

May 1, 2018

VIA ELECTRONIC FILING

Mark L. Johnson Executive Director and Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive SW P.O. Box 47250 Olympia, WA 98504-7250

RE: Docket UE-100749—Annual Report of Proceeds from the Sale of Renewable Energy Credits

In compliance with the Washington Utilities and Transportation Commission's orders in Docket UE-100749, Pacific Power & Light Company (Pacific Power), a division of PacifiCorp, submits for filing its annual report of proceeds from the sale of Renewable Energy Credits (RECs).¹ The Commission's orders require that this report include:

- Actual REC sales proceeds attributable to Washington that Pacific Power received during the prior calendar year;
- The total amount of Schedule 95 credits the Company provided to its customers during that calendar year;
- A forecast of the REC sales proceeds attributable to Washington that Pacific Power reasonably anticipates receiving during the upcoming calendar year; and
- Any proposed revision to the credit rate in Schedule 95 to be in effect during the upcoming calendar year.²

The Washington renewable portfolio standard (RPS) compliance requirement increased to nine percent of average Washington retail load in 2016. At this level, the Company's Washington-allocated share of RECs is insufficient to meet the compliance requirement.³ Because Washington's entire allocated share of 2017 RECs will be used to satisfy the Company's Washington RPS requirement, there are no REC revenues attributable to Washington customers for 2017.⁴ Similarly, the Company does not anticipate REC revenues attributable to Washington customers for calendar year 2018, as Washington's share of RECs will be used to meet the ongoing RPS requirement. Confidential Attachment A provides a summary, in a format

¹ Order 16 at 31: "Pacific Power and Light Company must continue to make the compliance report and true-up filings required in Order 13 by May 1 of each year until relieved of this obligation."

² Order 13 at 3.

³ PacifiCorp addresses the variance between Washington's System Generation (SG) share of west control area resources (approximately 8 percent) and Washington's Control Area Generation West (CAGW) share (approximately 23 percent) by providing Washington RECs from other Washington-eligible resources. Actual RECs used to fulfill Washington's CAGW share may include RECs from resources located in any of PacifiCorp's jurisdictions or include unbundled REC purchases, but the total will equal Washington's CAGW share of west control area resources.

⁴ RCW 19.285.040(2)(e) states that the requirements of the Energy conservation and renewable energy targets "may be met for any given year with renewable energy credits produced during that year, the preceding year, or the subsequent year[.]"."

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consistent with the Company's previous reports, demonstrating that Washington's allocated share of RECs is being used to satisfy Washington's RPS requirement. It also demonstrates that there are no REC revenues attributable to Washington for non-RPS eligible resources for calendar year 2017, or projected revenues for calendar year 2018. Due to these circumstances, a revision to Schedule 95 rates is unnecessary at this time.

Confidential Attachment A is provided subject to the terms and conditions of Order 03 in Docket UE-100749. The Company is also enclosing a redacted version with this filing.

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 Pacific Power 825 NE Multnomah Street, Suite 2000 Portland, Oregon 97232

Please direct informal questions to me at (503) 813-5410.

Sincerely,

/s/ Ariel Son Regulatory Affairs Manager Pacific Power & Light Company 825 NE Multnomah Street, Suite 2000 Portland, OR 97232 (503) 813-5410 ariel.son@pacificorp.com

Enclosures

100749-PPL-COS-5-1-18.pdf 100749-PPL-Attachment-A-5-1-18 (R).pdf 100749-PPL-Attachment-A-5-1-18 (C).pdf 100749-PPL-Attachment-A-5-1-18 (R).xlsx 100749-PPL-Attachment-A-5-1-18 (C).xlsx

cc: UE-100749 Service List