

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

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

Clean Energy Implementation Plan

Docket UE-210829

PacifiCorp Motion for Clarification or  
Review

1           PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp) respectfully files this motion for clarification, or in the alternative for review, of the Washington Utilities and Transportation Commission's (Commission) Scheduling Order issued May 18, 2023 (Order). As discussed below, PacifiCorp seeks clarification that it may update the interim compliance targets for its Clean Energy Implementation Plan (CEIP) in the biennial CEIP update due November 2023, because the Order declined to allow for an update to the interim targets in this proceeding. Alternatively, PacifiCorp seeks review and revision of the Order to permit an update to the interim targets in this proceeding.

**I.       Background**

2           PacifiCorp filed its initial 2021 CEIP with the Commission on December 30, 2021 (Initial CEIP).<sup>1</sup> Among other things, the Initial CEIP included the Company's anticipated interim and specific targets to achieve Washington's Clean Energy Transformation Act (CETA) clean energy standards. These interim targets were based primarily on the Company's 2021 Integrated Resource Plan (IRP) that was filed with the

---

<sup>1</sup> *In re PacifiCorp's 2021 CEIP*, Docket No. UE-210829, Final 2021 CEIP, at 7, Figure 1.1 (Dec. 30, 2021).

Commission in September of 2021,<sup>2</sup> and was the result of a years-long stakeholder process to inform the Company's 20-year planning document that began in early 2020.<sup>3</sup>

3           In June of 2022, Commission Staff filed an administrative complaint against the Company regarding the modeling and incorporation of the social cost of greenhouse gases in the Initial CEIP.<sup>4</sup> The complaint was resolved a year later when the Commission granted Commission Staff's motion to withdraw the complaint in February of 2023,<sup>5</sup> and the Company filed a revised CEIP consistent with the settlement agreement reached with several of the parties in the complaint docket on March 13, 2023 (Revised CEIP).<sup>6</sup>

4           That same month, on March 31, 2023, PacifiCorp filed its 2021 IRP Washington Two-Year Progress Report (2023 IRP Update) to reflect the Company's current planning environment—including updated sales and load forecasts, regulatory policies, and economic and technological assumptions. As required by CETA, the 2023 IRP Update also updated the Company's interim and specific targets for achieving CETA's clean energy milestones.<sup>7</sup>

5           Although filed the same month, consistent with the complaint settlement agreement, the Revised CEIP did not include any of these updated assumptions or forecasts from the 2023 IRP Update. As a result, the Initial and Revised CEIP interim targets are based on IRP information that was relevant for the 2020 through 2021 planning cycles, while the 2023 IRP Update interim targets are based on information

---

<sup>2</sup> *In re PacifiCorp's 2021 IRP*, Docket No. UE-220420, 2021 Final IRP (Sept. 1, 2021).

<sup>3</sup> *In re PacifiCorp's 2021 IRP*, Docket No. UE-220420, 2021 IRP Work Plan (Mar. 20, 2020).

<sup>4</sup> *In re PacifiCorp CEIP Complaint*, Docket No. UE-220376, Complaint and Notice of Prehearing Conference (Jun. 6, 2022).

<sup>5</sup> *In re PacifiCorp CEIP Complaint*, Docket No. UE-220376, Order 06 (Feb. 10, 2023).

<sup>6</sup> *In re PacifiCorp's 2021 CEIP*, Docket No. UE-210829, Revised 2021 CEIP (Mar. 13, 2023).

<sup>7</sup> *In re PacifiCorp's 2023 IRP Update*, Docket No. UE-200420, 2023 IRP Update, Volume II, Appendix O, Figure O.1.

relevant to the 2022 through 2023 planning cycles. These different planning assumptions result in different interim targets for years 2022 through 2030:

Year	Initial CEIP <sup>8</sup>	Revised CEIP <sup>9</sup>	2023 IRP Update <sup>10</sup>
2022	31	31	31
2023	31	31	26
2024	39	40	25
2025	55	60	33
2026	61	67	40
2027	61	67	39
2028	67	73	53
2029	68	73	62
2030	89	84	82

6 While the 2030 interim targets are relatively similar (89, 84, and 82, respectively), the difference between many of the targets are significant. Relevant for this first four-year CETA compliance period, the interim target for 2025 from the 2023 IRP Update is 27 percentage points lower than the Revised CEIP’s.

7 This difference in interim targets led the Company to proactively address this issue now instead of delaying for later resolution.

8 The Company raised this issue with the CEIP stakeholders, and prior to the prehearing conference Commission Staff notified the Commission of the issue. In response, Staff proposed two solutions: Option 1, where the interim targets would be addressed in the biennial CEIP update due to be filed in November 2023 (November biennial update), or Option 2, where the Commission would permit the Company to

<sup>8</sup> *In re PacifiCorp’s 2021 CEIP*, Docket No. UE-210829, Final 2021 CEIP, at 9, Figure 1.1 (available here: <https://apiproxy.utc.wa.gov/cases/GetDocument?docID=85&year=2021&docketNumber=210829>).

