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***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Oregon Public Utility Commission
550 Capitol Street NE, Suite 215
Salem, OR 97301-2551

Attention: Filing Center

Re: **Docket AR 518 – Phase II**
Response of PacifiCorp

PacifiCorp, d.b.a. Pacific Power, hereby submits its reply comments in response to the Renewable Northwest Project's motion to reconsider Order No. 09-225.

Questions on this filing may be directed to Joelle Steward, Regulatory Manager, at (503) 813-5542.

Sincerely,

Andrea L. Kelly
Vice President, Regulation

Enclosure

cc: AR 518 Service List

CERTIFICATE OF SERVICE

I certify that I have cause to be served the foregoing document in OPUC Docket No. AR 518 by electronic mail to the parties on the attached service list.

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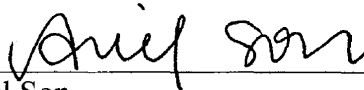
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Dated this 31st day of August, 2009



Ariel Son
Coordinator, Administrative Services

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 518 – Phase II

In the Matter of a Rulemaking to Implement
SB 838 Relating to Renewable Portfolio
Standard

**PACIFICORP'S POSITION
REGARDING RENEWABLE
NORTHWEST PROJECT'S
MOTION TO RECONSIDER
ORDER NO. 09-225**

1 PacifiCorp d/b/a Pacific Power (the “Company”) submits the following reply
2 comments in response to Renewable Northwest Project’s (“RNP”) motion to reconsider
3 Order No. 09-225 (the “Order”). PacifiCorp neither supports nor opposes RNP’s motion, but
4 notes that RNP’s motion addresses a matter that would not seem to be an issue. PacifiCorp
5 respectfully requests that the Commission carefully consider the appropriateness of RNP’s
6 motion.

7 In the Order, the Public Utility Commission of Oregon (the “Commission”)
8 concluded that identifying for power source labeling requirements under OAR 860-038-0300
9 renewable energy that has been produced and consumed in the labeling year but for which
10 the renewable energy credits (“RECs”) have been banked for future use does not prevent
11 such RECs from being used to comply with the Renewable Portfolio Standards (“RPS”) in a
12 later compliance year. Since the primary purposes of the power source disclosure required by
13 OAR 860-038-0300 are to inform consumers as to what generation resources have been used
14 to serve them (i.e., consumed) and how electricity generation directly affects the
15 environment, the Commission confirmed in a straight-forward manner that a utility may
16 disclose the renewable source of a generated electron in that year’s power source disclosure

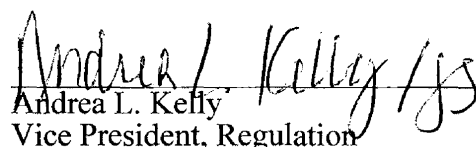
1 while also banking, and using, the detached RECs for future RPS compliance pursuant to
2 ORS 469A.

3 Although RNP's motion fails to identify a specific regulation for
4 reconsideration and why clarification is necessary, the Company interprets the motion to
5 suggest RNP is concerned that an electron will be reported under OAR 860-038-0300 both in
6 the year the electron is generated and in the year the REC is used for RPS compliance.
7 Consistent with the Order, electrons can only be used to provide electric service to a retail
8 customer once – at the time of generation. Therefore, the electrons are reported in the year
9 of generation for purposes of OAR 860-038-0300. RECs, on the other hand, can be acquired
10 and used at any time to satisfy the RPS pursuant to ORS 469A. When RECs are used and
11 retired, they should be included in the Company's RPS compliance report, which RNP
12 reluctantly acknowledges the Commission found to be a separate legal requirement.

13 Simply stated, nothing in this proceeding has changed the Company's ability
14 to use RECs, whether bundled or unbundled, pursuant to ORS 469A. Moreover, nothing in
15 this proceeding has changed how the Company reports generation pursuant to the power
16 source labeling requirements under OAR 860-038-0300. RNP's motion seems to address a
17 matter that is not an issue. Thus, clarification would not appear to be necessary or
18 appropriate.

For the reasons stated above, the Company respectfully requests that the
Commission carefully consider the appropriateness of RNP's motion for reconsideration.

DATED this 31st day of August, 2009.


Andrea L. Kelly
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