

Agenda Date: June 25, 2015  
Item Number: A2

**Docket:** UE-131063  
Company: Pacific Power & Light Company

Staff: Jeremy Twitchell, Regulatory Analyst

### **Recommendation**

Issue an Order in Docket UE-131063 finding:

- (1) Pacific Power & Light Company complied with the final renewable portfolio standard reporting requirements in Order 01 of this docket.
- (2) Pacific Power & Light Company's petition to count 631 megawatt-hours of Wanapum Dam generation towards its 2013 RPS target is granted.
- (3) Pacific Power & Light Company has generated or acquired 120,716 megawatt-hours of eligible renewable energy generation for the purpose of 2013 compliance, and retired corresponding certificates for those resources registered in WREGIS.
- (4) Pacific Power & Light Company has complied with its 2013 renewable energy target as required by RCW 19.285.040(2)(a)(i).

### **Background**

The Washington Utilities and Transportation Commission (commission) issued Order 01 in this docket on Sept. 9, 2013, which approved Pacific Power & Light Company's (Pacific Power or company) calculation of its 2013 renewable energy target as 120,716 megawatt-hours. In that order, the commission also adopted a "two-step" process for determining compliance with the renewable portfolio standard (RPS) requirements within the Energy Independence Act (EIA).

Under the two-step process, each utility is expected to file an initial report each year to calculate its renewable energy target for that year and demonstrate that it has acquired or contracted to acquire enough renewable energy credits (RECs) or eligible generation to meet that target. Then no later than June 1 two years after the target year, the utility must file a report with the commission that shows the specific resources that it used for compliance and the quantity of RECs or eligible generation from each resource.

On March 13, 2015, the commission adopted new rules for EIA enforcement in regard to the state's investor-owned utilities. The new rule, codified in WAC 480-109, was adopted after an in-depth and iterative public process that included multiple rounds of input from commission staff, utilities, and other stakeholders. The rule formalized the commission's two-step process in WAC 480-109-210 and imposed additional RPS reporting requirements on the state's investor-owned utilities.

The rule also created a requirement in WAC 480-109-200(3) that all renewable generation used by an investor-owned utility for RPS compliance be registered in the Western Renewable Energy

Generation Information System (WREGIS), and that corresponding certificates be retired in WREGIS. WREGIS is the tracking facility selected by the Washington State Department of Commerce pursuant to RCW 19.285.030(20).

**Discussion**

On May 31, 2015, Pacific Power filed a final RPS compliance report pursuant to WAC 480-109-210(6). The filing included documentation that the company had generated or acquired 120,717 MWh of eligible renewable energy for its 2013 RPS target. Pacific Power’s resource mix consists of company-owned and third-party hydropower facilities that generate incremental hydropower under RCW 19.285.030(12)(b), company-owned wind resources and unbundled RECs purchased from a wind facility in Idaho.

The following table summarizes the resources that Pacific Power used for 2013 RPS compliance:

<b>Facility Name (Location)</b>	<b>Resource Type</b>	<b>Vintage</b>	<b>Amount (MWh)</b>	<b>Facility On-Line Date</b>	<b>Ownership/ Contract</b>
Goodnoe Hills (Goldendale, WA)	Wind	2012	17,609	05/31/2008	Company- owned
Leaning Juniper (Arlington, OR)	Wind	2012	15,200	09/14/2006	Company- owned
Marengo I (Dayton, WA)	Wind	2012	28,558	08/01/2007	Company- owned
Marengo II (Dayton, WA)	Wind	2012	14,136	06/28/2008	Company- owned
Tuana Springs (Twin Falls Cnty, ID)	Wind	2012/2013	43,002	05/14/2010	Unbundled REC purchase
Prospect 2 (Rogue River, OR)	Water (Incremental Hydro)	2013	293	Upgrade 1999	Company- owned
Lemolo 1 (N. Umpqua R., OR)	Water (Incremental Hydro)	2013	997	Upgrade 2003	Company- owned
Lemolo 2 (N. Umpqua R., OR)	Water (Incremental Hydro)	2013	102	Upgrade 2009	Company- owned
J.C. Boyle (Klamath R., OR)	Water (Incremental Hydro)	2013	189	Upgrade 2005	Company- owned
<b>Subtotal, WREGIS resources:</b>					<b>120,086</b>

Wanapum Fish Bypass (Columbia R., WA)	Water (Incremental Hydro)	2013	631	Upgrade 2008	Contract w/ Grant Cnty PUD
Subtotal, non-WREGIS resources:					631
Total MWh + RECs Acquired:					120,717
2013 Target (MWh):					120,716

The report also included 631 MWh of incremental hydropower that the company acquired from Wanapum Dam, an upgraded hydropower facility owned by Grant County Public Utility District. That generation had also been included in the company's initial 2013 RPS report, which the commission approved. Grant County has not registered Wanapum Dam in WREGIS.

In its order adopting the rules in 480-109, the commission acknowledged that there was little time between the adoption of the rules and the deadline for final 2013 RPS compliance reports. The commission therefore said that it would allow utilities to request a waiver of the WREGIS requirement if they were using a resource for 2013 RPS compliance that was not registered in WREGIS, provided that the utility could document why it was unable to register the resource.

Pacific Power included such a waiver request in its filing, and stated that the Company continues to work with Grant County to get Wanapum Dam registered in WREGIS. The Company also provided documentation of its contract with Grant County and Pacific Power's allocation of Wanapum Dam's incremental hydropower generation. Staff believes that the company has provided proper documentation to support the waiver as directed by the commission in the EIA rule adoption order.

**Conclusion**

Staff recommends that the commission issue an order in Docket UE-131063 as described in the recommendation section above.