

September 27, 2016

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, Oregon 97301-1166

Attn: Filing Center

**RE: Advice No. 16-012 – Schedule 272 – Renewable Energy Rider Optional Bulk Purchase Option**

In compliance with ORS 757.205, ORS 757.210, OAR 860-022-0025, OAR 860-022-0030, and OAR 860-027-0300(9), PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) submits for filing the following proposed tariff pages associated with Tariff P.U.C. OR No. 36, which sets forth all rates, tolls, charges, rules, and regulations applicable to electric service in Oregon. The Company requests an effective date of November 9, 2016.

Second Revision of Sheet No. 272-1	Schedule 272	Renewable Energy Rider Optional Bulk Purchase Option
First Revision of Sheet No. 272-2	Schedule 272	Renewable Energy Rider Optional Bulk Purchase Option
First Revision of Sheet No. 272-3	Schedule 272	Renewable Energy Rider Optional Bulk Purchase Option

The purpose of this filing is to request approval to update the language in Schedule 272 and provide additional flexibility for qualifying customers in providing an option to contract with the Company to have bundled energy or renewable energy credits (RECs) from a specified renewable resource purchased on their behalf.

**Update to allow customers to specify a renewable resource**

Large energy users are becoming increasingly interested in the sources of fuel that supply their energy needs and often have goals to use energy that is derived from renewable or low-carbon resources. The Company proposes to clarify in the tariff that purchases made by the Company on behalf of participating customers may come from specified resources. This clarification supports participating customers that have a desire to be able to identify specifically the renewable or low carbon energy resource they are supporting economically. Providing customers with this option can be a significant factor in attracting prospective customers to locate in the Company's service territory or to retain and expand opportunities for current customers.

**Update to modernize terms and conditions**

The Company has been offering service under Schedule 272 since November 1, 2004. As a result, the Company has gained experience with customer expectations and needs with regard to voluntary renewable resource options and the need for options that respond to specific customer needs. The Company proposes to remove the listing of specific fuels from the renewable energy section and other descriptions relating to characteristics of Oregon renewable portfolio standard (RPS)-eligible resources. This change is responsive to the renewable resource needs of large non-residential customers that may go beyond resources that are RPS-eligible under Oregon law and may include resources that are, for example, zero-carbon. These changes provide additional flexibility for these large non-residential customers to specify the renewable resources supported by their voluntary subscriptions.

In addition, the Company proposes to change the purchase commitment from two years to one year. This change increases the flexibility for customers that are considering the bulk purchase option. Finally, the purpose of the Company's proposed changes to Special Condition 4 reflect the operational expectations of contracting and selling RECs in today's environment. The use of the Western Renewable Energy Generation Information System (WREGIS) is now commonplace in the west; the Company's proposed changes reflect an update to the original language that was developed before WREGIS was operational.

In total, the Company's proposed changes to Schedule 272 clarify and modernize the bulk purchase option and are responsive to the needs of PacifiCorp's large nonresidential customers. It is respectfully requested that all formal data requests regarding this matter be addressed to:

By E-Mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, OR 97232

Informal inquiries may be directed to Natasha Siores at (503) 813-6583.

Sincerely,



R. Bryce Dalley  
Vice President, Regulation  
Enclosures

**RENEWABLE ENERGY RIDER**  
**OPTIONAL BULK PURCHASE OPTION**

**Available**

In all territory served by the Company in the State of Oregon.

**Applicable**

To large Non-residential Consumers receiving Delivery Service.

**Administration**

Funds received from Consumers under this Schedule will cover program costs and match Renewable Energy purchases to Block purchases. Funds not spent after covering program costs and matching Renewable Energy purchases to Block purchases may be used to fund Qualifying Initiatives as defined below.

**Block**

1 Block equals 100 kWh of Renewable Energy. This program requires a minimum purchase of 121.2 megawatt-hours (121,200 kWh or 1,212 Blocks) per year. For the purpose of qualifying for this Schedule, Consumers with multiple sites can sum their Block purchases across all Pacific Power and Rocky Mountain Power service territories to meet the minimum purchase requirement.

