

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

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

Respondent

DOCKET UE-210829

COMMISSION STAFF'S PETITION TO
AMEND FINAL ORDER 06

I. INTRODUCTION

1 On October 25, 2023, the Commission issued Order 06 in Docket UE-210829 Approving and Adopting Settlement Agreement; Approving CEIP Subject to Conditions. The order mandated that the Company obtain four paid PLEXOS licenses on behalf of Staff; the Company is entitled to seek full-cost recovery of licensing-related costs.¹ Pursuant to WAC 480-07-875(1), Staff now petitions to amend the final order to require PacifiCorp to instead obtain up to four PLEXOS licenses, with the exact number at the discretion of Staff. The Commission should grant this petition as changed circumstances make it in the public interest to leave the exact number of licenses in the discretion of Staff due to the cost per license and potential impacts on customer rates.

2 Per the settlement agreement, the Company is required to obtain and pay for Staff's usage of the PLEXOS licenses; however, the agreement permits the Company to seek cost

¹ *Wash. Utils. & Transp. Comm'n v. PacifiCorp d/b/a Pac. Power & Light*, Docket UE-210829. Order 06 Final Order Approving and Adopting Settlement Agreement; Approving CEIP Subject to Conditions Appendix A, 10 (Oct. 25, 2023).

recovery of those licenses in a later rate proceeding. Through contract negotiations to obtain these licenses, Staff discovered that each license costs \$ [REDACTED] and the price for four such licenses is \$ [REDACTED].² Due to the unexpectedly high per-license cost, Staff is concerned about the potential rate impact of obtaining four licenses and believes it is in the public interest to allow Staff discretion over the number of licenses dependent on need and cost. No party to the settlement opposes this petition.

II. RELIEF REQUESTED

3 Staff respectfully requests that the Commission amend Final Order 06 in this matter, changing the required number of PLEXOS licenses from four to up to four licenses, with the exact number at the discretion of Commission Staff.

III. STATEMENT OF FACTS

4 On December 20, 2021, PacifiCorp filed its first Clean Energy Implementation Plan (CEIP) in Docket UE-210829. A revised CEIP was filed on March 13, 2023. This revised CEIP was set for adjudication, and the parties resolved that adjudication through a settlement agreement with 50 conditions that was adopted by the Commission on October 25, 2023.³ One of the conditions, Transparency Condition 6, requires PacifiCorp to obtain four PLEXOS licenses on behalf of Staff.⁴ The terms of the agreement permit PacifiCorp to seek “full cost-recovery of these PLEXOS-related licensing costs, expenses, and support.”⁵

² Declaration of Neiri Carrasco (hereinafter “Carrasco Decl.”) at ¶ 5.

³ *Wash. Utils. & Transp. Comm’n v. PacifiCorp d/b/a Pac. Power & Light*, UE-210829, Order 06 Final Order Approving and Adopting Settlement Agreement; Approving CEIP Subject to Conditions (October 25, 2023).

⁴ *Wash. Utils. & Transp. Comm’n v. PacifiCorp d/b/a Pac. Power & Light*, UE-210829, Order 06 Final Order Approving and Adopting Settlement Agreement; Approving CEIP Subject to Conditions – Appendix A, 10 (October 25, 2023).

⁵ *Id.*

5 After issuance of Final Order 06, adopting the settlement agreement, Staff began
engaging with Energy Exemplar, the company that owns the PLEXOS program, to obtain a
contract to effectuate the terms of the agreement.⁶ After several months of conversations,
Energy Exemplar sent Staff a contract with a cost per license of \$ [REDACTED], and thus a total
cost of \$ [REDACTED] for the use of four licenses.⁷ Staff communicated with PacifiCorp about
the costs of the licenses and costs could not be reduced without impacting the usability of
the license.

IV. STATEMENT OF ISSUES

6 Should the Commission grant the Petition to Amend the October 25, 2023 Final
Order 06, changing the requirement that PacifiCorp obtain four PLEXOS licenses to
requiring that PacifiCorp obtain up to four licenses, with discretion provided to Staff to
determine the exact number due to the unanticipated per license cost?

V. EVIDENCE RELIED UPON

7 Staff relies upon the declaration of Neiri Carrasco, filed concurrently with this
motion, and the authority and argument included herein.

VI. ARGUMENT

8 The Commission should grant the petition to amend the final order. Providing Staff
with discretion on the number of licenses obtained (up to four) allows Staff to weigh the
costs of obtaining an additional license (and the resulting potential impact on ratepayers)
with the benefits of additional Staff members having access to PLEXOS. This flexibility

⁶ Carrasco Decl. at ¶ 4.

⁷ *Id.* at ¶ 5.

will allow Staff to effectively carry out the purpose intended in the settlement while simultaneously taking efforts to minimize impact to rates.

9 The Commission is authorized to “alter, amend, or rescind any order” it has entered in response to a petition filed that meets certain requirements.⁸ Petitions for amendment must comply with the requirements for a petition for rehearing.⁹ A petition for rehearing “must set forth sufficient grounds for rehearing the commission order and must include substantial evidence or an offer of proof” supporting the relief requested.¹⁰ Sufficient grounds for rehearing include changed conditions since entry of the order, an effect of the order the Commission or petition not did anticipate, or any “good and sufficient” cause.¹¹

10 The unexpected cost of the PLEXOS licenses provides a good and sufficient basis to amend Final Order 06 as this constitutes a changed condition that has the potential to impact customer rates in a manner unanticipated by Staff or the Commission. Under Staff’s proposed amendment, PacifiCorp is still required to purchase for Staff the PLEXOS licenses that will permit Staff to independently audit PacifiCorp’s modeling practices. This alternative license approach is usable and something Staff is confident will allow it to execute its regulatory duty effectively. If Staff finds that fewer than four licenses is impeding its ability to independently audit the modeling practices, the flexibility in this amendment will still permit Staff to obtain up to four PLEXOS licenses. Staff’s initial preference for four licenses is outweighed by the cost of those licenses and the likely resulting impact on customer rates. As stated above, the cost for four licenses is \$ [REDACTED],

⁸ WAC 480-07-875(1).

⁹ *Id.*

¹⁰ WAC 480-07-870(1).

¹¹ WAC 480-07-870(1)(a), (c), and (d).

which PacifiCorp is entitled to seek recovery of in rates. Staff's position at this time is that the convenience of four licenses is significantly outweighed by the potential impact to rates this amount poses. This cost was an outcome Staff did not anticipate when it was participating in settlement negotiations. Staff has only limited prior interactions with PLEXOS owner and administrator Energy Exemplar, and was not anticipating costs for limited licenses to be at the above rate.

11 Granting this amendment will have no adverse impact on any other party to this agreement. In fact, no party opposes this amendment.

VII. CONCLUSION

12 Staff requests that the Commission amend Order 06 permitting the purchase of up to four PLEXOS licenses, with the exact number at the discretion of Staff, instead of requiring the outright purchase of four.

DATED this 1st day of May 2024.

Respectfully submitted,

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