

PacifiCorp d/b/a Pacific Power & Light Company

Washington

2024 Renewable Portfolio Standard Report

July 12, 2024 - REVISED

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Introduction

PacifiCorp dba Pacific Power & Light Company (PacifiCorp) submits this 2024 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 2023 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 2024 renewable energy target.

A summary of the company's 2023 and 2024 renewable targets and eligible renewable resources and RECs are provided below:

PacifiCorp Renewable Tar	get, Eligible Resource	e and RECs
	2023	
Average Retail Sales (MWh)	4,190,020	4,156,634
Percentage Target	15%	15%
Renewable Target	628,503	623,495
Qualifying Resources & RECs (MWh)	706,793	875,523

Table 1

The company does not intend to rely on any of the alternative compliance mechanisms provided in WAC 480-109-210 for meeting either the 2023 or 2024 renewable energy targets under EIA.

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 2023 and 2024.

Target Y	ear 2023				
Prior Year Retail Sales (2021)	4,198,961 MWh				
Prior Year Retail Sales (2022)	4,181,079 MWh				
Average Retail Sales	4,190,020 MWh				
Percentage Target	15%				
Renewable Target	628,503 MWh/RECs				
Target Year 2024					
Prior Year Retail Sales (2022)	4,181,079 MWh				
Prior Year Retail Sales (2023)	4,132,188 MWh				
Average Retail Sales	4,156,634 MWh				
Percentage Target	15%				
Renewable Target	623,495 MWh/RECs				

Table 2	2
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Renewable Energy Acquired to Meet Renewable Energy Target

PacifiCorp met its 2023 renewable resource target and plans to meet its 2024 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 Attachment A is the Commission's RPS Report Tool, which details the renewable resource targets for 2023 and 2024 and the RECs and renewable resources identified to meet the 2023 and 2024 targets.

PacifiCorp will use the below combination of the following company- and third party-owned facilities for 2023:

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
Foote Creek III	Wind	Wyoming
Foote Creek IV	Wind	Wyoming
Glenrock I	Wind	Wyoming
Glenrock II	Wind	Wyoming
Goodnoe Hills	Wind	Washington
High Plains	Wind	Wyoming
JC Boyle	Incremental Hydro	Oregon
Leaning Juniper	Wind	Oregon
Lemolo 1	Incremental Hydro	Oregon
Lemolo 2	Incremental Hydro	Oregon
Marengo I	Wind	Washington
Marengo II	Wind	Washington
McFadden Ridge	Wind	Wyoming
Pavant	Solar	Utah

Table 3

Resource Name	Fuel Type	Location
Prospect 2	Incremental Hydro	Oregon
Rock River I	Wind	Wyoming
Rolling Hills	Wind	Wyoming
Seven Mile Hill I	Wind	Wyoming
Seven Mile Hill II	Wind	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.

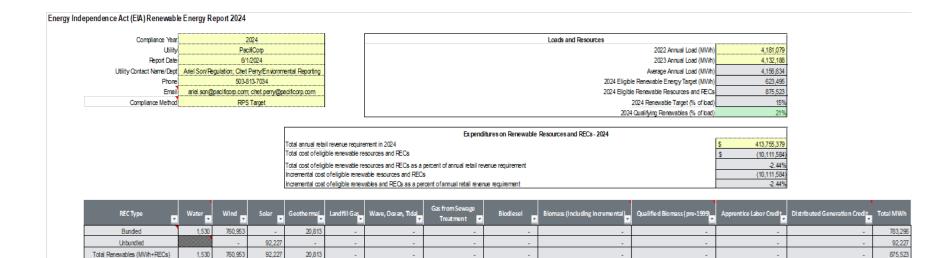
PacifiCorp's incremental hydroelectric facilities are located in the Pacific Northwest and underwent efficiency improvements that were completed after March 31, 1999. PacifiCorp performed analyses to determine the incremental energy associated with these upgrades to hydroelectric facilities, consistent 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 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 Attachment B labeled—Description of 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.

Pages 7-9 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 2024 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.