**Charge per Block**

\$0.70 per month (\$7.00 per MWh per month) **Plus**

\$1500.00 per year fixed charge

For purchase commitments over one year in length or large purchases over 75,000 MWh per year, individually negotiated arrangements may be available, pursuant to the execution of a written contract. (C)

**Charge**

Except as pursuant to an individually negotiated arrangement as contemplated above, the Charge can be billed either monthly, twice yearly or annually and shall be the number of Blocks the customer has agreed to purchase multiplied by the Charge per Block, plus the \$1,500 yearly fixed charge divided between the Consumer's billing choice (monthly, twice yearly or annually) and added to the Consumer's standard bill. The Charge is in addition to all other charges contained in Consumer's applicable tariff schedule. This Schedule's Charge shall be applied to the Consumer's billing regardless of actual energy consumption. (C)

**Renewable Energy**

Renewable Energy includes bundled power or Renewable Energy Credits (RECs) purchased by Company, which may include bundled power or RECs obtained from a specified renewable resource. (C)

Renewable Energy and REC purchases made to match Consumer Block purchases are in addition to investments associated with the Company's Integrated Resource Plan, and are not considered for purposes of any Renewable Portfolio Standard requirements. (D)

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pg 2

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**Qualifying Initiatives**

1. Funding for locally-owned commercial-scale Renewable Energy projects that produce less than 10 MW of electricity. The preference is for local community based projects that provide strong environmental and economic benefit to local communities and Consumers the Company services under this Schedule.
2. Funding for research and development projects encouraging Renewable Energy market transformation in order to accelerate marketability of Renewable Energy technologies.
3. Investment in the above-market costs associated in the construction of Renewable Energy facilities or purchase by contract of Renewable Energy, reducing the costs of Renewable Energy to be competitive with cost-effective resources.
4. To the extent a project in paragraphs 1, 2, and 3 above is able to generate RECs, the recipient agrees that the Company has the right to claim a share of the project's REC output. The share amount is expressed as a percentage of output when comparing the Company's financial contribution to the overall cost of the project. The share amount of these RECs will be retired on behalf of program participants across the Company's service territories. The Company will also be given the opportunity to purchase additional RECs off the project.
5. Qualifying Initiatives are not considered for purposes of any Renewable Portfolio Standard requirements.

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pg 3

(D)

**Special Conditions**

1. Consumers may apply for this Schedule anytime during the year.
2. The Company may not accept enrollments for accounts that have a time-payment agreement in effect, or have received two or more disconnect notices, or have been disconnected within the last 12 months.
3. The Company will buy Renewable Energy within two years of a Consumer's purchase, unless otherwise set forth in a written contract between Company and Consumer.
4. RECs procured pursuant to this Schedule will be either (i) delivered by Company, at Company's expense, to Consumer's registered Western Renewable Energy Generation Information System (WREGIS) account (as set forth in a written contract between Company and Consumer and approved by the Commission), or (ii) deposited into a WREGIS account maintained by Company and retired on behalf of Consumers (except with respect to RECs generated from Qualifying Initiatives as set forth above in this Schedule). All costs associated with transferring, retiring, administering or otherwise managing RECs within Consumer WREGIS accounts shall be borne by Customer.

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**Special Conditions (continued)**

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5. To ensure that all costs and benefits of this program are isolated to the participants of this program, all funds collected under this program will be separately identified and tracked by state jurisdiction by which the funds were collected. On the effective date of this Schedule, the Company will establish a regulatory liability for all funds collected and will debit the regulatory liability for all funds spent. The company will apply its authorized rate of return to the balances in the regulatory liability account. The Company will endeavor to match spending to collection within each calendar year.
6. The Company may use Consumer proprietary information gathered for the provisioning of electricity services upon Consumer written or verbal permission as long as it provides the same information under the same terms and conditions to alternative Renewable Energy Credit providers upon Consumer written or verbal request.
7. The Company will communicate to Consumers that they are not required to buy Renewable Energy Credits from the Company in order to continue to receive the Company's safe and reliable Electricity Service.
8. The Company will not use bill inserts to market Renewable Energy Credits to Consumers served under this Schedule.

**Rules and Regulations**

Service under this Schedule is subject to the General Rules and Regulations contained in the tariff of which this Schedule is a part and to those prescribed by regulatory authorities.