

Designated Information is Confidential per WAC 480-07-160

Energy Independence Act (I-937) Report Workbook
Published 3/31/2017

Deadline: June 1, 2017

Submission: Email this workbook and all supporting documentation to EIA@commerce.wa.gov

Questions: Glenn Blackmon, State Energy Office, (360) 725-3115, glenn.blackmon@commerce.wa.gov

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RCW 19.285.070

Reporting and public disclosure.

(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. For each year that a qualifying utility elects to demonstrate alternative compliance under RCW [19.285.040](#)(2)(d) or (i) or [19.285.050](#)(1), it must include in its annual report relevant data to demonstrate that it met the criteria in that section. A qualifying utility may submit its report to the department in conjunction with its annual obligations in chapter [19.29A](#) RCW.

(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.

(3) A qualifying utility shall also make reports required in this section available to its customers.

WAC 194-37-060

Conservation reporting requirements.

Each utility shall submit an annual conservation report to the department by June 1st using a form provided by the department. The conservation report must show the utility's progress in the preceding year in meeting the conservation targets established in RCW [19.285.040](#) and must include the following:

(1) The total electricity savings and expenditures for conservation by the following sectors: Residential, commercial, industrial, agricultural, distribution system, and production system. A utility may report results achieved through nonutility programs, as identified in WAC [194-37-080](#)(5), by program, if the results are not included in the reported results by customer sector. Reports submitted in odd-numbered years must include an estimate of savings and expenditures in the prior year. Reports submitted in even-numbered years must include the amount of savings and expenditures in the prior two years. All savings must be documented pursuant to WAC [194-37-080](#).

(2) A brief description of the methodology used to establish the utility's ten-year potential and biennial target to capture cost-effective conservation.

(3) In even-numbered years the report must include the utility's ten-year conservation potential and biennial targets established pursuant to WAC [194-37-070](#).

WAC 194-37-110

Renewable resource energy reporting.

Each utility must submit a renewable resource energy report to the department by June 1st of each year using a form provided by the department. The report must reflect the actions that the utility took by the previous January 1st to meet the renewable requirements of chapter [19.285](#) RCW for that year. For example, a utility must report by June 1, 2015, the actions it took by January 1, 2015, to meet requirements applicable to the 2015 target year.

(1) **Reporting requirements applicable to all utilities.** Each utility must report the following information:

(a) The compliance method:

(i) Renewable energy target using renewable resources and RECs – RCW [19.285.040](#) (2)(a);

(ii) Incremental cost – RCW [19.285.050](#); or

(iii) No-growth cost – RCW [19.285.040](#) (2)(d).

(b) The utility's load for the two years preceding the target year and the average load for those two years.

(c) The utility's renewable energy target for the target year.

(d) The amount of eligible renewable resources, RECs, and multiplier credits to be applied toward the utility's renewable energy target for the target year. The report must identify, by generating facility or hydroelectric project, including the WREGIS generating unit identification where applicable, and, in the case of RECs, by vintage year:

(i) The eligible renewable resources in megawatt-hours to be applied toward the renewable energy target for the target year;

(ii) The RECs to be applied toward the renewable energy target for the target year;

(iii) Any additional credit for eligible renewable resources or RECs from generating facilities eligible for the apprentice labor provision in RCW [19.285.040](#) (2)(h), applied toward the renewable energy target for the target year;

(iv) Any additional credit for RECs from generating facilities eligible for the distributed generation in RCW [19.285.040](#) (2)(b), applied toward the renewable energy target for the target year.

(e) 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. Each utility must include in its report documentation of the calculations and inputs to this amount.

(2) **Incremental cost compliance method report.** Each utility reporting pursuant to subsection (1)(a) of this section its use of the incremental cost compliance method for the target year must include the following information in its report:

(a) Annual revenue requirement for the target year;

(b) The annual levelized delivered cost of its eligible renewable resource(s) reported separately for each resource;

(c) The annual levelized delivered cost of its substitute resources and the eligible renewable resource with which it is being compared;

(d) The total cost of renewable energy credits to be applied in the reporting year;

(e) The percentage of its annual revenue requirement invested in the incremental cost of eligible renewable resources and the cost of RECs; and

(f) The most current information required by WAC [194-37-160](#) used for this financial demonstration.

