

July 10, 2015

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Steven V. King
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-151162—Revised 2015 Renewable Portfolio Standard Report
DO NOT REDOCKET**

On June 1, 2015, Pacific Power & Light Company, a division of PacifiCorp (Pacific Power or Company), submitted its 2015 Annual Renewable Portfolio Standard (RPS) Report to the Washington Utilities and Transportation Commission in accordance with RCW 19-285-040 and WAC 480-109-210(1).

The Company is submitting a Revised 2015 RPS Report which replaces the original report filed on June 1, 2015, in its entirety. The revised report includes a correction to Table 6, and an additional section describing the Company's renewable energy credit (REC) allocation methodology in accordance with WAC 480-109-210(2)(e)(i). Also included is a revised Confidential Workpaper 3, 2015 WA RPS Report – Cost Analysis to support the correction to Table 6. There are no changes to the attachments and other workpapers.

In compliance with RCW 19.285.070(3) and WAC 480-109-210(4), the Company will post the revised redacted version of the Renewable Report on its website to make the information available to customers.

Please direct informal questions to Ariel Son, Manager, Regulatory Projects, at (503) 813-5410.

Sincerely,



R. Bryce Dalley
Vice President, Regulation

Enclosures



Pacific Power & Light Company

Washington

Annual Renewable Portfolio Standard Report

June 1, 2015
Refiled July 10, 2015

TABLE OF CONTENTS

Introduction.....	2
Executive Summary	3
Annual Load for Previous Two Years and Renewable Energy Target.....	4
Renewable Energy Acquired to Meet Renewable Energy Target	5
Energy Independence Act (I-937) Commerce Renewable Report - 2015	8
Alternative Compliance	12
Resource Cost Compared to Annual Retail Revenue Requirement.....	13
Multistate Allocations.....	15
Prior Year Progress	16
Current Year Progress.....	17
Supporting Documents for Renewable Report	18
Listing of Attachments.....	19
Attachment A (Confidential) – Washington Utilities and Transportation Commission RPS Report Tool.....	19
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	19

Introduction

Pacific Power & Light Company, a division of PacifiCorp (PacifiCorp or Company) submits this 2015 Annual Renewable Portfolio Standard Report (Renewable Report) to the Washington Department of Commerce (Commerce) and Washington Utilities and Transportation Commission (WUTC or Commission) 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, in Docket UE-110523, Order 01 in Docket UE-120813, and Order 1 in Docket UE-140802.

This report demonstrates that PacifiCorp met the 2014 renewable energy target of acquiring three percent of the Company's Washington retail load with a combination of eligible renewable resources and renewable energy credits (RECs). This report also demonstrates that the Company is positioned to meet the 2015 renewable energy target with a combination of eligible renewable resources and RECs to supply at least three percent of its average Washington retail load.

Executive Summary

Under RCW 19.285.040(2)(a), each qualifying utility shall use eligible renewable resources, acquire equivalent RECs, or a combination of both, to meet annual targets. As demonstrated in this report, the Company met the targets in accordance with WAC 480-109-200(1)(a). The Company met the 2014 renewable energy target with a combination of eligible renewable resources and RECs and the Company is positioned to use eligible renewable resources and RECs to supply at least three percent of its Washington load to satisfy the 2015 renewable energy target. The Company plans to meet its 2015 renewable energy target with a combination of RECs from company-owned resources, REC purchases, and eligible renewable resources, including hydroelectric facilities that were upgraded after March 1999.

A summary of the Company's 2014 and 2015 renewable resource targets and eligible renewable resources and RECs are provided below:

Table 1

PacifiCorp Renewable Target, Eligible Resource and RECs		
	2014	2015
Average Retail Sales (MWh)	4,117,646	3,996,929
Percentage Target	3%	3%
Renewable Target	122,019	123,155
Qualifying Resources (MWh) & RECs	122,019	123,155

The Company does not intend to rely on any of the alternative compliance mechanisms provided in WAC 480-109-220 for meeting either the 2014 or 2015 renewable energy 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), a utility must calculate its annual target based on its average load for the previous two years. Accordingly, using the average of the Washington annual retail loads for the previous two years, Table 2 calculates the annual renewable targets for 2014 and 2015.