<sup>9</sup> *In re PacifiCorp’s 2021 CEIP*, Docket No. UE-210829, Revised 2021 CEIP, at 11, Figure 1.1 (available here: <https://apiproxy.utc.wa.gov/cases/GetDocument?docID=277&year=2021&docketNumber=210829>).

<sup>10</sup> *In re PacifiCorp’s 2023 IRP Update*, Docket No. UE-200420, 2023 IRP Update, Volume II, Appendix O, Figure O.1 (available here: [https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/integrated-resource-plan/2023-irp/2023\\_IRP\\_Volume\\_II\\_A-P\\_WA.pdf](https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/integrated-resource-plan/2023-irp/2023_IRP_Volume_II_A-P_WA.pdf)).

update the interim targets in this proceeding, including with any relevant evidentiary support.<sup>11</sup> Staff indicated its support for Option 1.<sup>12</sup> While the other parties were divided in whether they supported Option 1 or 2, no party objected to allowing an update.

9           During the May 5, 2023 prehearing conference, PacifiCorp represented that it did not have a strong preference between either updating the interim targets in this proceeding, or in the November biennial update.<sup>13</sup> However PacifiCorp noted that regardless which approach the Commission adopted, the Company sought confirmation that PacifiCorp would not be prevented from updating its interim targets in advance of any CETA compliance determination.<sup>14</sup>

10           After considering the various positions, the Commission declined to allow the Company to update its interim targets in this proceeding.<sup>15</sup> The Order was silent regarding the Company's ability to update interim targets in the November biennial update.

## II.           Standard of Decision

11           A party may object to a written prehearing conference order within 10 days, pursuant to the Commission's rule governing interim orders.<sup>16</sup> The Commission has discretion to review interim orders if immediate review is necessary to prevent substantial

---

<sup>11</sup> Hr'g Tr. at 17:13–19:09.

<sup>12</sup> *Id.* at 18:21–19:01.

<sup>13</sup> *Id.* at 14.

<sup>14</sup> *Id.* (“We don’t have a strong preference here. Our only preference is that whatever option the commission selects, that we don’t somehow waive our right to request amending these targets, nor that we would be estopped from raising the argument or, you know, filing a request for lowered targets. So we’d defer to Staff and Commissioners’ judgment on the best vehicle here.”).

<sup>15</sup> Order ¶ 20 (“After considering all of the parties’ comments, we conclude that the schedule should *not* include an update to the Revised CEIP’s Interim Targets.”) (original emphasis).

<sup>16</sup> WAC 480-07-430(3)(a).

prejudice to a party that could not be remedied by a Commission final order, or could otherwise save the Commission and parties substantial effort or expense.<sup>17</sup>

### III. Argument

12 The Company agrees with the Commission that there is “no simple answer to this question” of how and when the Company should provide a known update to its interim targets, and that addressing the issue in this proceeding would likely hinder early settlement.<sup>18</sup> That said, the Company seeks clarification that it can update its interim targets for this first CEIP compliance period—years 2022 through 2025—during the November biennial update. If the Commission declines to clarify the Order, PacifiCorp requests that the Commission permit the Company to update its interim targets in this proceeding.

13 This clarification is vital to ensure that the Company retains the ability to update its interim targets at the procedurally appropriate time. Otherwise, the Company could be subject to administrative penalties if it does not achieve the obsolete interim targets that are now reflected in the Initial and Revised CEIPs, and without the update, the Commission and parties will not be able to evaluate the Company’s most recent and accurate planning information.<sup>19</sup>

#### A. Clarification or review is necessary to preserve the Company’s right to update its interim targets.

14 The difference between the interim targets in the Initial and Revised CEIPs and 2023 IRP Update for the first compliance period is approximately 1,861,797 MWhs of

---

<sup>17</sup> WAC 480-07-810(2)(b)-(c).

<sup>18</sup> Order ¶¶ 20–21.

<sup>19</sup> See *In re CETA Implementation Rulemaking*, Dockets UE-191023 & UE-190698, General Order 601 (Dec. 28, 2020) (“Utilities regularly update inputs of previous analysis within a proceeding, such as when a utility refiles its power cost baseline during a general rate case.”).

additional projected renewable and non-emitting energy.<sup>20</sup> For 2025 alone, the difference between interim targets amounts to 1,082,763 MWh—a full 27 percentage point difference.<sup>21</sup> There are several reasons why the interim targets in the Initial and Revised CEIP need to be updated to reflect the more current and accurate information from the 2023 IRP Update.