Energy Independence Act (I-937) Commerce Renewable Report – 2024



WREGIS ID	Facility Name	REC Type	REC Vintage (Year)	Resource Type	Apprentice Labor Eligibility	Distributed Generation Eligibility	Generation Amount/Qty of RECs (MWh)
W179	Big Fork	Bundled		Water	No	No	88
W194	Blundell	Bundled		Geothermal	No	No	15,101
W230	Blundell	Bundled		Geothermal	No	No	5,712
W1383	Campbell Hill	Bundled		Wind	No	No	24,061
W10953	Cedar Springs Wind, LLC	Bundled		Wind	No	No	62,347
W11072	Cedar Springs Wind II	Bundled		Wind	No	No	62,347
W10972	Cedar Springs Wind III, LLC	Bundled		Wind	No	No	37,455
W1687	Dunlap I	Bundled		Wind	No	No	36,987
W11488	Ekola Flats Wind	Bundled		Wind	No	No	62,294
W201	Foote Creek I	Bundled		Wind	No	No	13,563
W964	Glenrock I	Bundled		Wind	No	No	26,932
W965	Glenrock III	Bundled		Wind	No	No	10,609
W536	Goodnoe Hills	Bundled		Wind	No	No	22,080
W1334	High Plains	Bundled		Wind	No	No	29,730
W180	JC Boyle	Bundled		Water	No	No	-
W1856	Foote Creek IV	Bundled		Wind	No	No	5,410
w200	Leaning Juniper I	Bundled		Wind	No	No	23,280
W157	Lemolo 1	Bundled		Water	No	No	1.072
W158	Lemolo 2	Bundled		Water	No	No	8
W185	Marengo	Bundled		Wind	No	No	37,81
W772	Marengo II	Bundled		Wind	No	No	18,023
W1341	McFadden Ridge	Bundled		Wind	No	No	9.062
W1363	#N/A	Bundled		Wind	No	No	581
W1141	#N/A	Bundled		Wind	No	No	7.97
W	#N/A	Bundled	-	Wind	No	No	16,753
W5126	Pioneer Wind Park	Bundled		Wind	No	No	-
W140	Prospect 2	Bundled		Water	No	No	28
W187	Rock River I	Bundled		Wind	No	No	1.164
W928	Rolling Hills	Bundled		Wind	No	No	24,736
W8800	Sage I	Bundled		Solar	No	No	24,750
W8808	Sage II	Bundled		Solar	No	No	-
W8811	Sage III	Bundled		Solar	No	No	_
W975	Seven Mile Hill I	Bundled		Wind	No	No	32,387
W976	Seven Mile Hill II	Bundled		Wind	No	No	6,788
W7365	Sweetwater	Bundled		Solar	No	No	
W1749	Top of the World	Bundled		Wind	No	No	46,457
W12023	TB Flats Wind I	Bundled		Wind	No	No	70,37
W12023	TB Flats Wind II	Bundled		Wind	No	No	60,19
W12137	Wolverine Creek	Bundled		Wind	No	No	11,55
W7039	Adams Solar Center	Unbundled	2023	••••••••••••••••••••••••••••••••••••••	No	No	4,354
W7039	Bear Creek Solar Center	Unbundled	2023		No	No	4,354
W7047	Bly Solar Center	Unbundled	2023		No	No	4,22
W7048	Elbe Solar Center	Unbundled	2023	••••••••••••••••••••••••••••••••••••••	No	No	4,39
W4938	Enterprise Solar Center	Unbundled	2023	÷	No	No	4,59
VV4938 W4619		Unbundled			0	No	49,57 26,18
Totals	Pavant Solar, LLC	Unbunaled	2023	Solar	No	: 110	20,18

PacifiCorp Compliance Year 2024

Energy Independence Act (I-937) Commerce Renewable Report – 2024

*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..