Table 2

Target Year 2014	
Prior Year Retail Sales (2012)	4,041,898 MWh
Prior Year Retail Sales (2013)	4,092,688 MWh
Average Retail Sales	4,067,293 MWh
Percentage Target	3%
Renewable Target	122,019 MWh/RECs
Target Year 2015	
Prior Year Retail Sales (2013)	4,092,688 MWh
Prior Year Retail Sales (2014)	4,117,646 MWh
Average Retail Sales	4,105,167 MWh
Percentage Target	3%
Renewable Target	123,155 MWh/RECs

Renewable Energy Acquired to Meet Renewable Energy Target

The Company met its 2014 renewable resource target and plans to meet its 2015 renewable resource target with a combination of RECs from company-owned and third-party wind facilities (Power Purchase Agreements) and eligible renewable resources such as hydroelectric facilities with upgrades completed after March 1999.

The Company is submitting the Commission's RPS Report Tool as Confidential Attachment A. The RPS Report Tool details the renewable resource target for 2014 and 2015 and the RECs and renewable resources to meet the 2014 and 2015 targets.

The Company will use RECs from the following Company-owned facilities or power purchase agreements:

Table 3

Resource Name	Fuel Source
Goodnoe Hills	Wind
Leaning Juniper	Wind
Marengo I	Wind
Marengo II	Wind
Top of the World	Wind

These five wind facilities, other than Top of the World, are located in the Pacific Northwest. Top of the World is located in Wyoming. Descriptions of the projects are referenced in the Supporting Documents for Renewable Report section of this report.

Additionally, the Company identified upgrades to hydroelectric facilities located in the Pacific Northwest that were completed after March 31, 1999, listed in Table 4 below.

Table 4

Resource Name	Fuel Source
Prospect 2	Water – Hydro Upgrade 1999
Lemolo 1	Water – Hydro Upgrade 2003
JC Boyle	Water – Hydro Upgrade 2005
Lemolo 2	Water – Hydro Upgrade 2009

The Company performed analyses to determine the incremental energy associated with upgrades to hydroelectric facilities, consistent with Method two, as identified in WAC 480-109-200(7)(c). The methodology is described in more detail in Attachment B. This methodology is consistent with the methodology the Company submitted to the Oregon Department of Energy to certify these facilities and calculate the percentage of the 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 Company is providing the analyses in Confidential Work Papers—PacifiCorp Hourly Incremental Hydro Analyses.

PacifiCorp has two contracts for REC-only transactions executed before January 1, 2012.¹ The counterparties have provided RECs from Washington RPS-eligible resources.

The Company also has executed power purchase contracts for the output from facilities owned by Grant County Public Utility District (PUD). Grant PUD has determined the average amount of incremental hydroelectric generation associated with the Wanapum Dam Future Unit Fish Bypass and the Priest Rapids Dam Top Spill for Fish Passage.

WAC 480-109-200(3) requires WREGIS registration of all eligible hydropower generation and all RECs used for utility compliance with the renewable resource target. As of the time of this report, Wanapum Dam and Priest Rapids Dam have not been registered in WREGIS. To the extent these resources are not registered in WREGIS and consistent with the Commission's newly-adopted rule, the Company will not use generation from these resources for compliance with its renewable resource target until these resources are registered in WREGIS. The Company is working with Grant PUD to encourage WREGIS registration of the aforementioned facilities.

Washington Senate Bill 5400 was passed in April 2013, allowing renewable resources located in states served by PacifiCorp to qualify as eligible to meet Washington's EIA. The Company is disclosing the renewable resources located in states served by PacifiCorp and situated outside the Northwest. PacifiCorp owns or has contracts with counterparties that own the renewable resources listed in Table 5. In the event of any shortfall in renewable energy generation in 2014 or future years, PacifiCorp may use RECs or renewable generation from these resources.

