



PacifiCorp d/b/a Pacific Power & Light Company

Washington

2023 Renewable Portfolio Standard Report

June 1, 2023

## TABLE OF CONTENTS

Introduction.....	1
Executive Summary .....	2
Annual Load for Previous Two Years and Renewable Energy Target.....	3
Renewable Energy Acquired to Meet Renewable Energy Target .....	4
Alternative Compliance .....	11
Resource Cost Compared to Annual Retail Revenue Requirement.....	11
Multistate Allocations.....	12
Prior Year Progress .....	15
Current Year Progress.....	15
Supporting Documents for Renewable Report .....	15
List of Attachments.....	16
Attachment A – Washington Utilities and Transportation Commission RPS Report Tool .....	16
Attachment B – PacifiCorp Description of Incremental Hydro Methodology and Oregon Department of Energy Correspondence on Updated Certification for Efficiency Upgrades at Eleven Hydropower Generating Units .....	16
Attachment C – PacifiCorp Incremental Cost Report.....	16

## Introduction

PacifiCorp dba Pacific Power & Light Company (PacifiCorp) submits this 2023 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 2022 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 2023 renewable energy target.

A summary of the company’s 2022 and 2023 renewable targets and eligible renewable resources and RECs are provided below:

**Table 1**

<b>PacifiCorp Renewable Target, Eligible Resource and RECs</b>		
	<b>2022</b>	<b>2023</b>
Average Retail Sales (MWh)	4,132,056	4,190,020
Percentage Target	15%	15%
<b>Renewable Target</b>	<b>619,808</b>	<b>628,503</b>
<b>Qualifying Resources &amp; RECs (MWh)</b>	<b>795,708<sup>1</sup></b>	<b>803,359</b>

The company does not intend to rely on any of the alternative compliance mechanisms provided in WAC 480-109-210 for meeting either the 2022 or 2023 renewable energy targets under EIA.

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<sup>1</sup> There is no application of surplus RECs to subsequent years but reported RECs are held to demonstrate performance towards Clean Energy Implementation Plan interim targets.

## 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 2022 and 2023.

**Table 2**

<b>Target Year 2022</b>	
Prior Year Retail Sales (2020)	4,065,151 MWh
Prior Year Retail Sales (2021)	4,198,961 MWh
Average Retail Sales	4,132,056 MWh
Percentage Target	15%
Renewable Target	<b>619,808 MWh/RECs</b>
<b>Target Year 2023</b>	
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	<b>628,503 MWh/RECs</b>

## Renewable Energy Acquired to Meet Renewable Energy Target

PacifiCorp met its 2022 renewable resource target and plans to meet its 2023 renewable resource target with a combination of eligible RECs, company- and third-party-owned 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 2022 and 2023 and the RECs and renewable resources identified to meet the 2022 and 2023 targets.

PacifiCorp will use the following company- and third-party-owned resources for 2023:

**Table 3**

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
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
Prospect 2	Incremental Hydro	Oregon
Rock River I	Wind	Wyoming

Resource Name	Fuel Type	Location
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 the Oregon RPS program. The Company performed an analysis of the 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 Hydroelectric Analysis Updated.

In January 2017, PacifiCorp contracted to purchase the RECs from six Washington-RPS-eligible solar projects over a consecutive ten-year term.

Pages 8-12 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 2023 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 – 2023

### Energy Independence Act (EIA) Renewable Energy Report 2023

Utility	Pacific Power & Light Co.
Report Date	June 1, 2023
Utility Contact Name/Dept	Ariel Son/Regulation Zepure Shahumyan/Environmental Policy
Phone	(503) 813-5410 (503) 813-5288
Email	ariel.son@pacificcorp.com zepure.shahumyan@pacificcorp.com

Loads and Resources	
2021 Annual Load (MWh)	4,198,961
2022 Annual Load (MWh)	4,181,079
Average of 2021 & 2022 Annual Loads (MWh)	4,190,020
2023 Renewable Target (% of load)	15%
2023 Eligible Renewable Energy Target (MWh)	628,503
2023 Eligible Renewable Resources and RECs	803,359

#### 2023 Compliance Method:

- RPS Target [RCW 19.285.040(2)(a)]
- Resource Cost [RCW 19.285.050]
- No Load Growth [RCW 19.285.040(2)(d)]

Expenditures on Renewable Resources and RECs - 2023	
Amount invested in incremental cost of eligible renewable resources and the cost of RECs	-\$10,773,586
Total annual retail revenue requirement - 2023	\$407,257,687
Investment in renewables and RECs as a percent of retail revenue requirement	-2.6%