15           First, the Initial and Revised CEIP and the 2023 IRP Update include different assumptions for how generation resources will be allocated to serve Washington customers. The Initial and Revised CEIPs assumed that PacifiCorp would serve Washington under the Washington Inter-Jurisdictional Allocation Methodology (WIJAM) and 2020 PacifiCorp Inter-Jurisdictional Allocation protocol (2020 Protocol) until the end of 2023, and that beyond 2023 a new proposed allocation methodology would govern the Company’s energy mix.<sup>22</sup> In the Initial and Revised CEIPs, the Company noted that the post-2023 allocation methodology was “currently being negotiated through the Multi-State Process (MSP),” and that in “the absence of an agreed-upon formulaic methodology to calculate annual assigned production (AP) factors, assumptions about the future of cost allocation were made.”<sup>23</sup> MSP negotiations continue to date, and in its current form differs from the assumptions in the Initial and Revised CEIPs. The 2023 IRP Update accounts for these developments, and for CETA

---

<sup>20</sup> Compare Revised CEIP, at 12, Table 1.1 (indicating 6,601,088 MWh of projected renewable and nonemitting energy resulting from the 2020AS RFP), with 2023 IRP Update, Appendix O, at 4, Table O.1 (indicating 4,739,291 MWh based on updated procurement from the 2020AS RFP).

<sup>21</sup> Compare Revised CEIP, at 12, Table 1.1 (indicating 2,450,430 MWhs), with 2023 IRP Update, Appendix O, at 4, Table O.1 (indicating 1,367,667 MWhs).

<sup>22</sup> Initial CEIP, at 11; Revised CEIP, at 14.

<sup>23</sup> *Id.* at 11, n. 11

purposes assumes that the WIJAM would “hold into the future in the absence of an agreed upon future allocation methodology.”<sup>24</sup>

16           Second, the Initial and Revised CEIP and the 2023 IRP Update reflect different assumptions on emitting resources prior to 2030. The Initial and Revised CEIPs assumed that coal resources were removed from Washington rate base by December 31, 2023, and did not allocate any of the Company’s potential conversions of coal to natural gas resources to Washington (including Jim Bridger Units 1-4).<sup>25</sup> This is contrasted with the 2023 IRP Update—and also in the Company’s currently pending general electric rate case—where the Company assumes that Colstrip Unit 4 and Jim Bridger Units 3 and 4 serve Washington customers until the end of 2025, and that Washington customers can receive electricity for certain coal resources that have been converted to natural gas until the end of 2029 (including Jim Bridger).<sup>26</sup>

17           Third, the Initial and Revised CEIPs and the 2023 IRP Update assume Washington is served with different non-emitting resources prior to 2030. The Initial and Revised CEIP assumed that all of the resources from the final 2020 All-Source Request for Proposals (2020AS RFP) shortlist would come online, including 1,792 MW of wind generation, 95 MW of solar generation, 1,211 of solar generation co-located with storage and 200 MW of stand-alone battery storage.<sup>27</sup> The Company noted that it was currently negotiating final terms with each of the final shortlisted participants, with the goal of finalizing agreements by early 2022.<sup>28</sup> This differs from the 2023 IRP Update, which

---

<sup>24</sup> 2023 IRP Update, Appendix O, at 5.

<sup>25</sup> Initial CEIP, at 16; Revised CEIP, at 18

<sup>26</sup> 2023 IRP Update, Appendix O, at 6; *In re PacifiCorp’s 2023 General Electric Rate Case*, Docket No. UE-230172, Tom Burns Direct Testimony, Exhibit No. TRB-1CTr (seeking rate recovery of conversion of Jim Bridger Units 1 and 2).

<sup>27</sup> Initial CEIP, at 48–50; Revised CEIP, at 8

<sup>28</sup> Initial CEIP, at 49.

reflects far fewer non-emitting and storage resources that were procured in the Company's 2020AS RFP. Even though based on the same 1,792 MW of wind generation, it only included 495 MW of solar additions, and 200 MW of battery storage paired with solar. PacifiCorp was unable to execute firm contracts with all projects on the final shortlist due to national tariff policies, global supply-chain issues, and inflationary pressures. As a result, the Initial and Revised CEIP included over 1 GW of non-emitting and storage resources that will not serve Washington customers.

18           Fourth, the Initial and Revised CEIPs and the 2023 IRP Update are based on different retail electric sales forecasts. The Initial and Revised CEIP assume that the Company will need to serve 16,288,439 megawatt-hours (MWh) over the first CEIP compliance period (2022-2025);<sup>29</sup> the 2023 IRP Update assumes 16,427,372 MWh over the same period.<sup>30</sup> This is almost a full percentage point increase in load over the four-year period.