¹ One of the two contracts was executed for RECs used toward compliance years 2012 and 2013. The other provided RECs for compliance year 2014.

Table 5

Resource Name	Location	Type	Fuel Source
Campbell Hill-Three Buttes	Wyoming	PPA	Wind
Chevron Casper Wind Farm	Wyoming	PPA	Wind
Dunlap I	Wyoming	Utility Owned	Wind
Foote Creek I	Wyoming	Utility Owned	Wind
Glenrock Wind	Wyoming	Utility Owned	Wind
Glenrock Wind III	Wyoming	Utility Owned	Wind
High Plains	Wyoming	Utility Owned	Wind
McFadden Ridge	Wyoming	Utility Owned	Wind
Mountain Wind Power	Wyoming	PPA	Wind
Mountain Wind Power II	Wyoming	PPA	Wind
Rock River I	Wyoming	PPA	Wind
Rolling Hills Wind	Wyoming	Utility Owned	Wind
Seven Mile Hill Wind I	Wyoming	Utility Owned	Wind
Seven Mile Hill Wind II	Wyoming	Utility Owned	Wind
Top of the World	Wyoming	PPA	Wind
Pioneer	Utah	Utility Owned	Water – Hydro Upgrade 1999
Big Fork	Montana	Utility Owned	Water – Hydro Upgrade 2001
Oneida	Idaho	Utility Owned	Water – Hydro Upgrade 2004
Cutler	Utah	Utility Owned	Water – Hydro Upgrade 2007

In the following pages is the Company's report submitted to Commerce on June 1, 2015, that provides a summary of the forecasted number of megawatt-hours and RECs to meet the 2015 compliance target.

Energy Independence Act (I-937) Commerce Renewable Report - 2015

Energy Independence Act (EIA) Renewable Energy Report 2015

Utility	Pacific Power & Light Company
Report Date	June 1, 2015
Utility Contact Name/Dept	Natasha Siores
Phone	(503) 813-6583
Email	natasha.siores@pacifiCorp.com

Loads and Resources	
2013 Annual Load (MWh)	4,092,688
2014 Annual Load (MWh)	4,117,646
Average of 2013 & 2014 Annual Loads (MWh)	4,105,167
2015 Renewable Target (% of load)	3%
2015 Eligible Renewable Energy Target (MWh)	123,155
Eligible Renewables Acquisitions / Investments (MWh)	123,155

- 2015 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 - 2015	
Amount invested in incremental cost of eligible renewable resources and the cost of RECs	\$1,038,885
Total annual retail revenue requirement - 2015	\$328,641,634
Investment in renewables and RECs as a percent of retail revenue requirement	0.3%

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Water	Wind	Solar Energy	Geothermal Energy	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage	Biodiesel	Biomass Energy	Apprentice Labor	Distributed Generation
MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh equiv.	MWh equiv.
1,634	-	-	-	-	-	-	-	-	-	-
Renewable Energy Credits (MWh)	121,521	-	-	-	-	-	-	-	-	-
Total Renewables (MWh)	121,521	-	-	-	-	-	-	-	-	-

2015 Reporting Year:

This renewable energy report summarizes the eligible renewables resources and renewable energy credits (RECs) that the utility has acquired by January 1, 2015 for the purpose of meeting its Energy Independence Act (EIA) renewables target for 2015. The actual resources and RECs used to comply with the 2015 EIA target may vary from those reported here. Utilities will report in June of 2017 on the actual results for 2015.

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 2015 is 3% 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 2015 target year. Utilities that elect to use a compliance method based on renewable investments must provide additional information demonstrating compliance with that method.

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.