	Water	Wind	Solar	Geothermal	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass (including incremental)	Qualified Biomass (pre-1999)	Apprentice Labor Credit	Distributed Generation Credit
Eligible Renewable Resources (MWh)	1,319	693,036	-	22,315	-	-	-	-	-	-	-	-
Renewable Energy Credits	-	-	86,689	-	-	-	-	-	-	-	-	-
Total Renewables (MWh+RECs)	1,319	693,036	86,689	22,315	-	-	-	-	-	-	-	-

#### 2023 Reporting Year:

This renewable energy report summarizes the eligible renewables resources and renewable energy credits (RECs) that the utility has acquired by January 1, 2023 for the purpose of meeting its Energy Independence Act (EIA) renewables target for 2023. The actual resources and RECs used to comply with the 2023 EIA target may vary from those reported here. Utilities will report in June of 2025 on the actual results for 2023.

#### Compliance Methods:

The EIA provides three compliance methods for utilities:

- Meet the renewable energy target using any combination of renewable resources and RECs. The target for 2023 is 15% of the utility's load.
- Invest at least 4% of the utility's annual revenue requirement in the incremental cost of renewable resources and RECs.
- Invest at least 1% of its annual revenue requirement in renewable resources and RECs. This option is available only to certain utilities that are not growing.

All utilities must report the renewable resources and RECs acquired for the 2023 target year. Utilities that elect to use a compliance method based on renewable investments must provide additional information demonstrating compliance with that method. Refer to WAC 194-37-110(2) and (3) for specific requirements.

*NOTE: This is a general explanation of the renewable energy requirements of the Energy Independence Act, intended to help members of the public understand the information reported by the utility. Consult Chapter 19.285 RCW and Chapter 194-37 WAC for details.*



**Renewable Resources**

Utility	Pacific Power & Light Co.
Compliance Year	2023

WREGIS ID	Facility Name	Resource Type	Apprentice Labor Eligibility	Generation Amount (MWh)	Apprentice Labor Amount (MWh equiv.)	Explanatory Notes (as needed)
W179	Big Fork	Water	No	67	-	
W194	Blundell -Blundell	Geothermal	No	15,646	-	
W230	Blundell-Blundell 2	Geothermal	No	6,669	-	
W1383	Campbell Hill	Wind	No	26,155	-	
W10953	Cedar Springs Wind, LLC	Wind	No	60,471	-	
W11072	Cedar Springs Wind II	Wind	No	57,755	-	
W10972	Cedar Springs Wind III, LLC	Wind	No	40,122	-	
W1687	Dunlap I	Wind	No	32,344	-	
W11488	Ekola Flats Wind	Wind	No	63,140	-	
W201	Foote Creek I	Wind	No	11,509	-	
W964	Glenrock I	Wind	No	26,915	-	
W965	Glenrock III	Wind	No	10,079	-	
W536	Goodnoe Hills	Wind	No	18,603	-	
W1334	High Plains	Wind	No	26,238	-	
W180	JC Boyle	Water	No	92	-	
W4909	Latigo Wind Park	Wind	No	-	-	
w200	Leaning Juniper I	Wind	No	21,808	-	
W157	Lemolo 1	Water	No	937	-	
W158	Lemolo 2	Water	No	98	-	
W185	Marengo	Wind	No	33,979	-	
W772	Marengo II	Wind	No	18,210	-	
W1341	McFadden Ridge	Wind	No	8,119	-	
W1022	Mountain Wind Power	Wind	No	-	-	
W1023	Mountain Wind Power II	Wind	No	-	-	
W5057	PSEG Solar Utah, LLC	Solar	No	-	-	
W5126	Pioneer Wind Park	Wind	No	-	-	
W140	Prospect 2	Water	No	125	-	
W187	Rock River I	Wind	No	-	-	
W928	Rolling Hills	Wind	No	24,660	-	
W8800	Sage I	Solar	No	-	-	
W8808	Sage II	Solar	No	-	-	
W8811	Sage III	Solar	No	-	-	
W975	Seven Mile Hill I	Wind	No	31,343	-	
W976	Seven Mile Hill II	Wind	No	6,388	-	
W7365	Sweetwater	Solar	No	-	-	
W1749	Top of the World	Wind	No	42,480	-	
W12023	TB Flats Wind I	Wind	No	64,572	-	
W12157	TB Flats Wind II	Wind	No	55,222	-	
W188	Wolverine Creek	Wind	No	12,924	-	