19           Together, the Initial and Revised CEIP are based on outdated assumptions on resource allocation methodologies, and the incorrect emitting and non-emitting resources that serve Washington customers, and reflect obsolete electric sales forecasts. This results in approximately 1,861,797 MWhs of projected renewable and non-emitting energy in the Initial and Revised CEIPs for compliance years 2022 through 2025 that is no longer reflected in the 2023 IRP Update. This 1.86 GWs of nonexistent energy amounts to

---

<sup>29</sup> Revised CEIP, at 12, Table 1.1

<sup>30</sup> 2023 IRP Update, Appendix O, at 4, Table O.1.



almost forty percent of the Company's projected compliance target under the more recent and accurate 2023 IRP Update interim targets.<sup>31</sup>

20           If the Company is not permitted a procedural path to update these interim targets, PacifiCorp is concerned that it could be subject to substantial administrative penalties for failing to meet outdated targets in any given compliance year. Clarification or review is necessary to prevent substantial prejudice to PacifiCorp if the Order prevents the Company from updating its interim targets at the appropriate time.

**B. Updated interim targets will not impact the Company's compliance efforts or procurement strategies.**

21           As PacifiCorp stated in its recent 2023 IRP Update, PacifiCorp "will substantially decarbonize its system and achieve CETA's 2045 requirement almost a decade early."<sup>32</sup> This is because the Company has been, and will continue to be, on track to procure transformational investments in renewable and non-emitting resources to serve Washington customers. For example, the 2023 IRP projects the need for over 30 GWs of new renewable resources and includes over a thousand miles of new high-voltage transmission lines and supporting infrastructure.<sup>33</sup> The Company will issue subsequent all-source RFPs and consider additional procurement strategies to meet these demands. Consistent with the Company's Prehearing Conference remarks, updating the Company's

---

<sup>31</sup> Compare Revised CEIP, at 12, Table 1.1 (indicating 6,601,088 MWh of projected renewable and non-emitting energy over the four-year compliance period), with 2023 IRP Update, Appendix O, at 4, Table O.1 (indicating 4,739,291 MWh over the same period).

<sup>32</sup> 2023 IRP Update, at Appendix O, at 5.

<sup>33</sup> PacifiCorp's 2023 IRP, Ch. 1 – Executive Summary, at 2 (available at [https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/integrated-resource-plan/2023-irp/2023\\_IRP\\_Volume\\_I.pdf](https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/integrated-resource-plan/2023-irp/2023_IRP_Volume_I.pdf)).

interim targets will not impact these compliance efforts and procurement strategies.<sup>34</sup>

Rather, updating the interim targets (either in this proceeding or in the November biennial update) ensures that compliance is measured against the appropriate volume of retail electricity sales, and informed by the most relevant developments regarding the volume and mix of emitting and non-emitting resources that serve PacifiCorp’s Washington customers.

**C. Updated interim targets will benefit the Company’s Washington customers.**

22 Washington requires PacifiCorp—“to the maximum extent feasible”—achieve CETA’s 2026, 2030, and 2045 decarbonization targets “at the lowest reasonable cost, considering risk.”<sup>35</sup> When re-examining various CETA compliance pathways during the 2023 IRP process, the Company determined that the Initial and Revised CEIP interim targets did not represent the most appropriate path forward.

23 To highlight one example, PacifiCorp’s decision to continue serving Washington with thermal generation until their respective statutory deadlines (2026 for coal, and 2030 for natural gas) is a direct response to evolving market pressures and will result in substantial savings for customers. At the same time, these thermal resources will ensure Washington customers continue to receive reliable and resilient electricity while the Company proceeds with its ambitious investments in renewable and non-emitting resources in advance of Washington requirements taking effect in 2030.

---

<sup>34</sup> Hr’g Tr. at 26 (“First, again, without getting into the merits, I want to represent that I think the interim target issue will be a discrete issue. I don’t want to have this take on more importance that I think is needed. Our procurement strategies . . . are calling for astronomic additions of renewable and non-emitting resources. The interim target issue, I think, can be largely separated from the procurement question.”).

<sup>35</sup> 19.405.050(3)(a).

24           Based on these new insights, among others, it is important that the Commission confirm when the Company can update its interim targets so that Washington customers can receive the benefits from the most reliable and least cost pathway to comply with CETA's decarbonization requirements.

#### **IV.       Conclusion**

25           PacifiCorp requests the Commission clarify and confirm that it can update its interim CEIP targets in the November biennial update, or in the alternative, review the Order to permit the Company to provide the update in this proceeding.

Dated May 30, 2023,

*/s/ Zachary Rogala*  
Zachary Rogala  
Oregon Bar No. 222814  
Senior Regulatory Counsel  
PacifiCorp  
1407 W North Temple Ste 310  
Salt Lake City, Utah  
(435) 319-5010  
zachary.rogala@pacificorp.com