filings must be made in a timely manner even when there are unresolved issues with other state regulatory commissions.