



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

November 30, 2015

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

Public Utility Commission of Oregon
201 High Street, SE
Salem, OR 97301-3612

Attention: Filing Center

RE: Docket LC 62—Responses to ALJ Bench Request Nos. 1-7

PacifiCorp d/b/a Pacific Power encloses for filing its Responses to Bench Request Nos. 1 through 7. Also provided is Attachment Bench Request 5. Enclosed on the Confidential CD is Confidential Attachment Bench Request 6 and Confidential Attachment Bench Request 7. The confidential attachments are designated as confidential under Order No. 14-416 and may only be disclosed to qualified persons as defined in that order.

As indicated on the attached certificate of service, a copy of this filing is being served on all parties on the service list.

Please direct any informal inquiries to Erin Apperson, Manager, State Regulatory Affairs, at (503) 813-6642.

Sincerely,

R. Bryce Dalley
Vice President, Regulation

Enclosures

cc: Service List—LC 62

CERTIFICATE OF SERVICE

I certify that I electronically filed a true and correct copy of PacifiCorp's Responses with the Public Utility Commission of Oregon Filing Center, who will serve the parties listed below via electronic mail in compliance with OAR 860-001-0180. PacifiCorp will provide a Confidential CD to the following parties that can receive confidential information via Overnight Delivery.

LC 62

Jess Kincaid (C)
Oregon Department of Energy
625 Marion St. NE
Salem, OR 97301
jess.kincaid@state.or.us

Philip H. Carver (C)
Oregon Department of Energy
625 Marion St. NE Ste 1
Salem, OR 97301
phil.carver@state.or.us

Renee M. France (C)
Oregon Department of Justice
1162 Court St NE
Salem, OR 97301-4096
Renee.m.france@doj.state.or.us

OPUC Dockets (W)
Citizens' Utility Board of Oregon
610 SW Broadway – Ste 400
Portland, OR 97205
dockets@oregoncub.org

Bob Jenks (C)
Citizens' Utility Board of Oregon
610 SW Broadway – Ste 400
Portland, OR 97205
bob@oregoncub.org

Sommer Moser (C)
Citizens' Utility Board of Oregon
610 SW Broadway – Ste 400
Portland, OR 97205
sommer@oregoncub.org

Wendy Gerlitz (C)
NW Energy Coalition
1205 SE Flavel
Portland, OR 97202
wendy@nwenergy.org

Fred Heutte (C)
NW Energy Coalition
1205 SE Flavel
Portland, OR 97202
fred@nwenergy.org

Ralph Cavanagh
Natural Resources Defense Council
111 Sutter St. Floor 20
San Francisco, CA 94104
rcavanagh@nrdc.org

Angus Duncan (C)
Natural Resources Defense Council
2373 NW Johnson St
Portland, OR 97210
angusduncan@b-e-f.org

Dustin Till (C)
Pacific Power
825 NE Multnomah St, Suite 1800
Portland, OR 97232-2149
dustin.till@pacificcorp.com

Patrick G Hager
121 SW Salmon Street 1WTC0702
Portland, OR 97204
Pge.opuc.filings@pgn.com;
Patrick.hager@pgn.com

Oregon Dockets
PacifiCorp dba Pacific Power
825 NE Multnomah St, Suite 2000
Portland, OR 97232-2149
oregondockets@pacificcorp.com

John Crider (C)
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088
john.crider@state.or.us

Paul Garrahan (C)
Department of Justice
1162 Court St NE
Salem OR, 97301-4096
paul.garrahan@doj.state.or.us

Michael O'Brien (C)
Renewable Northwest
421 SW 6th Avenue, #1125
Portland, OR 97204-1629
michael@renewablenw.org

Bradley Mullins (C)
Mountain West Analytics
333 SW Taylor, Suite 400
Portland, OR 97204
brmullins@mwanalytics.com

Jesse E. Cowell (C)
Davison Van Cleve
333 SW Taylor St, Suite 400
Portland, OR 97204
jec@dvclaw.com

Stewart Merrick
Northwest Pipeline GP
295 Chipeta Way
Salt Lake City, UT 84108
Stewart.merrick@williams.com

Renewable NW Dockets
Renewable Northwest
421 SW 6th Avenue, #1125
Portland, OR 97204-1629
dockets@renewablenw.org