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

Renewable Energy Credits Utility Pacific Power & Light Company
 Compliance Year 2015

Facility Name	WREGIS ID	REC Year	Water	Wind	Solar Energy	Geothermal Energy	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass Energy	Apprentice Labor	Distributed Generation												
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)												
Water	Wind	Solar Energy	Geothermal Energy	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass Energy	Apprentice Labor	Distributed Generation	Water	Wind	Solar Energy	Geothermal Energy	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass Energy	Apprentice Labor	Distributed Generation				
MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh equiv.	MWh equiv.												
	Goodhoe Hills	W536	2014		17,392																				
	Leaning Juniper	W200	2014		17,270																				
	Marengo	W185	2014		29,478																				
	Marengo II	W772	2014		14,022																				
	Top of the World	W1749	2014		43,359																				

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

Utility	Pacific Power & Light Company
Target Year	2015

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

2015 revenue requirement is pro-rated from Dockets UE-130043 and UE-140762. For a description of incremental cost for resources, please refer to the renewable report for Pacific Power & Light Company, a division of PacifiCorp filed with the Washington Utilities and Transportation Commission on June 1, 2015.

Other notes and explanations:

- 2015 data is an estimate and subject to change.

Alternative Compliance

Under WAC 480-109-210(2)(b), the utility must state in its report if it is relying upon one of the alternative compliance mechanisms provided in WAC 480-109-220 instead of meeting its renewable resource target. The Company does not anticipate investing at least four percent of its total annual retail revenue requirement on the incremental costs of eligible renewable resources, RECs, or a combination of both.

Further, the Company does not plan to rely on any other alternative compliance mechanisms to meet its renewable resource targets for 2014 or 2015.

Resource Cost Compared to Annual Retail Revenue Requirement

Under RCW 19.285.070(1), a utility must report the percent 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 resources that do not qualify as eligible renewable resources, 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 RCW 19.285, the EIA, including the application of a new methodology for calculating incremental cost. The Company performed the incremental cost calculations as defined in WAC 480-109-210.

REC Costs for Wind Resources

The estimated cost of the RECs from renewable wind 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.²

REC Costs for REC-only Purchases

The cost of RECs from the 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 Energy from Incremental Hydro Upgrades

The incremental cost of the eligible incremental renewable energy from owned hydro and purchase power agreements is deemed to be zero.

The majority of the equipment replacements associated with the Company-owned hydroelectric facilities were made in conjunction with facility overhauls; the incremental cost associated with the equipment replacements is zero on the economic basis that the marginal cost of gaining output was less than the cost of an equivalent alternative. The upgrades to the hydroelectric facilities were economic decisions, as the upgrades were

² The cost of RECs from PacifiCorp's resource(s) located outside of the West Control Area are not included in Washington customers' rates. For illustrative purposes and to determine the ratio of incremental cost to revenue requirement, resource costs *outside* the West Control Area are calculated using the weighted average cost of the resources *within* the West Control Area (Goodnoe Hills, Leaning Juniper, Marengo I and Marengo II).

made to increase efficiency and to prevent forced outages from old and less reliable equipment. As such, the Company would have made the upgrades regardless of the RPS requirement.

Confidential Work Papers—PacifiCorp 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 2014 and 2015.

Revenue Requirement

The revenue requirement amounts are from recent general rate cases. The 2014 revenue requirement is \$321,059,953 from Docket UE-130043, and the 2015 revenue requirement is \$328,641,634,³ prorated from Dockets UE-130043 and UE-140762.

Resource Costs Compared to Revenue Requirement

Table 6 shows the expected Washington-allocated resource costs (incremental cost of eligible renewable resources and the cost of RECs) compared to the annual revenue requirement for 2014 and 2015.

Table 6

Calendar Year	Total Washington Allocated Resource Costs	Washington Annual Revenue Requirement	% of Washington Expected Allocated Resource Costs to Annual Revenue Requirement
2014	\$ 2,108,074	\$321,059,953	0.66%
2015	\$ 1,038,885	\$328,641,634	0.32%

Based on this analysis, the Company will not exceed the four percent threshold.

