

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PACIFICORP, d/b/a PACIFIC POWER &  
LIGHT COMPANY'S

Renewable Energy Target Progress  
Report under RCW 19.285.070 and  
WAC 480-109-210

DOCKET UE-200506

ORDER 01

APPROVING COMPLIANCE WITH  
ELIGIBLE RENEWABLE ENERGY  
TARGET REPORTING REQUIREMENTS  
FOR 2020

**BACKGROUND**

- <sup>1</sup> The Energy Independence Act (EIA or Act)<sup>1</sup> requires qualifying electric utilities to obtain certain percentages of their electricity from eligible renewable resources. The Washington Utilities and Transportation Commission (Commission) enforces compliance with the EIA by investor-owned utilities.<sup>2</sup> Ultimately, the Commission must determine “whether the utility has generated, acquired or arranged to acquire enough renewable energy credits or qualifying generation to comply with its renewable resource target.”<sup>3</sup>
- <sup>2</sup> The Commission has implemented these requirements by establishing a two-step compliance process.<sup>4</sup> Because a utility may comply with its renewable portfolio standards (RPS) obligation by using renewable energy credits (RECs) acquired in the year after the target year, ultimate compliance for 2020, for example, may be demonstrated as late as June 1, 2022. Accordingly, there will be two Commission decisions for each year’s compliance: (1) a determination that the Company has enough resources to meet the 15 percent target; and (2) the retrospective compliance decision.
- <sup>3</sup> The filing before the Commission is the initial resource-adequacy filing made by PacifiCorp, d/b/a Pacific Power & Light Company (PacifiCorp or Company) for its 2020 obligation. The Commission will consider PacifiCorp’s compliance with its 2020 target when PacifiCorp requests such a finding. The Company must make this request through a filing in this docket no later than June 1, 2022.

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<sup>1</sup> Chapter 19.285 RCW.

<sup>2</sup> RCW 19.285.060(6).

<sup>3</sup> WAC 480-109-210(3)(b).

<sup>4</sup> WAC 480-109-210(1) and (6).

4 On June 1, 2020, PacifiCorp filed with the Commission its 2020 RPS Report, which identified a 2020 target of 607,028 megawatt-hours (MWh). On July 20, 2020, PacifiCorp filed a revised report. This re-filing included additional documentation for the facilities the Company is requesting the Commission approve as eligible and clarified the vintages of RECs expected to meet the 2020 target. Table 1, below, summarizes PacifiCorp's 2020 target and the total amount of resources that the Company had acquired by January 1, 2020:

**Table 1: PacifiCorp's 2020 Renewable Resource Target and Compliance Plan**

<b>2020 Target (MWh)</b>	<b>Incremental Hydro (MWh)</b>	<b>Wind (MWh)</b>	<b>Purchased RECs (unbundled)</b>	<b>Total Resources in 2020 (MWh)</b>
607,028	1,582	424,936	180,510	607,028

5 PacifiCorp seeks an order from the Commission confirming that the Company has complied with the Commission's EIA reporting requirements and accepting the Company's calculations and eligibility of the renewable resources identified in the RPS Report for 2020.

6 On June 4, 2020, the Commission issued a Notice inviting interested persons to file written comments on PacifiCorp's RPS Report. During the comment period, the Commission received written comments from Commission staff (Staff) and written comments from the NW Energy Coalition (NVEC). NVEC's comments indicated its support for PacifiCorp's petition for an incremental cost waiver, which is described below in paragraph ten. NVEC also thanked the Company for redacting less information in its 2020 RPS plan report compared to previous years, resulting in a more transparent report.

7 Based on the information that the Company provided in its RPS Report and supplemental filing, Staff believes that PacifiCorp correctly calculated its 2020 RPS target, and that it has acquired sufficient resources to meet that target.

8 PacifiCorp intends to use unbundled RECs from two new solar facilities located in Utah:

- 1 Granite Mountain East.
- 2 Granite Mountain West.

- 9 The Commission has not yet explicitly approved use of these two facilities. Staff recommends that the Commission approve the eligibility of the facilities listed above because the RPS allows PacifiCorp to use resources located in Utah and Wyoming, where it has retail customers, if the Company owns or contracts with those resources for electricity. PacifiCorp is the only company eligible to use resources in these two states for compliance.<sup>5</sup>
- 10 PacifiCorp is requesting permission to adjust its one-time incremental cost calculation at the time of resource acquisition requirement set forth in WAC 480-109-210(2)(a)(i). The waiver asks permission to use an updated incremental cost calculation for certain wind facilities re-powered by January 1, 2020. Additionally, PacifiCorp asks to use its 2019 integrated resource plan *progress report* for the re-powered Goodnoe Hills facility capacity value.<sup>6</sup> Relevant stakeholders, including NWECA, the Public Counsel Unit of the Washington State Attorney General’s Office, Avista Corporation, and Puget Sound Energy, join Staff supporting this petition.
- 11 Commission rules require the Company to document its use of renewable resources under various renewable energy programs in its annual report. This information needs to be updated for final compliance, and Staff asks the Commission to require PacifiCorp to do so, listing details about program usage in the final 2020 compliance report, allowing Staff to determine whether its resources meet EIA requirements.
- 12 Staff recommends that the Commission issue an order in this docket determining that: (1) the 2020 renewable energy target for PacifiCorp is 607,028 MWh; (2) PacifiCorp has demonstrated that, by January 1, 2020, the Company acquired at least 607,028 MWh of eligible renewable resources, equivalent RECs, or a combination of the two, sufficient to supply at least 15 percent of its load for 2020; (3) PacifiCorp has complied with the June 1, 2020, reporting requirements pursuant to WAC 480-109-210; (4) Granite Mountain East and Granite Mountain West are eligible for PacifiCorp’s RPS compliance; (5) PacifiCorp is granted permission to adjust its one-time incremental cost calculation as the Company has requested; and (6) PacifiCorp must provide details about which certificates were used for its various renewable energy programs.