V. Denise Saunders (C)
Portland General Electric
121 SW Salmon Street 1WTC1301
Portland, OR 97204
Denise.Saunders@pgn.com

Franco Albi (C)
Portland General Electric
121 SW Salmon Street 1WTC0702
Portland, OR 97204
franco.albi@pgn.com

Colin McConnaha (C)
Dept of Environmental Quality
811 SW Sixth Ave
Portland, OR 97204
Colin.mcconnaha@state.or.us

Michael T. Weirich (C)
Department of Justice
1162 Court St NE
Salem OR, 97301-4096
michael.wierich@state.or.us

Melinda Davison (C)
Davison Van Cleve
333 SW Taylor, Suite 400
Portland, OR 97204
mjd@dvclaw.com

IRP Mailbox
PacifiCorp
825 NE Multnomah St, Suite 800
Portland, OR 97232
irp@pacificcorp.com

Travis Ritchie (C)
Sierra Club Environmental Law
85 Second Street, 2nd Floor
San Francisco, CA 94105
Travis.ritchie@sierraclub.org

Gloria Smith (C)
Sierra Club Environmental Law
85 Second Street, 2nd Floor
San Francisco, CA 94105
gloria.smith@sierraclub.org

Alexa Zimbalist (C)
Sierra Club
85 Second Street, 2nd Floor
San Francisco, CA 94105
alexa.zimbalist@sierraclub.org

Justin Wilson (C)
Western Clean Energy Campaign
1536 Wynkoop St. Ste 420
Denver, CO 80202
justin@westerncec.org

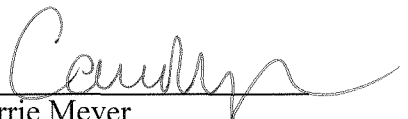
Nancy Esteb, PhD
PO Box 490
Carlsborg, WA, 98324
Esteb44@centurylink.net

John Lowe
Renewable Energy Coalition
12050 SW Tremont St.
Portland, OR 97225
jravenesanmarcos@yahoo.com

Teresa Hagins
Northwest Pipeline GP
8907 NE 219th Street
Battle Ground, WA 98604
Teresa.l.hagins@williams.com

Irion Sanger (C)
Sanger Law PC
1117 SE 53rd Ave
Portland OR 97215
irion@sanger-law.com

Dated this 30th of November, 2015.


Carrie Meyer
Supervisor, Regulatory Operations

LC 62/PacifiCorp
November 30, 2015
Bench Request No. 1

ALJ Bench Request 1

If EWEB made no transmission service request, would PacifiCorp be seeking to construct the Wallula to McNary line? If yes, why would PacifiCorp seek to build the line and under what justification?

Response to ALJ Bench Request 1

Transaction Commitment 34C from Docket No. UM 1209 was the initial driver for planning the new transmission line. The commitment states that PacifiCorp will propose projects that the Company believes will enhance reliability, facilitate the receipt of renewable resources, or enable further system optimization. The commitment also provided for proposing alternative projects that provide a comparable benefit. Without the existing transmission service request, additional requests for transmission service or generation interconnection, customer load requests in the Walla Walla or Wallula area, or additional network customer load service requests, this project would most likely have been put on hold as PacifiCorp determined whether any alternative projects provided a comparable benefit.

ALJ Bench Request 2

Has PacifiCorp quantified the purported benefits of the proposed line to its customers? If yes, what are the estimates and how did PacifiCorp derive those estimates?

Response to ALJ Bench Request 2

No. Please refer to the Company's response to Bench Request No. 6. Added benefits to reliability and customer service are difficult to quantify. Reliability benefits correspond to the fact that with only a single line between Wallula and McNary, line outages, either planned or unplanned, cause disruption of service to customers. This disruption can result in loss of service under existing contracts or reduced reliability for customers served from the Wallula substation. The second line provides service reliability in a single line outage condition. Additionally, the new line will provide lightning protection, allowing continued operation of the line in the event of a lightning strike, whereas the existing line is not protected. In the past, customer service has been disrupted due to line outages caused by lightning strikes on the existing line.

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November 30, 2015
Bench Request No. 3

ALU Bench Request 3

Is PacifiCorp violating any reliability standards now in the absence of the proposed line?