(3) **No-growth cost compliance method report.** Each utility reporting pursuant to subsection (1)(a) of this section its use of the no-growth cost compliance method for the target year must include the following information in its report:

(a) Annual revenue requirement for the target year;

(b) Actual and weather-adjusted load for each year used in determining that the utility's load did not increase;

(c) Delivered cost of its eligible renewable resource(s), RECs or a combination of both for the target year to be applied to the one percent of annual revenue requirement, reported separately for each resource;

(d) Generating facility identification, vintage, quantity and cost of any RECs to be retired as an offset for nonrenewable resource purchases pursuant to RCW [19.285.040](#) (2)(d).

(4) **Final compliance report.** A utility must submit a final renewable compliance report by the later of (a) two years after the filing of the report required in subsections (1) through (3) of this section; or (b) ninety days after the issuance of the auditor's report for the target year. The final renewable compliance report must provide an update of any revisions to the information

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RENEWABLE ENERGY WORKSHEET – REVISIONS TO 2015 REPORT

In addition to submitting the 2017 report, each qualifying utility should review the renewable energy report it submitted in 2015. In many cases, the specific resources and quantities actually used to comply with the 2015 target differ from what the utility reported in June 2015. Utilities should submit a revised 2015 report if the actual values differ from the values reported in 2015.

WAC 194-37-110(4): Final compliance report. A utility must submit a final renewable compliance report by the later of (a) two years after the filing of the report required in subsections (1) through (3) of this section; or (b) ninety days after the issuance of the auditor's report for the target year. The final renewable compliance report must provide an update of any revisions to the information previously reported pursuant to this section or, if no revisions were made, notify the department that the initial report should be considered the final report.

Please use the 2015 template and mark it as "revised." Contact Commerce to obtain a copy of the 2015 reporting template if necessary.

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Energy Independence Act (I-937) Conservation Report 2017

| | |
|-------------------|--|
| Utility | Pacific Power & Light Company |
| Report Date | May 18, 2017 |
| Contact Name/Dept | Cory Scott |
| Phone | 503-813-6011 |
| Email | Cory.Scott@Pacifcorp.com |

| Planning | |
|---|---------------------------------|
| 2016 - 2017 Planning | |
| 2016-2025 Ten Year Potential (MWh) | 2016 - 2017 Target (MWh) |
| 457,530 | 95,254 |

Achievement

| Conservation by Sector | 2016 Achievement | | 2017 Achievement | |
|---|------------------|---------------------------|------------------|---------------------------|
| | MWh | Utility Expenditures (\$) | MWh | Utility Expenditures (\$) |
| Residential | 18,091 | \$3,574,750 | | |
| Commercial | 18,229 | \$4,046,759 | | |
| Industrial | 14,288 | \$2,563,171 | | |
| Agriculture | 757 | \$164,246 | | |
| Distribution Efficiency | - | \$0 | | |
| Production Efficiency | - | \$0 | | |
| NEEA | 3,904 | \$869,953 | | |
| | | | | |
| | | | | |
| Conservation expenditures NOT included in sector expenditures | | | | |
| Evals, CPAs, TRL, Tracking System | | \$538,499 | | |
| School Educ | | \$62,794 | | |
| Outreach | | \$184,227 | | |
| Total | 55,270 | \$12,004,399 | | \$0 |

*Note:
Expenditure amounts do not include any customer or other non-utility*

| | |
|-----------------|-------------------------------|
| Utility | Pacific Power & Light Company |
| Compliance Year | 2017 |

Notes, including a brief description of the methodology used to establish the utility's ten-year potential and biennial target to capture cost-effective conservation:

The quantities submitted above include all areas of conservation effort and achievement, because the Commerce Conservation Report includes areas of conservation that are not used for target setting at the Utilities and Transportation Commission (UTC).