**Renewable Energy Credits**

Utility Pacific Power & Light Co.  
 Compliance Year 2023

WREGIS ID	Facility Name	REC Vintage (Year)	Resource Type	Apprentice Labor Eligibility	Distributed Generation Eligibility	Quantity RECs	Apprentice Labor Amount MWh equiv.	Distributed Generation Amount MWh equiv.	Explanatory Notes (as needed)
W7039	Adams Solar Center	2023	Solar	No	No	4,354	-	-	
W7047	Bear Creek Solar Center	2023	Solar	No	No	4,344	-	-	
W7046	Bly Solar Center	2023	Solar	No	No	4,145	-	-	
W7044	Elbe Solar Center	2023	Solar	No	No	4,346	-	-	
W4938	Enterprise Solar, LLC	2023	Solar	No	No	45,209	-	-	
W4619	Pavant Solar, LLC	2023	Solar	No	No	24,291	-	-	

## Energy Independence Act (I-937) Commerce Renewable Report – 2023

\*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..

### Energy Independence Act (EIA) Incremental Cost and REC Cost Report 2023

#### Incremental Cost of Renewable Resources

Utility	Pacific Power & Light Co.
Compliance Year	2023

Facility Name	WREGIS ID	MWh	Renewable Resource Annual Cost in 2023	Renewable Resource Cost per MWh	Description of Substitute Resource	Substitute Resource Annual Cost in 2023	Substitute Resource Cost per MWh	Incremental Cost of Renewable Resource in 2023
Big Fork	W179	67	-\$1,296	-\$19.34			\$0	-\$1,296
Blundell -Blundell	W194	15,646	\$0	\$0.00			\$0	\$0
Blundell-Blundell 2	W230	6,669	-\$423,764	-\$63.54			\$0	-\$423,764
Campbell Hill	W1383	26,155	-\$928,864	-\$35.51			\$0	-\$928,864
Cedar Springs Wind, LLC	W10953	60,471	-\$1,939,789	-\$32.08			\$0	-\$1,939,789
Cedar Springs Wind II	W11072	57,755	\$1,933,897	\$33.48			\$0	\$1,933,897
Cedar Springs Wind III, LLC	W10972	40,122	-\$1,276,842	-\$31.82			\$0	-\$1,276,842
Dunlap I	W1687	32,344	-\$760,572	-\$23.52			\$0	-\$760,572
Ekola Flats Wind	W11488	63,140	-\$2,561,317	-\$40.57			\$0	-\$2,561,317
Foote Creek I	W201	11,509	\$0	\$0.00			\$0	\$0
Glenrock I	W964	26,915	-\$123,251	-\$4.58			\$0	-\$123,251
Glenrock III	W965	10,079	-\$38,827	-\$3.85			\$0	-\$38,827
Goodnoe Hills	W536	18,603	\$317,917	\$17.09			\$0	\$317,917
High Plains	W1334	26,238	\$11,060	\$0.42			\$0	\$11,060
JC Boyle	W180	92	-\$6,112	-\$66.43			\$0	-\$6,112
Latigo Wind Park	W4909	-	\$0	\$0.00			\$0	\$0
Leaning Juniper I	w200	21,808	\$398,711	\$18.28			\$0	\$398,711
Lemolo 1	W157	937	-\$42,381	-\$45.23			\$0	-\$42,381
Lemolo 2	W158	98	-\$6,434	-\$65.65			\$0	-\$6,434
Marengo	W185	33,979	\$496,222	\$14.60			\$0	\$496,222
Marengo II	W772	18,210	\$373,293	\$20.50			\$0	\$373,293
McFadden Ridge	W1341	8,119	-\$69,735	-\$8.59			\$0	-\$69,735
Mountain Wind Power	W1022	-	\$0	\$0.00			\$0	\$0
Mountain Wind Power II	W1023	-	\$0	\$0.00			\$0	\$0
PSEG Solar Utah, LLC	W5057	-	\$0	\$0.00			\$0	\$0
Pioneer Wind Park	W5126	-	\$0	\$0.00			\$0	\$0
Prospect 2	W140	125	-\$5,034	-\$40.27			\$0	-\$5,034
Rock River I	W187	-	\$0	\$0.00			\$0	\$0
Rolling Hills	W928	24,660	-\$217,344	-\$8.81			\$0	-\$217,344
Sage I	W8800	-	\$0	\$0.00			\$0	\$0
Sage II	W8808	-	\$0	\$0.00			\$0	\$0
Sage III	W8811	-	\$0	\$0.00			\$0	\$0
Seven Mile Hill I	W975	31,343	-\$536,948	-\$17.13			\$0	-\$536,948
Seven Mile Hill II	W976	6,388	-\$115,827	-\$18.13			\$0	-\$115,827
Sweetwater	W7365	-	\$0	\$0.00			\$0	\$0
Top of the World	W1749	42,480	-\$1,297,590	-\$30.55			\$0	-\$1,297,590
TB Flats Wind I	W12023	64,572	-\$2,120,253	-\$32.84			\$0	-\$2,120,253
TB Flats Wind II	W12157	55,222	-\$2,116,778	-\$38.33			\$0	-\$2,116,778
Wolverine Creek	W188	12,924	\$137,873	\$10.67			\$0	\$137,873
<b>Totals</b>		<b>716,670</b>	<b>-\$10,919,985</b>			<b>\$0</b>		<b>-\$10,919,985</b>