Response to ALJ Bench Request 3

No. PacifiCorp is not currently in violation of any North American Electric Reliability Corporation/Western Electricity Coordinating Council (NERC/WECC) reliability standards associated with the operation or maintenance of the existing transmission system in the Walla Walla or Wallula areas. Notwithstanding the foregoing, constructing a second 230 kV line between the Wallula and McNary substations will provide additional flexibility and added reliability to customers served in the area and is required to comply with PacifiCorp's Open Access Transmission Tariff and tariff and Federal Power Act obligations. With the new line in place, outages on either the new or existing line can occur without interruption of customer service, thus providing added reliability of service.

ALJ Bench Request 4

How did PacifiCorp determine that the rate that it has offered to EWEB is consistent with cost-causation or beneficiary pays principles?

Response to ALJ Bench Request 4

The rate offered by PacifiCorp to EWEB was a rolled-in or embedded rate. Transmission rates pursuant to Federal Energy Regulatory Commission (FERC) precedent are designed using an embedded cost approach, which is the rolled-in embedded cost for the system as expanded (i.e., a rolled-in rate). Embedded cost rates are justified for transmission facilities that are part of the transmission network, such as the facilities that are the subject of this bench request.¹ Under FERC transmission pricing policy and precedent, network transmission facilities enjoy a presumption of rolled-in rate treatment so long as any degree of network integration and/or benefit is shown, and that benefit need not be large to be significant.² PacifiCorp's Open Access Transmission Tariff contains additional guidance on cost assignment. In section 1.27, Network Upgrades are defined as "Modifications or additions to transmission-related facilities that are integrated with and support the Transmission Provider's overall Transmission System for the general benefit of all users of such Transmission System." Network Upgrade costs are typically shared by all network customers.

¹ *Inquiry Concerning the Commission's Pricing Policy for Transmission Services Provided by Public Utilities Under the Federal Power Act*, FERC Stats. & Regs. ¶ 31,005 (1994), *clarified*, 71 FERC ¶ 61,195 (1995) (Transmission Pricing Policy Statement).

² *See, e.g., Northeast Texas Elec. Coop.*, 111 FERC ¶ 61,189 (2005).

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Bench Request No. 5

ALJ Bench Request 5

What studies were conducted and what information was provided to EWEB about their cost responsibility for the transmission project? Please provide any and all supporting documentation.

Response to ALJ Bench Request 5

No studies were conducted to determine whether additional transmission facilities and cost responsibility would be necessary for service to be provided for EWEB's service request because a new line was already being planned pursuant to a commitment made during MidAmerican's acquisition of PacifiCorp in 2005. At the time of the request, only two megawatts was posted for Available Transfer Capacity on the existing line between Wallula and McNary which was insufficient to satisfy the request. By contrast, there was sufficient capacity associated with the new line that was already in the permitting stage between Wallula and McNary that could be utilized for the requested transmission service. Based on this information, it was determined that no new studies were required to grant EWEB's transmission service request.

ALJ Bench Request 6

What is the projected annual total revenue requirement for the proposed line? What is the projected average annual revenue from EWEB's usage of the line? If the projected annual total revenue requirement from the proposed line is greater than the expected average annual revenues to be collected from EWEB, how does the company propose to recover the difference? Assuming EWEB is the sole line subscriber over the life of its contract, how much of the total revenue requirement for the line would be picked up by PacifiCorp customers if rate recovery is granted? Please provide supporting documentation for all calculations.

Response to ALJ Bench Request 6

The Company prepared a present value revenue requirement estimate for the proposed line in 2010 in response to a data request in Docket No. UM 1495.

The estimated present value revenue requirement was determined to be \$6.3 million on a total company basis after transmission service revenue of \$2.9 million per year from EWEB. The present value revenue requirement excluding revenue from EWEB is \$35.1 million. Revenue was based on requests for 120 mega-watts of service at the then-effective FERC Tariff rate of \$24.30 per kW-year. The original financial model updated for this sensitivity is included as Confidential Attachment Bench Request 6. The results are on the "Generic" tab, cells N16 through O18.

The confidential attachment is designated as confidential under Order No. 14-416 and may only be disclosed to qualified persons as defined in that order.