The 2016-2017 MWh target of 87,814 was approved in Docket UE-152072 in accordance with WAC 480-109-120 and then updated to include the incremental conservation target approved in UE-152253. The target does not include savings reported by the Northwest Energy Efficiency Alliance (NEEA).

| 2016-2017 Biennial UTC Target | Docket and Order | Types and quantities of savings withheld from target |
|-------------------------------|-----------------------------------|--|
| 87,814 MWh | UE-152072 | NEEA - 5,245 MWh |
| 90,009 MWh | UE-152253 Incremental increase | NEEA - 5,245 MWh |

On December 17, 2015, the Commission approved a target of 87,814 MWh for the 2016-2017 biennium in Order 01 in Docket UE-152072. On September 1, 2016, the Commission issued Order 12 in Docket UE-152253. Section (7)(4) of the Order specifies, *“Pacific Power must increase its annual conservation targets by 2.5 percent for the current 2016-2017 biennium, and by 5 percent per biennium thereafter through the period when decoupling is in effect. The Company’s failure to meet its incremental conservation target will be subject to financial penalties.”* On September 30, 2016, the Company provided its Demand-Side Management Advisory Group an illustration of how this provision would impact the target for the current biennial period and agreed to provide similar information in the 2017 Annual Conservation Plan. Excludes expected savings from Northwest Energy Efficiency Alliance initiatives.

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Energy Independence Act (EIA) Renewable Energy Report 2017

| | |
|---------------------------|--|
| Utility | Pacific Power & Light Company |
| Report Date | August 1, 2017 |
| Utility Contact Name/Dept | Ariel Son |
| Phone | 503-813-5410 |
| Email | ariel.son@pacificcorp.com |

| Loads and Resources | |
|---|-----------|
| 2015 Annual Load (MWh) | 4,108,270 |
| 2016 Annual Load (MWh) | 3,981,654 |
| Average of 2015 & 2016 Annual Loads (MWh) | 4,044,962 |
| 2017 Renewable Target (% of load) | 9% |
| 2017 Eligible Renewable Energy Target (MWh) | 364,047 |
| 2017 Eligible Renewable Resources and RECs | 364,047 |

- 2017 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 - 2017 | |
|--|---------------|
| Amount invested in incremental cost of eligible renewable resources and the cost of RECs | \$2,035,312 |
| Total annual retail revenue requirement - 2017 | \$338,969,265 |
| Investment in renewables and RECs as a percent of retail revenue requirement | 0.6% |

| | Water | Wind | Solar | Geothermal | Landfill Gas | Wave, Ocean, Tidal | Gas from Sewage Treatment | Biodiesel | Biomass | Qualified Biomass | Apprentice Labor Credit | Distributed Generation Credit |
|------------------------------------|-------|---------|--------|------------|--------------|--------------------|---------------------------|-----------|---------|-------------------|-------------------------|-------------------------------|
| Eligible Renewable Resources (MWh) | 1,832 | 209,552 | - | - | - | - | - | - | - | - | - | - |
| Renewable Energy Credits | | 108,108 | 44,555 | - | - | - | - | - | - | - | - | - |
| Total Renewables (MWh+RECs) | 1,832 | 317,660 | 44,555 | - | - | - | - | - | - | - | - | - |

2017 Reporting Year:

This renewable energy report summarizes the eligible renewables resources and renewable energy credits (RECs) that the utility has acquired by January 1, 2017 for the purpose of meeting its Energy Independence Act (EIA) renewables target for 2017. The actual resources and RECs used to comply with the 2017 EIA target may vary from those reported here. Utilities will report in June of 2019 on the actual results for 2017.

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 2017 is 9% 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 2017 target year. Utilities that elect to use a compliance method based on renewable investments must provide additional information demonstrating compliance with that method. Refer to WAC 194-37-110(2) and (3) for specific requirements.

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.