WREGISID	Facility Name	REC Type	REC Vintage (Year)		Apprentice Labor Eligibility	Distributed Generation Bigibility	Generation Amount/Qty of RECs (MWh)	Apprentice Labor Amount (MWh equiv.)	Distributed Generation Amount (MWhequiv.)	Annual Cost in 2024 (\$)	Costper MWh/REC	Substitute Resource Annual Cost in 2024 (\$)	Substitute Resource Cost per MWh	Cost of Renew a ble Resource in 2024 (\$)
W179	Big Fork	Bundled		Water	No	No	85		5	(1,644) \$	6 (19)	s -	\$ -	\$ (1,644)
W194	Blundell	Bundled		Geothermal	No	No	15,101		\$	- 5	; -	\$-	\$ -	\$ -
W230	Blundell	Bundled		Geothermal	No	No	5,712		5	(382,964)	64)		\$ -	\$ (362,954)
W1383	Campbell Hill	Bundled		Wind	No	No	24,081		5	(854,498) \$	\$ (36)		\$ -	\$ (854,498)
W10953	Cedar Springs Wind, LLC	Bundled		Wind	No	No	62,347		\$	(1,999,987)	\$ (32)		\$ -	\$ (1,999,967)
W11072	Cedar Springs Wind II	Bundled		Wind	No	No	62,347		\$	2,087,658	33		\$ -	\$ 2,087,658
W10972	Cedar Springs Wind III, LLC	Bundled		Wind	No	No	37,455		\$	(1,191,967) \$	\$ (32)		\$ -	\$ (1,191,967)
W1687	Dunlap I	Bundled		Wind	No	No	36,987		\$	(869,753) \$	5 (24)		\$ -	\$ (869,753)
W11488	Ekola Flats Wind	Bundled		Wind	No	No	62,294			(2,526,999)	s (41)		\$ -	\$ (2,526,999)
W201	Foote Creek I	Bundled		Wind	No	No	13,563		\$	230,576	s 17		\$ -	\$ 230,576
W964	Glenrock I	Bundled		Wind	No	No	26,932		5	(123,328) \$) (5)		\$ -	\$ (123,328)
W985	Glenrock III	Bundled		Wind	No	No	10,609		5	(40,871) \$; (4)		\$ -	\$ (40,871)
W536	Goodnoe Hills	Bundled		Wind	No	No	22,080		5	377,343 5	5 17		\$ -	\$ 377,343
W1334	High Plains	Bundled		Wind	No	No	29,730		\$	12,532 \$	6 0	s -	\$ -	\$ 12,532
W180	JC Boyle	Bundled		Water	No	No	-		5	-		s -		\$ -
W1856	Foote Creek IV	Bundled		Wind	No	No	5,410		5	(83,863)	6 (16)		\$ -	\$ (83,863)
w200	Leaning Juniper I	Bundled		Wind	No	No	23,280		<u> </u>	425,625 \$	5 18		\$ -	\$ 425,625
W157	Lemolo 1	Bundled		Water	No	No	1,072		5	(48,501) \$	6 (45)		\$ -	\$ (48,501)
W158	Lemolo 2	Bundled		Water	No	No	88		5	(5,753)	(86)		\$ -	\$ (5,753)
W185	Marengo	Bundled		Wind	No	No	37,811		5	552,182 \$	5 15		\$ -	\$ 552,182
W772	Marengo II	Bundled		Wind	No	No	18,023		\$	389,456 \$	\$ 20		\$ -	\$ 369,456
W1341	McFadden Ridge	Bundled		Wind	No	No	9,062		\$	(77,836) \$) (9)		\$ -	\$ (77,836)
W1363	#VA	Bundled		Wind	No	No	581		5	(33,767) \$	(58)		\$ -	\$ (33,767)
W1141	#WA	Bundled		Wind	No	No	7,971		\$	(123,555) \$	6 (16)		\$ -	\$ (123,555)
W	#N/A	Bundled		Wind	No	No	16,753		\$	810,344 \$	6 48	\$ -	\$ -	\$ 810,344
W5128	Pioneer Wind Park	Bundled		Wind	No	No	-		\$	-		s -		s -
W140	Prospect 2	Bundled		Water	No	No	285		\$	(11,478)	6 (40)		\$ -	\$ (11,478)
W187	Rock River I	Bundled		Wind	No	No	1,164		5	32,648 \$	\$ 28		\$ -	\$ 32,648
W928	Rolling Hills	Bundled		Wind	No	No	24,738		\$	(218,014) \$; (9)	s -	\$ -	\$ (218,014)
W8800	Sage I	Bundled		Solar	No	No	-		\$	-		s -		s -
W8808	Sage II	Bundled		Solar	No	No	-		\$	-		s -		\$ -
W8811	Sage III	Bundled		Solar	No	No	-		5	-		s -		s -
W975	Seven Mile Hill I	Bundled		Wind	No	No	32,387		\$	(554,833) \$	s (17)		\$ -	\$ (554,833)
W976	Seven Mile Hill II	Bundled		Wind	No	No	6,788		5	(123,079) \$	6 (18)	s -	\$ -	\$ (123,079)
W7365	Sweetwater	Bundled		Solar	No	No	-		\$	-		\$ -		\$ -
W1749	Top of the World	Bundled		Wind	No	No	48,457		5	(1,419,057)	\$ (31)		\$ -	\$ (1,419,057)
W12023	TB Flats Wind I	Bundled		Wind	No	No	70,375		\$	(2,310,810)	(33)		\$ -	\$ (2,310,810)
W12157	TB Flats Wind II	Bundled		Wind	No	No	60,191		5	(2,307,258)	6 (38)		\$ -	\$ (2,307,258)
W188	Wolverine Creek	Bundled		Wind	No	No	11,559		\$	123,314 \$	5 11	\$ -	\$ -	\$ 123,314
W7039	Adams Solar Center	Unbundled		Solar	No	No	4,354		5	6,096 \$	i 1			\$ 6,096
W7047	Bear Creek Solar Center	Unbundled		Solar	No	No	4,221		\$	5,909 \$	1			\$ 5,909
W7046	Bly Solar Center	Unbundled		Solar	No	No	3,510		5	4,914 \$	5 1			\$ 4,914
W7044	Elbe Solar Center	Unbundled		Solar	No	No	4,390		\$	6,146 \$	1			\$ 6,146
W4938	Enterprise Solar, LLC	Unbundled		Solar	No	No	49,571		5	94,185 \$	2			\$ 94,185
W4619	Pavant Solar, LLC	Unbundled	2023	Solar	No	No	26,181		5	39,271 \$				\$ 39,271
Totals							875,523		- \$	(10,111,584) \$	(11)	\$-	S -	\$ (10,111,584)