ALJ Bench Request 7

Did PacifiCorp develop and offer EWEB any kind of incremental cost transmission rate—as opposed to the embedded cost rate offered that would require EWEB to pay for more of the cost of the line? If yes, what rate or rates were offered and how were those rates developed? If no, please provide hypothetical incremental transmission rates for firm service to EWEB on the proposed Wallula to McNary line assuming revenues from EWEB covered 75 percent, 90 percent, and 100 percent of the full cost of the proposed line. Please provide supporting documentation for all calculations.

Response to ALJ Bench Request 7

No, PacifiCorp did not offer incremental rates. Please refer to the Company's response to Bench Request No. 4.

Please see below for hypothetical incremental transmission rates:

- 100% cost responsibility results in a transmission rate of approximately \$303/kW year
- 90% cost responsibility results in a transmission rate of approximately \$273/kW year
- 75% cost responsibility results in a transmission rate of approximately \$227/kW year

Please refer to Confidential Attachment Bench Request 7 for additional information. Specifically refer to the top of the page where the Required Investment (cost of the project), Service Commencement Date, Service Level, and Incremental vs. Embedded Convergence (length of the service contract) are inputs that reflect the details of the project and the agreement. These values are the variables that are used to calculate the Incremental Rate shown on the attachment at \$303/kW year for 100 percent cost responsibility. To calculate the other values the \$303 rate was adjusted by the percent responsibility.

The confidential attachment is designated as confidential under Order No. 14-416 and may only be disclosed to qualified persons as defined in that order.

Check-sheet for Handling of Transmission Documents

This section to be completed by Transmission Business Analyst:

Document Title:
Service Agreement for Long-Term Firm Point-to-Point Transmission Service

Commencement date: **8/1/2013;**
***Actual start date TBD**

Termination Date: **12/31/2026**

1. Does Contract Terminate w/in 1 year?
 Yes No

Rate schedule or Service agreement #
SA 605 Rev 3

E-Tariff # (Tariff Collation #, Tariff Record v. x.y.z)
32, v 2.0.0

Document was signed by both parties

Execution date: **filed unexecuted**

Added to Contract Tracking spreadsheet

1. Was agreement added to the EQR? *If No, proceed to Step 2*
 Yes No

2. Will agreement be filed with FERC? *If No, proceed to Step 3*
 Yes No

If Yes, Please check complete the following:

FERC filing date: **8/9/2013**

Docket #: **ER13-2141**

FERC acceptance date: **10/1/2013**

Approval letter is attached

3. Include the following information

Counterparty Company name:

Eugene Water & Electric Board

Project Name (if applicable):

n/a

Substation (if applicable):

n/a

Type of Document (Select one)
Agreement

Document Category (Select one)
Point-to-Point Transmission Service

Document Sub-Category (Select one)
Long-Term Firm

4. Was Delta View performed? If applicable for PTP & Interconnection Agreements (Date performed)
n/a - non-conforming

5. Contract Value > \$1 Million? Yes No
Explanation (if needed):

\$8,760,000

6. Date placed in "Contracts for entry **8/26/2013** into p8" mailbox:

NOTES (e.g. Reason not filed, Superseded Agreement)

*** Actual start date is dependent upon completion of construction; requested a FERC effective date of 8/1/2013**

This section to be completed by Office Coordinator

- Confirm steps 1-4 are complete.
- Scan this check-sheet first, then FERC acceptance letter (if applicable), then the actual document when scanning document. Scan all into a single combined document.
- Enter combined document into p8 using the information given above in Step 3.
- Send an email containing a p8 link to the combined document to the *_Transmission Contracts* distribution list.
- Send executed original to PacifiCorp Contracts and Records Management Department.

PacifiCorp Transmission Agreement Overview

Required for approval of all transmission contracts and agreements on legal review matrix

