

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PACIFICORP, d/b/a PACIFIC POWER
& LIGHT COMPANY,

For an Exemption from WAC 480-
100-625(3)

DOCKET UE-200420

ORDER 01

GRANTING PETITION FOR
EXEMPTION

BACKGROUND

- 1 On January 25, 2021, PacifiCorp, d/b/a Pacific Power & Light Company, (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) a Petition for Exemption from WAC 480-100-625(3) (Petition). In its Petition, PacifiCorp requests an exemption from certain provisions pertaining to draft Integrated Resource Plans (IRPs).
- 2 Electric utilities must file Integrated Resource Plans (IRPs) every four years.¹ The Commission holds public meetings to discuss these IRPs and considers the information reported in the draft IRP.²
- 3 On May 7, 2019, new Clean Energy Transformation Act (CETA) statutory requirements went into effect for IRPs.³
- 4 In light of these new statutory requirements, the Commission ordered PacifiCorp to submit its next draft IRP by January 4, 2021, and its next final IRP by April 1, 2021.⁴
- 5 The Commission then adopted new regulations implementing CETA. As relevant here, the Commission adopted WAC 480-100-625, setting forth new requirements for IRP

¹ WAC 480-100-625(1).

² WAC 480-100-625(3)(a).

³ See RCW 19.280.030.

⁴ *In the Matter of Commission Staff's Petition for an Order Granting Exemption from the Requirements of WAC 480-100-238(4) and (5)*, Docket UE-180259 Order 03 (November 7, 2019).

development and timing.⁵ WAC 480-100-625(3) details the required contents of a draft IRP and states that the Commission will convene an open meeting to hear public comment on the draft IRP filed by the company.

6 PacifiCorp filed its draft IRP on January 4, 2021.

7 In its Petition, PacifiCorp submits that due to the progressive nature of PacifiCorp's multi-state, system-wide IRP development process, PacifiCorp has just begun the modeling phase of the 2021 IRP, which necessarily follows an extensive process of updating inputs, methodologies, and assumptions. In addition, PacifiCorp has been working to implement new modeling software for the 2021 IRP, which has added workload to the 2021 IRP development process. As a result, PacifiCorp did not complete any model runs used to establish resource portfolios and to evaluate costs and risks at the time of its 2021 draft IRP filing.

8 PacifiCorp submits that convening a recessed open meeting on February 22, 2021, to hear comments on PacifiCorp's draft IRP filing would have limited value. Therefore, the Company requests that the Commission reschedule the Company's presentation for an open meeting after PacifiCorp files its final IRP on April 1, 2021. Furthermore, PacifiCorp requests the Commission allow a comment period on the Company's final IRP prior to that open meeting. PacifiCorp maintains that its Petition is in the public interest because it will allow the Company and interested stakeholders to focus efforts on developing a final, CETA-compliant 2021 IRP.

9 Commission staff (Staff) has reviewed the Company's draft IRP, Petition, and related materials. Staff recommends granting the Petition.

10 Staff recognizes that PacifiCorp's current multi-state IRP development process does not align well with the newly adopted IRP rules. By granting this Petition, the Commission would provide flexibility to utilities during the 2021 IRP cycle, which is the first under new CETA statutory requirements for IRPs.

11 Staff notes that comments on PacifiCorp's draft IRP are due February 5, 2021. Staff submits that the comments filed by Staff on the draft IRP should provide PacifiCorp

⁵ *In the Matter of Adopting Rules Relating to Clean Energy Implementation Plans and Compliance with the Clean Energy Transformation Act; In the Matter of Amending or Adopting rules to WAC 480-100-238, Relating to Integrated Resource Planning*, Docket Nos. UE-191023 and UE-190698 (cons.), General Order 601 Adopting Rules Permanently (December 28, 2020).

guidance as to what changes should be made prior to the Company filing a final, CETA-compliant IRP by April 1, 2021.

12 Staff has discussed PacifiCorp's Petition with Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel), the Northwest Energy Coalition (NWECC), Renewable Northwest, and the Sierra Club. Staff notes that Public Counsel, Renewable Northwest, and the Sierra Club support the Petition. NWECC supports the Petition on the condition the Commission makes clear in its order that this process change will assure the integrity and completeness of the record for PacifiCorp's 2021 IRP. Staff believes following the process laid out in the Company's Petition will foster such transparency.