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 2023 obligations and anticipates meeting its 2024 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 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;¹ please refer to the company's workpaper labeled PacifiCorp – WA RPS Resource Incremental Cost Analysis 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

¹ Docket No. UE-240321, Order 01 (May 23, 2024).

production tax credits. PacifiCorp recalculated incremental costs for repowering for those twelve resources in its 2021 compliance report.

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 2023 and 2024.

Revenue Requirement

The revenue requirement amounts used in this Renewable Report are from the applicable rate case, Docket UE-210402 for 2023 and UE-230172 for 2024. The revenue requirement in 2023 is \$407,257,687. For 2024, WA's revenue requirement is \$413,755,379².

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 2023 and 2024.

Calendar Year	Total Washington Allocated Resource Costs	Washington Annual Revenue Requirement	% of Washington Expected Allocated Resource Costs to Annual Revenue Requirement
2023	(\$9,365,012)	\$407,257,687	(2.30%)
2024	(\$10,111,583)	\$413,755,379	(2.44%)

Table	5
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Based on this analysis, the company is able to meet its compliance obligations without exceeding the threshold of four percent of annual revenue requirement.

² New base rates went into effect in April 2024. The 2024 revenue requirement was calculated using 3 months at the previous 407,257,687 for January through March, and 9 months at the new revenue requirement of 415,921,277 for the remaining months. ($407,257,687 \times 3/12 + 415,921,277 \times 9/12$)

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.

The Company is using the Washington Interjurisdictional Allocation Methodology (WIJAM) to allocate the share of system renewables.

Table 6 summarizes how PacifiCorp plans to supply Washington with its share of renewable generation in 2024.

COMPLIANCE RECs	
Target	623,495
2024 Vintage (System Renewables)	783,296
2024 Vintage Multistate REC RFP Purchases	92,227

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

*see Attachment C, "(2)(a)(ii)Annual-2024, estimate" tab for detail.

875,523

PacifiCorp follows WREGIS and state RPS requirements to ensure that RECs are never doublecounted.

Prior Year Progress

As demonstrated in this report, PacifiCorp met its Washington 2023 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 2023 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 work papers labeled WREGIS Certificates for Washington Compliance for 2023.

The company did not rely on any alternative compliance mechanisms to meet its renewable resource targets for 2023.

Current Year Progress

PacifiCorp plans to meet its Washington 2024 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 2024.

Supporting Documents for Renewable Report

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

List of Attachments

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