



UE-210829

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January 11, 2024

### **SENT VIA WUTC WEB PORTAL**

Kathy Hunter  
Acting Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

Re: ***PacifiCorp d/b/a Pacific Power and Light Company Biennial Clean Energy Implementation Plan Update, Docket UE-210829***

Dear Acting Director Hunter:

The Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel) respectfully submits these comments in response to the November 9, 2023, Notice of Opportunity to File Written Comments regarding PacifiCorp's d/b/a Pacific Power and Light Company (PacifiCorp or Company) Biennial Clean Energy Implementation Plan (CEIP) Update. The Company filed their Biennial CEIP Update on November 1, 2023, as required by WAC 480-100-640(11).

In evaluating PacifiCorp's biennial CEIP update, Public Counsel reviewed the relevant regulations and the conditions list approved by the Commission in the order approving the PacifiCorp CEIP Settlement Agreement.<sup>1</sup> WAC 480-100-640(11) specifies that the biennial CEIP update "may be limited to the biennial conservation plan requirements under chapter 480-109 WAC." It should "include an explanation of how the update will modify targets in its CEIP" and may include "other proposed changes to the CEIP" resulting from the integrated resource plan (IRP) progress report.<sup>2</sup> The Settlement Agreement included a list of 50 conditions that PacifiCorp agreed to comply with for future CEIP filings, mainly in the 2024 filing and the 2025 CEIP. The Settlement Agreement specified that the Company should be allowed to "update these [interim] targets as necessary in the 2023 Biennial CEIP Update."<sup>3</sup>

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<sup>1</sup> *In re PacifiCorp Revised Clean Energy Implementation Plan*, Docket UE-210829, Final Order 06 (Oct. 25, 2023) (hereinafter *PacifiCorp CEIP*).

<sup>2</sup> WAC 480-100-640(11).

<sup>3</sup> *PacifiCorp CEIP*, App'x A at 11-12.

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PacifiCorp's biennial CEIP update includes chapters on the Company's interim and specific targets, development of customer benefit indicators, specific actions, and incremental costs. Public Counsel's comments on each chapter are discussed below.

***Public Counsel's Recommendation:***

Public Counsel recommends that the Utilities and Transportation Commission require that PacifiCorp provide a schedule and status update to their All Source Request For Proposals by March 31, 2024.

### **Interim and Specific Targets**

In the Company's initial CEIP, their proposed interim targets had "forecasted that the Company would serve 60 percent of Washington retail sales with renewable and non-emitting energy by the end of 2025."<sup>4</sup> For this Biennial CEIP Update, the Company now forecasts that "33 percent of Washington retail sales will be met with renewable and non-emitting energy by the end of 2025."<sup>5</sup> The Company offers a number of factors that have influenced the dramatic shift in their target forecast, including (1) a delay in reaching an agreement for a new multi-state cost-allocation method; (2) new "resources may not be constructed and online in 2025;" (3) uncertainty around short-term contracts options in 2025 because of "growing demand for CETA qualifying resources;" (4) impacts on rates from "high energy market prices;" and (5) "resource repricing during procurement."<sup>6</sup>

Though Public Counsel understands the reasons that PacifiCorp provided for the downward adjustment of its interim targets, we remain concerned about the Company's progress toward meeting CETA's requirement of 80 percent of retail sales of electricity be renewable or non-emitting energy by 2030.<sup>7</sup> Notably, the Company cites delays in resource procurement and growing demand for CETA resources as some of the drivers in the reduction of interim targets, but it indefinitely suspended its 2022 All Source Request for Proposals (RFP)<sup>8</sup> that would presumably fill some of these gaps. The Company's September 29, 2023 letter identifies several reasons for the All Source RFP's suspension, including (1) a federal court's stay of the proposed ozone transport rule from the US Environmental Protection Agency (EPA); (2) an EPA rulemaking on greenhouse gas emissions that is ongoing; (3) wildfire risks and liabilities across

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<sup>4</sup> PacifiCorp Biennial CEIP at 5 (Nov 1, 2023).

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* at 6.

<sup>7</sup> RCW 19.405.040.

<sup>8</sup> PacifiCorp Letter Update to the 2022 All Source Request at 1, *In re PacifiCorp Ord. Approving Proposed Request for Proposals*, Docket UE-210979 (Sept. 29, 2023).

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PacifiCorp's service territory; and (4) changing extreme weather risks that impact the Company's operations and resource requirements.<sup>9</sup>

Public Counsel understands that uncertainty exists and there are a number of important factors to consider before resuming the Company's All Source RFP, but we strongly encourage the Company to resume this process as soon as possible to maintain the Company's ability to meet the interim targets in the Biennial CEIP Update. We also recommend that the Washington Utilities and Transportation Commission (UTC or Commission) require that PacifiCorp provide a schedule and status update to their All Source RFP by March 31, 2024.

### **Customer Benefit Indicators**

PacifiCorp addresses a number of updates and changes they made to the Biennial CEIP Update related to their customer benefit indicators (CBIs). These changes included adding directionality to the CBIs, clarifying units for metrics, and adding metrics to be evaluated.<sup>10</sup> Public Counsel appreciates these updates and changes, which provide clarity and will assist with evaluation of the CBIs as the Company prepares their 2025 CEIP.

### **Specific Actions**

The Company addresses their incremental energy efficiency actions for the the next two years, which are consistent with the 2024–2025 Demand Side Management (DSM) business plan and provides updates on demand response programs and public participation efforts.<sup>11</sup> Public Counsel is satisfied with the Company's DSM business plan and encouraged by PacifiCorp's efforts to increase delivery of programs to highly impacted communities and vulnerable populations. We also appreciate the Company's efforts to expand communications via their multicultural campaigns.

### **Incremental Costs**

PacifiCorp has included a detailed discussion of the Company's incremental cost calculation for 2022–2025 and updated information for 2023–2025. The Company determines an average annual incremental cost of \$1.35 million,<sup>12</sup> which is lower than the alternative compliance threshold. Public Counsel does not have concerns with PacifiCorp's calculations.

Public Counsel appreciates the opportunity to submit these comments. We look forward to continued collaboration with PacifiCorp, members of the Company's advisory groups, other

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<sup>9</sup> *Id.*

<sup>10</sup> PacifiCorp Biennial CEIP at 14.

<sup>11</sup> *Id.* at 17–18.

<sup>12</sup> *Id.* at 36.

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interested parties, and the general public. If you have any questions about this filing, please contact Stephanie Chase at (206) 521-3212 or via e-mail at [Stephanie.Chase@ATG.WA.GOV](mailto:Stephanie.Chase@ATG.WA.GOV).

Sincerely,

/s/ *Ann Paisner*  
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