

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PACIFIC POWER & LIGHT  
COMPANY,**

**Respondent.**

**DOCKETS UE-140762 and UE-140617  
(consolidated)**

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**In the Matter of the Petition of**

**PACIFIC POWER & LIGHT  
COMPANY,**

**For an Order Approving Deferral of  
Costs Related to Colstrip Outage.**

**DOCKET UE-131384 (consolidated)**

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**In the Matter of the Petition of**

**PACIFIC POWER & LIGHT  
COMPANY,**

**For an Order Approving Deferral of  
Costs Related to Declining Hydro  
Generation.**

**DOCKET UE-140094 (consolidated)**

**PACIFIC POWER & LIGHT COMPANY**

**EXHIBIT OF R. BRYCE DALLEY**

**Pacific Coast Action Plan on Climate and Energy (Oct. 28, 2013)**

**November 2014**

# PACIFIC COAST ACTION PLAN *on* CLIMATE AND ENERGY



## PREAMBLE

THE GOVERNMENTS OF CALIFORNIA, BRITISH COLUMBIA, OREGON AND WASHINGTON,

*Pursuant to the Memorandum to Establish the Pacific Coast Collaborative of June 2008, as provided for in Article 6;*

*Affirming* our shared vision of Pacific North America as a model of innovation that sustains our communities and creates jobs and new economic opportunities for our combined population of 53 million;

*Recognizing* that the Pacific Coast is a region bound together by a common geography, shared infrastructure and a regional economy with a combined GDP of US \$2.8 trillion, which makes it the world's fifth largest;

*Acknowledging* the clear and convincing scientific evidence of climate change, ocean acidification and other impacts from increasing concentrations of carbon dioxide in the atmosphere, which threaten our people, our economy and our natural resources;

*Emphasizing* that states and provinces around the world are battling climate change through technology innovation and actions that limit greenhouse gas emissions and other air pollution while creating economic growth, consumer savings and new jobs;

*Celebrating* that our own governments have reduced greenhouse gas emissions by adopting regulatory, policy and market-based measures that shift energy generation to clean and renewable sources, manage energy use through greater efficiency and conservation, and enable and promote consumer choice for clean vehicles;

*Recalling* the findings of the 2012 *West Coast Clean Economy* report which projected 1.03 million new jobs could be created in key sectors, such as energy efficiency and advanced transportation, assuming the right policy environment;

*Supporting* positive federal action to combat climate change, including President Obama's climate action plan and proposed rules to limit greenhouse gas emissions from power plants;

*Joining* the growing international convergence on the need to secure an international agreement to reduce global greenhouse gas emissions, including discussions at the coming Conference of Parties meetings in Warsaw (2013), Lima (2014) and Paris (2015); and

*Agreeing* that meaningful coordination and linkage between states and provinces across North America and the world on actions to reduce greenhouse gas emissions can improve the effectiveness of these actions, increase their overall positive impact and build momentum for broader international coordination to combat climate change;

NOW THEREFORE HEREBY AGREE AS FOLLOWS:

### I. Lead national and international policy on climate change with actions to:

Direct our relevant agencies and officials to work together to:

#### 1) Account for the costs of carbon pollution in each jurisdiction.

Oregon will build on existing programs to set a price on carbon emissions. Washington will set binding limits on carbon emissions and deploy market mechanisms to meet those limits. British Columbia and California will maintain their

existing carbon-pricing programs. Where possible, California, British Columbia, Oregon and Washington will link programs for consistency and predictability and to expand opportunities to grow the region's low-carbon economy.

#### 2) Harmonize 2050 targets for greenhouse gas reductions and develop mid-term targets needed to support long-term reduction goals.

Climate scientists have identified the scale of greenhouse gas reductions that must be achieved globally to stabilize the climate. Where they have not already done so, California, British Columbia, Oregon and Washington will establish long-term reduction targets that reflect these scientific findings. To advance long-term reductions, Washington already has in place a mid-term 2035 target. California and Oregon will establish their own mid-term targets. British Columbia has already legislated 2020 and 2050 targets and will explore whether setting a mid-term target will aid their achievement.

#### 3) Affirm the need to inform policy with findings from climate science.

Leaders of California, British Columbia, Oregon and Washington affirm the scientific consensus on the human causes of climate change and its very real impacts, most recently documented by scientists around the world in the Intergovernmental Panel on Climate Change's *Fifth Assessment Report* released in September 2013, as well as other reports such as the *Scientific Consensus on Maintaining Humanity's life Support Systems in the 21st Century*. Governmental actions should be grounded in this scientific understanding of climate change.

#### 4) Cooperate with national and sub-national governments around the world to press for an international agreement on climate change in 2015.

The governments of California, British Columbia, Oregon and Washington will join with other governments to build a coalition of support for national and international climate action, including securing an international agreement at the Conference of Parties in Paris in 2015. The governments of California, British Columbia, Oregon and Washington will coordinate the activities they undertake with other sub-national governments and combine these efforts where appropriate.

#### 5) Enlist support for research on ocean acidification and take action to combat it.

Ocean health underpins our coastal shellfish and fisheries economies. The governments of California, British Columbia, Oregon and Washington will urge the American and Canadian federal governments to take action on ocean acidification, including crucial research, modeling and monitoring to understand its causes and impacts.