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Renewable Energy Credits

Utility Pacific Power & Light Company
Compliance Year 2017

| WREGIS ID | Facility Name | REC Vintage (Year) | Resource Type | Apprentice Labor Eligibility | Distributed Generation Eligibility | Quantity RECs | Apprentice Labor Amount MWh equiv. | Distributed Generation Amount MWh equiv. | Explanatory Notes (as needed) |
|--------------|---|--------------------|---------------|------------------------------|------------------------------------|----------------|------------------------------------|--|-------------------------------|
| W542 | Bennett Creek Windfarm - Bennett Creek Windfarm | 2016 | Wind | No | No | | - | - | |
| W543 | Hot Springs Windfarm - Hot Springs Windfarm | 2016 | Wind | No | No | | - | - | |
| W833 | Condon Wind Power Project - Condon Phase II | 2016 | Wind | No | No | | - | - | |
| W774 | Condon Wind Power Project - Condon Wind Power Project | 2016 | Wind | No | No | | - | - | |
| W1634 | Hidden Hollow Energy LLC - Hidden Hollow Energy | 2016 | Wind | No | No | | - | - | |
| W238 | Klondike I - Klondike Wind Power LLC | 2016 | Wind | No | No | | - | - | |
| W3186 | Meadow Creek Wind Farm - Five Pine Project | 2016 | Wind | No | No | | - | - | |
| W3185 | Meadow Creek Wind Farm - North Point Wind Farm | 2016 | Wind | No | No | | - | - | |
| W697 | Nine Canyon Wind Project - Nine Canyon Phase 3 | 2016 | Wind | No | No | | - | - | |
| W684 | Nine Canyon Wind Project - Nine Canyon Wind Project | 2016 | Wind | No | No | | - | - | |
| W248 | Stateline (WA) - FPL Energy Vansycle LLC | 2016 | Wind | No | No | | - | - | |
| W938 | Enterprise | 2016 | Solar | No | No | | - | - | |
| W4619 | Pavant | 2016 | Solar | No | No | | - | - | |
| Total | | | | | | 152,663 | - | - | |

Utility Pacific Power & Light Company
Compliance Year 2017

Other notes and explanations:

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Energy Independence Act (EIA) Incremental Cost and REC Cost Report 2017

Incremental Cost of Renewable Resources

| | |
|-----------------|--|
| Utility | Pacific Power & Light Company |
| Compliance Year | 2017 |

| Facility Name | WREGIS ID | MWh | Renewable Resource Annual Cost in 2017 | Renewable Resource Cost per MWh | Description of Substitute Resource | Substitute Resource Annual Cost in 2017 | Substitute Resource Cost per MWh | Incremental Cost of Renewable Resource in 2017 |
|----------------------|-----------|----------------|--|---------------------------------|------------------------------------|---|----------------------------------|--|
| Goodnoe Hills | W536 | | | | | | | |
| Leaning Juniper | W200 | | | | | | | |
| Marengo I | W185 | | | | | | | |
| Marengo II | W772 | | | | | | | |
| Dunlap I | W1687 | | | | | | | |
| Glenrock Wind I | W964 | | | | | | | |
| Top of the World | W1749 | | | | | | | |
| Seven Mile Hill I | W975 | | | | | | | |
| Prospect 2 - Upgrade | W180 | | | | | | | |
| Lemolo 1 - Upgrade | W157 | | | | | | | |
| JC Boyle - Upgrade | W140 | | | | | | | |
| Lemolo 2 - Upgrade | W158 | | | | | | | |
| | | | | | | | | |
| Totals | | 211,384 | | | | | | |

Cost of Renewable Energy Credits

| | |
|-----------------|-------------------------------|
| Utility | Pacific Power & Light Company |
| Compliance Year | 2017 |

| Facility Name | WREGIS ID | REC Vintage (Year) | Number of RECs | Annual Cost of Renewable Energy Credits | Cost per REC | Documentation of the calculation and inputs for percentage of revenue requirement invested in renewables: |
|--------------------------------------|-----------|--------------------|----------------|---|--------------|---|
| Bennett Creek Windfarm - Bennett Cr | W542 | 2016 | | | | |
| Hot Springs Windfarm - Hot Springs V | W543 | 2016 | | | | |
| Meadow Creek Wind Farm - Five Pine | W3186 | 2016 | | | | |
| Condon Wind Power Project - Condon | W833 | 2016 | | | | |
| Condon Wind Power Project - Condon | W774 | 2016 | | | | |
| Hidden Hollow Energy LLC - Hidden H | W1634 | 2016 | | | | |
| Klondike I - Klondike Wind Power LLC | W238 | 2016 | | | | |
| Meadow Creek Wind Farm - Five Pine | W3186 | 2016 | | | | |
| Meadow Creek Wind Farm - North Po | W3185 | 2016 | | | | |
| Nine Canyon Wind Project - Nine Can | W697 | 2016 | | | | |
| Nine Canyon Wind Project - Nine Can | W684 | 2016 | | | | |
| Stateline (WA) - FPL Energy Vansyck | W248 | 2016 | | | | |
| Enterprise | W938 | 2016 | | | | |
| Pavant | W4619 | 2016 | | | | |
| #REF! | | | | | | |
| | | | | | | |
| Total | | | 152,663 | | | |