**Cost of Renewable Energy Credits**

Utility	Pacific Power & Light Co.
Compliance Year	2023

Facility Name	WREGIS ID	REC Vintage (Year)	Number of RECs	Annual Cost of Renewable Energy Credits	Cost per REC
Adams Solar Center	W7039	2023	4,354	\$6,096	1.40
Bear Creek Solar Center	W7047	2023	4,344	\$6,082	1.40
Bly Solar Center	W7046	2023	4,145	\$5,803	1.40
Elbe Solar Center	W7044	2023	4,346	\$6,084	1.40
Enterprise Solar, LLC	W4938	2023	45,209	\$85,897	1.90
Pavant Solar, LLC	W4619	2023	24,291	\$36,437	1.50
<b>Total</b>			<b>86,689</b>	<b>\$146,399</b>	

**Documentation of the calculation and inputs for percentage of revenue requirement invested in renewables:**

Please refer to the 2023 renewable report submitted to the Utilities and Transportation Commission.

## **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 2022 obligations and anticipates meeting its 2023 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; 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 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 workpaper provided with this report and labeled PacifiCorp – WA RPS Resource Incremental Cost Analysis Methodology 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 2022 and 2023.

### Revenue Requirement

The revenue requirement amounts used in this Renewable Report are from the applicable general rate case, Docket UE-210532 for 2022 and Docket UE-210402 for 2023. The revenue requirement in 2022 is \$393,158,062. For 2023, WA's revenue requirement is \$407,257,687.

### 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 2022 and 2023.

**Table 5**

<b>Calendar Year</b>	<b>Total Washington Allocated Resource Costs</b>	<b>Washington Annual Revenue Requirement</b>	<b>% of Washington Expected Allocated Resource Costs to Annual Revenue Requirement</b>
2022	(\$11,725,276)	\$393,158,062	(2.98%)
2023	(\$10,773,585)	\$407,257,687	(2.65%)

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

### **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. This section explains how the company applied the current inter-jurisdictional allocation methodology to arrive at the number of RECs allocated to Washington customers.

PacifiCorp is a multi-jurisdictional utility providing electric retail service to more than 1.9 million customers in California, Idaho, Oregon, Utah, Washington, and Wyoming. Approximately 140,000 of these customers are located in Washington.

PacifiCorp allocates RECs to its states consistent with the inter-jurisdictional allocation methodologies approved in each state. Oregon, California, Idaho, Utah and Wyoming currently use the 2020 Protocol inter-jurisdictional allocation methodology, or its predecessor the 2017 Protocol.<sup>2</sup> The 2017 and 2020 Protocol allocates all generation-related costs, revenues, rate base balances, and RECs to each state using the system generation (SG) allocation factor. The SG factor is calculated based on each state's contribution to PacifiCorp's energy and capacity requirements for its entire six-state system. Using this methodology, Washington's SG factor is approximately eight percent (*i.e.* Washington is approximately eight percent of PacifiCorp's six-state system).

In Washington, however, PacifiCorp used the West Control Area Inter-Jurisdictional Allocation Methodology (WCA) through 2020. This methodology allocated generation resources located in the west control area (primarily located in California, Oregon, and Washington) using the control area generation west (CAGW) allocation factor. The CAGW factor is calculated based on each state's (California, Oregon, and Washington) contribution to PacifiCorp's energy and capacity requirements for the west control area. Washington's CAGW factor is approximately 22 percent (*i.e.*, Washington is approximately 22 percent of the west control area).