### II. Transition the West Coast to clean modes of transportation and reduce the large share of greenhouse gas emissions from this sector with actions to:

#### 1) Adopt and maintain low-carbon fuel standards in each jurisdiction.

Oregon and Washington will adopt low-carbon fuels standards, and California and British Columbia will maintain their

existing standards. Over time, the governments of California, British Columbia, Oregon and Washington will work together to build an integrated West Coast market for low-carbon fuels that keeps energy dollars in the region, creates economic development opportunities for regional fuel production, and ensures predictability and consistency in the market.

- 2) **Take actions to expand the use of zero-emission vehicles, aiming for 10 percent of new vehicle purchases in public and private fleets by 2016.**

The Pacific Coast already has the highest penetration of electric cars in North America. The governments of California, British Columbia, Oregon and Washington will work together towards this ambitious new target by supporting public and private fleet managers to shift their procurement investments to catalyze toward electric car purchases and by continuing to invest in necessary infrastructure to enable low-carbon electric transportation.

- 3) **Continue deployment of high-speed rail across the region.**

Providing high-speed passenger rail service is an important part of the solution to expand regional clean transportation, improve quality of life and advance economic growth. The governments of California, British Columbia, Oregon and Washington continue to support the Pacific Coast Collaborative's Vision for high speed rail in the region, and will continue to seek opportunities to invest in rail infrastructure that moves people quickly, safely and efficiently, and encourages innovation in rail technology manufactured in the region.

- 4) **Support emerging markets and innovation for alternative fuels in commercial trucks, buses, rail, ports and marine transportation.**

The Pacific Coast of North America is emerging as a center of private sector innovation and investment in cleaner fuels and engine technologies for heavy-duty trucks and buses, rail, ports and marine transportation. The governments of California, British Columbia, Oregon and Washington will develop targets and action plans to accelerate public and private investment in low-carbon commercial fleets and support the market transition to biofuels, electricity, natural gas and other low-carbon fuels in local and export markets.

### III. Invest in clean energy and climate-resilient infrastructure with actions to:

- 1) **Transform the market for energy efficiency and lead the way to "net-zero" buildings.**

Energy efficiency is the lowest cost way to reduce greenhouse gas emissions while creating good local jobs. The governments of California, British Columbia, Oregon and Washington will work to harmonize appliance standards, increase access to affordable financing products, and support policy that ensures that energy efficiency is valued when buildings are bought and sold. Our efforts intend to build a vibrant, growing regional market for energy efficiency products and services.

- 2) **Support strong federal policy on greenhouse gas emissions from power plants.**

The governments of California, British Columbia, Oregon and Washington will support the U.S. Environmental Protection Agency's initiative to regulate greenhouse gas emissions from power plants and emphasize the importance of allowing state flexibility to design ambitious reduction programs within this regulation. Our jurisdictions will also coordinate and provide joint testimony in federal proceedings on greenhouse gas emissions when appropriate.

- 3) **Make infrastructure climate-smart and investment-ready.**

The West Coast Infrastructure Exchange (WCX) is demonstrating how to attract private capital for infrastructure projects while increasing climate resilience through best practices and certification standards. To scale up these efforts, the governments of California, Oregon and Washington will sponsor pilot projects with local governments, state agencies and the WCX. WCX also works closely with Partnerships BC, a center of infrastructure financing expertise established by the government of British Columbia that has helped to secure financing for over 40 projects worth more than C\$17 billion.

- 4) **Streamline permitting of renewable energy infrastructure.**

Meeting ambitious carbon-reduction goals will require scaling up wind, solar and other forms of renewable energy and effectively bringing clean power to customers in California, Oregon and Washington. Drawing on emerging models in California and the Pacific Northwest, the governments of California, Oregon and Washington will work with permitting agencies to streamline approval of renewables projects to increase predictability, encourage investment and drive innovation.

- 5) **Support integration of the region's electricity grids.**

Connecting the markets for buying and selling wholesale electricity in our region can increase local utilities' flexibility and reliability and provide consumer savings by enabling use of a wide variety of energy sources across the region. Integrating our region's electricity markets also expands energy users' access to renewable energy sources, such as solar and wind power.

### IV. Interpretation

This Action Plan is intended to spur finding new, smart ways for our governments, agencies and staff to work together, and with other governments and non-government partners, as appropriate, to add value, efficiency and effectiveness to existing and future initiatives, and to reduce overlap and duplication of effort, with the objective of reducing, not increasing, resource demands to achieve objectives that are shared.

### V. Limitations

This Action Plan shall have no legal effect; impose no legally binding obligation enforceable in any court of law or other tribunal of any sort, nor create any funding expectation; nor shall our jurisdictions be responsible for the actions of third parties or associates.

SIGNED AT SAN FRANCISCO, CALIFORNIA, ON THE OCCASION OF THE FOURTH ANNUAL LEADERS' FORUM OF THE PACIFIC COAST COLLABORATIVE, THIS 28TH DAY OF OCTOBER, 2013.

*Original signed by*  
EDMUND G. BROWN JR.  
Governor of California

*Original signed by*  
JOHN A. KITZHABER  
Governor of Oregon

*Original signed by*  
CHRISTY CLARK  
Premier of British Columbia

*Original signed by*  
JAY INSLEE  
Governor of Washington