

February 2, 2017

**Commission Chair Lisa Hardie
Commissioner John Savage
Commissioner Stephen Bloom
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308**

RE: Facebook's Comments on PacifiCorp's Advice No. 16-022/Docket ADV 386, Changes to Schedule 272, Renewable Energy Rider Bulk Purchase Option

I. Introduction

Facebook appreciates the opportunity to provide comments on PacifiCorp's proposed changes to its Schedule 272, Renewable Energy Rider Optional Bulk Purchase Option. Facebook has reviewed parties' comments in this matter and has participated in workshops and other discussions with parties concerning the specifics of the proposed changes. The proposed changes are well described in staff's comments and in PacifiCorp's filings, so we will not summarize again in our comments.

Facebook owns and operates a data center in Prineville, Oregon, and is a customer of PacifiCorp. Facebook has established a corporate goal of meeting its energy consumption with new renewable resources ideally constructed in the utility service territory that serves the relevant site. Our near-term objective is to achieve 50% renewable energy consumption by 2018, with a move to 100% consumption thereafter. The availability of options that allow us and other similarly situated customers to meet renewable energy goals is crucial.

Facebook supports the proposed changes to Schedule 272 as one potential option towards meeting corporate renewable energy goals. We see these changes as a minor revision to an existing program, and we do not believe the changes impact customers who choose not to participate in this voluntary program. Furthermore, Facebook does not believe that the minor changes proposed by PacifiCorp would cause this existing program to fall under the category of a Voluntary Renewable Energy Tariff or "VRET".

In addition to recommending approval of the revised Schedule 272, Facebook strongly encourages Oregon parties to engage in productive discussions related to creation of additional cost-effective and reliable renewable energy purchasing options for large customers. Doing so will result in increased development of renewable energy within the state and will provide Oregon

customers with renewable energy options that are competitive with offerings in other states.

II. The Schedule 272 Changes are Reasonable and In the Public Interest

Schedule 272 charges are in addition to the regular base tariff rates paid by the customer electing the voluntary option under Schedule 272. The electing customer continues to pay the same rates otherwise payable if not on the voluntary tariff, plus all incremental charges as outlined in the tariff. Since the participating customer continues to pay the regular tariff rate and all Schedule 272 charges are *in addition* to that rate, no cost shift occurs.

Furthermore, we do not believe the renewable energy credit transactions contemplated under Schedule 272 will negatively impact PacifiCorp's future compliance with the state's renewable portfolio standard. The renewable energy market is deep enough to support the transactions contemplated under Schedule 272 without a material impact on supply. In fact, increased renewable development activity within the state resulting from Schedule 272 activity may in fact drive down the cost of renewable energy in the state as efficiencies are gained and the market becomes more mature.

III. Oregon Parties Should Continue Discussions Related to Additional Renewable Energy Purchasing Options

Facebook has participated in the development and implementation of various customer-focused renewable energy purchasing options in multiple states. We have witnessed the incremental value these options provide to all parties involved: the customer who desires renewable energy and is willing to pay for it, the renewable energy development companies who build the projects, the communities in which the new renewable projects are located, and the existing utility customers who may avoid certain costs associated with incremental resources to serve load or incremental renewable portfolio standards compliance costs. Facebook believes properly designed renewable energy purchasing options can be in the public interest and can lead to continued economic growth and renewable energy development in the state. The availability of viable options to meet stated corporate renewable energy goals will allow companies to make business location decisions with certainty that those goals can be achieved.

IV. Conclusion and Recommendation

Facebook desires to build or contract for new renewable resources in a manner that allows us to meet 100% of our energy usage with new renewable energy resources without impacting existing utility customers. The proposed changes to Schedule 272 provide an option that can be evaluated in conjunction with this goal. The changes do not impact other customers since the

participating Schedule 272 customer will continue to pay for service under the otherwise applicable cost of service rate with Schedule 272 charges being an additional cost. Therefore, Facebook recommends the commission approve the revised Schedule 272.

Facebook also recommends Oregon parties continue to evaluate other customer-focused renewable energy purchasing options. Thank you for your consideration of these comments.