As a result of Washington's use of the WCA methodology, PacifiCorp's Washington rates reflected a CAGW share, approximately 22 percent, of generation resources located in the west control area. Accordingly, Washington customers were entitled to approximately 22 percent of RECs from these facilities. Using different inter-jurisdictional allocation methodologies for different states, however, created challenges because the sum of each state's allocated share may not equal 100 percent. To address this issue, PacifiCorp first allocated each state its share of RECs using the state's SG factor. Using this process, Washington received approximately eight percent of RECs from resources in the west-control-area.

The west control area contained the following eligible resources:

- Goodnoe Hills (wind)
- Leaning Juniper (wind)
- Marengo I (wind)
- Marengo II (wind)
- Prospect 2 (incremental hydro)
- Lemolo 1 (incremental hydro)
- Lemolo 2 (incremental hydro)
- JC Boyle (incremental hydro)

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<sup>2</sup> The California Public Utility Commission approved use of the 2017 Protocol in the Company's most recent general rate case in that state, A.18-04-002. The Commissions in Oregon, Idaho, Utah and Wyoming have all approved the 2020 Protocol.

PacifiCorp addressed the variance between Washington’s SG share of resources in the west control area (approximately eight percent) and Washington’s CAGW share (approximately 22 percent) by providing Washington RECs from other eligible resources. The EIA allows PacifiCorp to use RECs from PacifiCorp facilities in other states where PacifiCorp makes retail sales.<sup>3</sup> This means that the actual RECs used to fulfill Washington’s CAGW share may have included RECs from resources located in any of PacifiCorp’s jurisdictions or include REC purchases, but the total RECs were equal Washington’s CAGW share of resources in the west control area.

Any REC purchases necessary for RPS compliance in excess of Washington’s CAGW share of resources in the west control area were reflected in Washington customers’ rates.<sup>4</sup> This treatment ensured that Washington customers received an allocation of costs and benefits of RECs proportionate to its share of costs for renewable resource reflected in rates.

In 2020, PacifiCorp used company-owned and contracted generation from the following resources in Wyoming to provide Washington with its full CAGW allocation:

- Top of the World
- Dunlap I
- Glenrock I
- Campbell Hill/Three Buttes
- Seven Mile Hill I
- Cedar Springs Wind I
- Cedar Springs Wind II
- High Plains
- Rolling Hills

Beginning January 1, 2021, Washington transitioned to a new cost allocation protocol – the Washington Inter-Jurisdictional Allocation Methodology (WIJAM). Under this protocol, Washington receives a system generation share of all system renewables, versus recognizing only west-side renewables under the former WCA.

Table 6 summarizes how PacifiCorp plans to supply Washington with its share of renewable generation in 2023.

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<sup>3</sup> RCW 19.285.030(12)(e)

<sup>4</sup> On February 9, 2017, in Docket No. UE-161067, the Washington Utilities and Transportation Commission approved PacifiCorp’s request seeking cost recovery for its 2016 unbundled REC purchase. On November 8, 2019, PacifiCorp submitted a petition for an order authorizing the company to defer costs associated with the purchase of unbundled RECs necessary for RPS compliance for calendar year 2020 (Docket No. UE-190929).



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

<b>COMPLIANCE RECs</b>	
<b>Target</b>	<b>628,503</b>
2023 Vintage (System Renewables)	716,670
2023 Vintage Multistate REC RFP Purchases	86,689
2024 Vintage (System Renewables)	0
2024 Vintage Multistate REC RFP Purchases	0
	<b>803,359</b>

\*see Attachment C, “(2)(a)(ii)Annual-2023, estimate” tab for detail.

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

### **Prior Year Progress**

As demonstrated in this report, PacifiCorp met its Washington 2022 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 2022 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 workpaper labeled WREGIS Certificates for Washington Compliance for 2022.

The company did not rely on any alternative compliance mechanisms to meet its renewable resource targets for 2022.

### **Current Year Progress**

PacifiCorp plans to meet its Washington 2023 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 2023.

### **Supporting Documents for Renewable Report**

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

## **List of Attachments**

Attachment A – Washington Utilities and Transportation Commission RPS Report Tool

Attachment B – PacifiCorp Description of Incremental Hydro Methodology and Oregon  
Department of Energy Correspondence on Updated Certification for Efficiency  
Upgrades at Eleven Hydropower Generating Units

Attachment C – PacifiCorp Incremental Cost Report