

December 30, 2016

***VIA ELECTRONIC FILING***

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:** **Advice 16-06—Schedule 37—Avoided Cost Purchases from Cogeneration and Small Power Purchases**

Pacific Power & Light Company (Pacific Power or Company), a division of PacifiCorp, submits proposed tariffs applicable to Pacific Power’s electric service in the state of Washington in compliance with RCW 80.28.050, WAC 480-107-095, and the Washington Utilities and Transportation Commission’s (Commission) Rules and Regulations. The Company respectfully requests an effective date of February 15, 2017.

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| --- | --- | --- |
| Sixth Revision of Sheet No. 37.2 | Schedule 37 | Avoided Cost Purchases from Cogeneration and Small Power Production |

The Company’s current avoided cost prices and Schedule 37 became effective on February 15, 2016. This filing updates the Company’s estimated avoided cost prices and Schedule 37 using updated inputs to the Generation and Regulation Initiative Decision (GRID) model. Recognizing the Commission’s intent to resolve issues related to capacity payments through a generic investigative proceeding, the Company and Staff have agreed to include a separate capacity payment based on one-fourth the cost of a simple cycle combustion turbine (SCCT) in accordance with the Company’s previously used methodology. The Company is committed to working with Staff and stakeholders on avoided cost calculation methodologies with “an eye to bringing forward a proposed avoided cost that will not lead to protracted litigation.”[[1]](#footnote-1)

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to:

By e-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah, Suite 2000

Portland, Oregon, 97232

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

Sincerely,



R. Bryce Dalley

Vice President, Regulation

Enclosures

Attachment A: Summary of the Company’s Avoided Cost Calculation Methodology

Attachment B: Summary Page of Tariffs

Attachment C: Proposed Tariff Schedule 37

cc: Irion Sanger, REC

**ATTACHMENT A**

**ATTACHMENT B**

**ATTACHMENT C**

1. Order No. 04 at ¶ 30. [↑](#footnote-ref-1)