ORIGINATOR at PTS: Name, Title, Phone #	Pamela Singh, Business Analyst, (503) 813-5739
NAME OF AGREEMENT Name of the Agreement as it appears on the first page	Form of Service Agreement for Long-Term Firm Point-to-Point Transmission Service
COUNTERPARTY/CUSTOMER Full legal name of the customer or other counterparty to the Agreement	Alpental Energy Partners, LLC (SA 685, R2) Black Hills Corporation (SA 67 R3) Bonneville Power Administration (SA 179 R4 - Green Springs & SA 656 R3- Lost Creek) Eugene Water & Electric Board (SA 605 R3) Nextera Energy Resources, LLC (SA 583 R2)
TERM OF AGREEMENT Duration of term of Agreement (unless breach, early termination, etc.)	SA 685, R2 (Alpental) - approx. 20 years ✓ SA 67 R3 (Black Hills) - approx. 10 years ✓ SA 179 R4 (BPA - Green Springs) - approx. 12 years ✓ SA 656 R3 (BPA - Lost Creek) - approx. 17 years ✓ SA 605 R3 (EWEB) - approx. 13 years ✓ SA 583 R2 (Nextera) - 5 years ✓
EFFECTIVE DATE OF AGREEMENT Indicate a defined effective date of Agreement or whether it is triggered by date of full execution or FERC acceptance	July 1, 2013 for current update however actual term of agreement is longer.
SUBJECT OF AGREEMENT Explanation of the service to be provided and/or acquired in the Agreement	Long-term firm point-to-point transmission service
FERC FILING REQUIREMENTS? Description of potential filing requirements for the Agreement	Non-Conforming agreements - filing required. <i>w/in 30 days of service commencement</i>
OTHER RELATED AGREEMENTS? List other contracts or agreements (either executed or in development) related to this customer and this service. If so, have or will they require a checksheet?	N/A
KEY PROVISIONS Explanation of key provisions, including those that <i>differ from or do not conform with PTS standard forms</i> and any other unique provisions of the Agreement	Long-term firm point-to-point transmission service conforming to the OATT. <i>these are NON-conforming</i>
JURY TRIAL WAIVER Does Agreement type allow? If so, is one present?	No
JOINT OWNERSHIP/OPERATION Does Agreement contemplate jointly owned or operated facilities? If so, indicate nature of joint ownership/operation, facilities impacted, any compliance obligations, and relevant section(s) of Agreement.	No

ROUTING/REVIEW:

DATE:

Pamela Singh
PTS Review
Patience Keckler
Transmission Contracts Review
M M Babione

June 7, 2013
6/12/13
6/7/13

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

PacifiCorp
Docket No. ER13-2141-000
October 7, 2013

PacifiCorp
825 N.E. Multnomah
Suite 1800
Portland, OR 97232

Attention: Mark M. Rabuano, Esq.
Attorney for PacifiCorp

Reference: Long-Term Firm Point-to-Point Transmission Service Agreements

Dear Mr. Rabuano:

On August 9, 2013, PacifiCorp filed four executed Long-Term Firm Point-to-Point Transmission Service Agreements (TSA) and two unexecuted TSAs under PacifiCorp's Volume No. 11 Open Access Transmission Tariff (OATT).¹ PacifiCorp states the limited revisions to the executed and unexecuted non-conforming TSAs were motivated by certain amendments to PacifiCorp's OATT that were approved by the Commission as part of an uncontested settlement of PacifiCorp's May 2011 transmission rate case proceeding, and therefore the revisions serve only to align the TSAs with certain FERC-approved settlement provisions.² Alpentel and EWEB declined to execute their TSA at this time. However, PacifiCorp states that service has not commenced under these two

¹ PacifiCorp filed the following executed TSAs: (1) Fourth Revised Service Agreement No. 179 with Bonneville Power Administration (Bonneville), (2) Third Revised Service Agreement No. 656 with Bonneville, (3) Second Revised Service Agreement No. 583 with NextEra Energy Resources, LLC, and (4) Third Revised Service Agreement No. 67 with Black Hills Corporation. PacifiCorp filed two unexecuted TSAs under Second Revised Service Agreement No. 685 and Third Revised Service Agreement No. 605, with Alpentel Energy Partners (Alpentel) and Eugene Water and Electric Board (EWEB), respectively.

² See *PacifiCorp, et al.*, 136 FERC ¶ 61,092 (2011).

Docket No. ER13-2141-000

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unexecuted agreements, as completion of certain transmission upgrades are still pending. Waiver of the Commission's notice requirements pursuant to section 35.11 of the Commission's regulations (18 C.F.R. § 35.11) is granted,³ and PacifiCorp's submittal is accepted for filing, effective August 1, 2013, as requested.⁴

The filing was noticed on August 12, 2013, with comments, protests or motions to intervene due on or before August 30, 2013. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rates or services provided for in the filed documents; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or any which may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against PacifiCorp.