³ Rates approved in Docket No. UE-130043 in effect through March 30, 2015: \$321,059,953 *3/12 = \$80,264,988 plus the rates approved in Docket No. UE-140762 in effect from March 31, 2015, forward: \$331,168,861 *9/12 = \$248,376,646.

Multistate Allocations

Under WAC 480-109-210(e)(i), a utility serving retail customers in more than one state must allocate certificates consistent with the utility's most recent commission-approved interstate cost allocation methodology. This section explains how the Company applied the allocation methodology to arrive at the number of RECs allocated to Washington ratepayers.

PacifiCorp is a multijurisdictional utility providing electric retail service to approximately 1.8 million customers in California, Idaho, Oregon, Utah, Washington, and Wyoming. Of those customers, the Company serves approximately 133,000 customers located in the state of Washington.

PacifiCorp allocates RECs to its states consistent with the inter-jurisdictional allocation methodologies approved in each state. PacifiCorp's Washington customers receive a Control Area Generation West (CAGW) share, approximately 22 percent, of RECs generated from eligible resources, calculated using the West Control Area inter-jurisdictional allocation methodology (WCA), which was approved by the Commission in Docket No. UE-061546, Order 08 in June 2007. The actual resources used to fulfill Washington's CAGW share may include RECs from resources located in any of PacifiCorp's jurisdictions, but will equal Washington's CAGW share of WCA resources. This treatment ensures that Washington customers receive an allocation of RECs proportionate to its share of renewable resource costs reflected in rates.

PacifiCorp follows the Western Renewable Energy Generation Information System (WREGIS) and state renewable portfolio standards (RPS) requirements to ensure that under no circumstances are any RECs double-counted.

Prior Year Progress

As evidenced in this report, the Company met its Washington 2014 renewable compliance target with a combination of RECs from eligible renewable resources, unbundled REC purchases and renewable energy from hydroelectric facilities with upgrades completed after March 1999. The Company has set aside the WREGIS certificates for the 2014 compliance target and upon Commission approval, the Company will retire these WREGIS certificates. The Company is providing a listing of the WREGIS certificates in Confidential Work Papers—WREGIS Certificates for Washington Compliance for 2014.

The Company will invest less than four percent of its total annual retail Washington revenue requirement on the incremental costs of eligible renewable resources, RECs, or a combination of both for 2014.

Further, the Company does not rely on any other alternative compliance mechanisms to meet its renewable resource targets for 2014.

Current Year Progress

The Company is positioned to meet its Washington 2015 renewable compliance target with a combination of RECs from eligible renewable resources, and renewable energy from hydroelectric facilities with upgrades completed after March 1999. The Company has also identified, to date, the WREGIS certificates that it intends to use toward the 2015 compliance target. The Company is providing a listing of the WREGIS certificates in Confidential Work Papers—WREGIS Certificates for Washington Compliance for 2015.

The Company will invest less than four percent of its total annual retail Washington revenue requirement on the incremental costs of eligible renewable resources, RECs, or a combination of both for 2015.

Further, the Company does not rely on any other alternative compliance mechanisms to meet its renewable resource targets for 2015.

Supporting Documents for Renewable Report

Provided below are links to supporting documents in support of the Company's Renewable Report.

1. Wind Project Fact Sheets/Information

Goodnoe Hills

http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/EnergyGeneration_FactSheets/PP_GFS_Goodnoe_Hills.pdf

Leaning Juniper

http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/EnergyGeneration_FactSheets/PP_GFS_Leaning_Juniper.pdf

Marengo

http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/EnergyGeneration_FactSheets/PP_GFS_Marengo.pdf

Marengo II

http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/EnergyGeneration_FactSheets/PP_GFS_Marengo_II.pdf

Top of the World

<http://www.pacificorp.com/es/re/totw.html>

2. Collaborative group documents from workshops conducted at the Commission and through a number of multiple issues-specific teleconference meetings, filed in Docket UE-110523.

<http://www.utc.wa.gov/docs/Pages/DocketLookup.aspx?FilingID=110523>

Listing of Attachments

Attachment A (Confidential) – 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