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<sup>5</sup> RCW 19.285.030(12)(e) and (20).

<sup>6</sup> WAC 480-109-210(2)(a)(i)(B) determines the eligible resource capacity value from the “utility’s most recent integrated resource plan acknowledged by the commission.”

**DISCUSSION**

13 The Commission accepts PacifiCorp’s calculation of 607,028 MWh as the Company’s renewable energy target for 2020 and determines that PacifiCorp has identified sufficient resources to be able to meet that target. The Commission will make its final determination about whether PacifiCorp has met its 2020 target when the Company requests such a finding, no later than June 1, 2022. To assist Staff with determining whether PacifiCorp’s resources meet EIA eligibility requirements, PacifiCorp must provide details about which certificates were used for its various renewable energy programs, as required by WAC 480-109-210(2)(d)(i), in its final compliance report for 2020.

14 The Commission may grant an exemption from, or modify the application of, any of its rules in individual circumstances if the exemption or modification is consistent with the public interest, the purposes underlying regulation, and applicable statutes.<sup>7</sup> We determine that granting the requested waiver meets each of these requirements. The Commission further finds that it is in the public interest to grant PacifiCorp’s petition for a waiver of WAC 480-109-210(2)(a)(i) to amend its incremental cost calculation and use information from the 2019 progress report in its calculations.

**FINDINGS AND CONCLUSIONS**

- 15 (1) The Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, regulations, practices, and accounts of public service companies, including electric companies.
- 16 (2) PacifiCorp is an electrical company and a public service company subject to Commission jurisdiction.
- 17 (3) PacifiCorp serves more than 25,000 customers within the State of Washington and is a “qualifying utility” within the meaning of RCW 19.285.030(19).
- 18 (4) PacifiCorp has properly calculated its renewable energy target for 2020 to be 607,028 MWh.
- 19 (5) By January 1, 2020, PacifiCorp had acquired sufficient eligible renewable resources to supply at least 15 percent of its load for the remainder of 2020.
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- 20 (6) Granite Mountain East and Granite Mountain West are eligible for PacifiCorp's RPS compliance.
- 21 (7) PacifiCorp is subject to WAC 480-109-210(2)(a)(i), which requires qualifying utilities to make a one-time calculation of incremental cost for each eligible resource at the time of acquisition or, for historic acquisitions, the best information available at the time of the acquisition.
- 22 (8) Under WAC 480-109-030, the Commission may grant an exemption from the provisions of any rule in WAC 480-109 if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes. *See also* WAC 480-07-110.
- 23 (9) After reviewing PacifiCorp's Petition filed in Docket UE-200506 on June 1, 2020 and giving due consideration, the Commission finds that the requested exemption is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should be granted.
- 24 (10) PacifiCorp has met the reporting requirements of RCW 19.285.070 and WAC 480-109-210. These reporting requirements include PacifiCorp's plan for meeting its RPS obligation for the remainder of 2020.
- 25 (11) Pursuant to WAC 480-109-210(4), PacifiCorp must provide a summary of its RPS Report to its customers, by bill insert or other suitable method, within 30 days of the date of this Order.
- 26 (12) Pursuant to WAC 480-109-210(6), PacifiCorp must file a report no later than June 1, 2022, that lists the certificate numbers in WREGIS for every megawatt-hour and renewable energy credit that PacifiCorp retired to meet the January 1, 2020, target.

**ORDER**

**THE COMMISSION ORDERS:**

- 27 (1) The Commission accepts the calculation of 607,028 MWh as the 2020 renewable energy target for PacifiCorp., d/b/a Pacific Power & Light Company.
- 28 (2) PacifiCorp., d/b/a Pacific Power & Light Company has identified eligible renewable resources sufficient to supply at least 15 percent of its load for 2020.

- 29 (3) Granite Mountain East and Granite Mountain West are eligible for PacifiCorp's  
RPS compliance.
- 30 (4) PacifiCorp., d/b/a Pacific Power & Light Company's Petition for an exemption  
from WAC 480-109-210(2)(a)(i) is granted.
- 31 (5) PacifiCorp., d/b/a Pacific Power & Light Company has complied with the June 1,  
2020, reporting requirements pursuant to WAC 480-109-210.
- 32 (6) PacifiCorp., d/b/a Pacific Power & Light Company's final compliance report must  
list certificate numbers for every renewable energy credit that PacifiCorp, d/b/a  
Pacific Power & Light Company retired in the Western Renewable Energy  
Generation Information System and details about which certificates were used for  
its voluntary renewable energy programs in 2020.
- 33 (7) The Commission Secretary is authorized to accept or approve a filing that  
complies with the requirements of this Order.
- 34 The Commissioners, having determined this Order to be consistent with the public  
interest, directed the Secretary to enter this Order.

Dated at Lacey, Washington, and effective September 10, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON  
Executive Director and Secretary