DISCUSSION

13 We grant PacifiCorp's Petition and exempt the Company from the requirements of WAC 480-100-625(3).

14 WAC 480-07-110 provides that 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." WAC 480-100-008 allows for exemptions from the requirements of WAC 480-100 under the same standard.

15 As an electric company operating across multiple states, PacifiCorp credibly represents that it requires additional time to complete the modeling and analysis necessary to present a preferred portfolio and supporting analysis, as required by WAC 480-100-625(3). This makes it difficult for the Company to comply with the new content requirements for draft IRPs set forth in WAC 480-100-625(3).

16 As we stated in General Order R-601, "We understand the 2021 cycle is unique and the first under CETA directives, with accompanying modeling and timing challenges. We will provide flexibility in the first round of submissions."⁶ Indeed, we recognize that the Commission adopted WAC 480-100-625(3) only a few days before PacifiCorp was required to file its draft IRP by an earlier Commission order.

17 It is also appropriate to grant the Company an exemption from the requirement that its draft IRP be discussed at a Commission open meeting. Stakeholder comments filed on

⁶ General Order R-601, ¶ 168.

the draft IRP should inform the Company as it prepares its final IRP. The Commission may then hold an open meeting on the final, CETA-compliant IRP.

18 PacifiCorp's Petition does not conflict with any statutory requirements. Pursuant to its rulemaking authority,⁷ the Commission has adopted rules requiring draft IRPs. However, there are no statutory requirements for the contents of draft IRPs or for public comment on draft IRPs. The statute is instead concerned with the final IRPs filed with the Commission.⁸ We expect that PacifiCorp will continue to work with Staff and other stakeholders and consider comments filed on the Company's draft IRP as it works toward the end goal of a final, CETA-compliant IRP.

19 We accordingly grant PacifiCorp's request for an exemption from WAC 480-100-625(3). The February 22, 2021, recessed open meeting regarding the Company's draft IRP is cancelled. After PacifiCorp files its final IRP by April 1, 2021, the Commission will issue a notice in this docket providing for a comment period and scheduling the matter to heard at an open meeting.

FINDINGS AND CONCLUSIONS

- 20 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 21 (2) PacifiCorp is an electric company and a public service company subject to Commission jurisdiction.
- 22 (3) WAC 480-100-625(3) prescribes the required contents of a draft IRP and states that the Commission will convene an open meeting to hear public comment on the draft IRP filed by the company.
- 23 (4) Under WAC 480-07-110(1), the Commission may grant an exemption from the provisions of any rule in Chapter 480-70 WAC if doing so consistent with the public interest, the purposes underlying regulation, and applicable statutes.

⁷ *E.g.*, RCW 19.280.040(2).

⁸ *See generally* RCW 19.280.030.

- 24 (5) On January 25, 2021, PacifiCorp filed its Petition for Exemption from WAC 480-100-625(3), as the Company requires more time to complete relevant modeling and analysis required by new Commission rules.
- 25 (6) This matter came before the Commission at its regularly scheduled meeting on February 11, 2021.
- 26 (7) After reviewing PacifiCorp's Petition and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the requested exemption is in the public interest, consistent with the purposes underlying the regulation and applicable statutes, and that it should be granted.

ORDER

THE COMMISSION ORDERS:

- 27 (1) PacifiCorp's, d/b/a Pacific Power & Light Company, Petition for exemption in Docket UE-200420 is granted.
- 28 (2) The recessed open meeting set for February 22, 2021, is cancelled.
- 29 (3) The Commission will provide a comment period prior to the PacifiCorp's, d/b/a Pacific Power & Light Company, presentation at an open meeting on its final 2021 IRP.
- 30 (4) The Commission retains jurisdiction over the subject matter and PacifiCorp, d/b/a Pacific Power & Light Company, to effectuate the provisions of this Order.

Dated at Lacey, Washington, and effective February 11, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

JAY BALASBAS, Commissioner