



ATTORNEY GENERAL OF WASHINGTON

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July 15, 2019

SENT VIA WUTC WEB PORTAL

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
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COMMISSION

Re: Pacific Power and Light Company 2019 Renewable Portfolio Standard Report,
Docket UE-190448, Initial Comments of Public Counsel

Dear Mr. Johnson:

The Public Counsel Unit of the Washington State Attorney General's Office ("Public Counsel") respectfully submits these comments in advance of the August 8, 2019, Open Meeting. These comments are in response to Pacific Power and Light's ("Pacific Power") 2019 Renewable Portfolio Standard (RPS) Report pursuant to Washington's Energy Independence Act (EIA). The report includes Pacific Power's progress in meeting the targets established in RCW 19.285.040.

Pacific Power plans to meet its 2019 RPS target with a combination of eligible renewable energy credits (RECs), company- and third-party owned wind resources, and hydroelectric facilities.¹ Pacific Power fully met its 2018 obligations and anticipates fully meeting its 2019 obligations without the need for an alternative compliance mechanism under WAC 480-109-220. While Public Counsel commends the Company for not using the alternative compliance mechanisms, we have the following two concerns: (1) lack of transparency due to the large amount of information marked as confidential, and (2) the incremental cost calculations.

Lack of Transparency

Pacific Power has more redacted information in the RPS Reports than the other investor-owned utilities (IOUs), and continues to mark more and more items as confidential. The amount of information marked as confidential is concerning to Public Counsel. Stakeholders, including Public Counsel, should have the opportunity to fully engage in this process. While Public Counsel was able to receive the confidential filing pursuant to RCW 80.04.095, it was not automatic, and delayed Public Counsel's review of the filing. Additionally, it is our understanding that stakeholders in previous proceedings have not been able to access the

¹ Pacific Power & Light 2019 Annual Renewable Portfolio Standard Report at 5.

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confidential information, limiting their review. We encourage Pacific Power to minimize the amount of confidential information so that all stakeholders have the opportunity to analyze the information and participate.

Incremental Cost Calculation

Pursuant to WAC 480-109-210, the Company should only include acquired resources in the incremental cost calculation. Pacific Power has identified wind plants that are in the process of being “repowered” and are not online at this time.² Public Counsel has two concerns with including the identified plant in the incremental cost calculation: (1) The wind plants were not online by January 1st of the target year, and (2) the resources are “repowered” and not “newly acquired.” The plant should be excluded from the incremental cost calculation because they are not actively in service, and at this time should be considered a “planned” resource. According to WAC 480-109-210(2), the resource must be in service by January 1st of the target year. Because the wind plants were not online by January 1st, they should be excluded as an incremental cost.

Additionally, even if the resources were online by January 1st, there is a question of whether the repowered resources should be included as an incremental cost, because they are not newly acquired resources. Public Counsel agrees that WAC 480-109-210 does not discuss repowering resources. However, WAC 480-109-210(2)(a)(i) requires a one-time calculation of incremental cost for each eligible resource *at the time* of acquisition, and Pacific Power’s approach is not in line with this. In fact, the Company points to its 2007 IRP, as the original acquisition time of these wind facilities. Public Counsel believes that these wind plants should be excluded from the incremental cost calculation because they are not a newly acquired resource.

We appreciate the opportunity to submit comments. If you have any questions about this filing, please contact me at (206) 389-3879 or via e-mail at Sarah.Laycock@atg.wa.gov.

Sincerely,

/s/ Sarah Laycock
SARAH E. LAYCOCK
Regulatory Analyst
Public Counsel Unit
(206) 389-3879

cc: Etta Lockey, PacifiCorp (via E-mail)
Ariel Son, PacifiCorp (via E-mail)

² Confidential work paper 2b, Resource Cost Analysis.