This action is taken pursuant to authority delegated to the Director, Division of Electric Power Regulation - West under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

³ *Central Hudson Gas & Electric Corporation, et al.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992), and *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

⁴ Please be advised that PacifiCorp must file executed agreements with Alpentel and EWEB prior to the commencement of service under their respective TSAs, in accordance with the Commission's filing requirements.

Docket No. ER13-2141-000

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Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation - West

cc: All Parties

August 9, 2013

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

RE: *PacifiCorp*
Docket No. ER13-____-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ Part 35 of the Federal Energy Regulatory Commission’s (“FERC” or the “Commission”) regulations,² and Order No. 714³ regarding electronic filing of tariff submittals, PacifiCorp hereby tenders for filing the following attached executed agreements:

- (1) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, dated July 17, 2013, between Bonneville Power Administration (“BPA”) and PacifiCorp, to be designated as Fourth Revised Service Agreement No. 179 under PacifiCorp’s Open Access Transmission Tariff (“OATT”);
- (2) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, dated July 17, 2013, between BPA and PacifiCorp, to be designated as Third Revised Service Agreement No. 656 under PacifiCorp’s OATT;
- (3) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, dated July 5, 2013, between NextEra Energy Resources, LLC (“NextEra”) and PacifiCorp, to be designated as Second Revised Service Agreement No. 583 under PacifiCorp’s OATT; and
- (4) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, dated August 1, 2013, between Black Hills Corporation (“Black Hills”) and PacifiCorp, to be designated as Third Revised Service Agreement No. 67 under PacifiCorp’s OATT

In addition, PacifiCorp hereby tenders for filing the following attached unexecuted agreements:

¹ 16 U.S.C. § 824d (2006).

² 18 C.F.R. Part 35 (2013).

³ *Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008).

The Honorable Kimberly D. Bose

August 9, 2013

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- (1) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, between Alpentel Energy Partners LLC (“Alpentel Energy”) and PacifiCorp, to be designated as Second Revised Service Agreement No. 685 under PacifiCorp’s OATT; and
- (2) Service Agreement for Long-Term Firm Point-to-Point Transmission Service between Eugene Water and Electric Board (“EWEB”) and PacifiCorp, to be designated as Third Revised Service Agreement No. 605 under PacifiCorp’s OATT

PacifiCorp respectfully requests that the Commission accept both these executed and unexecuted non-conforming Long-Term Firm Point-to-Point Transmission Service Agreements (“TSAs”) filed herewith under Part 35 of the Commission’s regulations. The limited revisions to the attached agreements were motivated by certain amendments to PacifiCorp’s OATT that were approved by the Commission as part of an uncontested settlement of PacifiCorp’s May 2011 transmission rate case filing in Docket No. ER11-3643. The primary substantive revisions to the customers’ TSAs align with the FERC-approved revisions to the OATT, as applicable. As explained further below, PacifiCorp respectfully requests an effective date for the revised TSAs of August 1, 2013.

1. Background and Reason for Filing

A. Background on PacifiCorp Transmission Rate Case

On May 26, 2011, with a limited clarification on June 9, 2011, PacifiCorp filed revisions to its OATT under FPA Section 205 as part of its transmission rate case, in Docket No. ER11-3643. PacifiCorp’s proposed revisions served to replace its stated transmission rates with cost-based formula rates for Network Integration Transmission Service and Point-to-Point Transmission Service (“PTP Service”), among other changes. In particular, PacifiCorp proposed the following specific OATT revisions impacting PTP Service customers, among others:

- OATT Section 1.45 was revised to indicate that Reserved Capacity includes the maximum amount of capacity and energy *(including losses)* that the Transmission Provider agrees to transmit for the PTP Service customer over its system between the points of receipt and delivery.
- Schedule 10 (Real Power Losses) was revised to update the transmission service real power loss factor. In addition, Schedule 10 includes language that transmission customers taking Firm PTP Service shall be responsible for all real power losses as provided for in OATT Section 15.7 and Schedule 10. Transmission customers shall have the option to settle real power losses pursuant to financial settlement or physical delivery pursuant to the terms of Schedule 10.

On August 8, 2011, the Commission issued an order accepting PacifiCorp’s filing, suspending it for a five-month period (to be effective December 25, 2011), subject to refund, and

The Honorable Kimberly D. Bose

August 9, 2013

Page 3

setting the filing for hearing and settlement judge procedures.⁴ Subsequent to the August 8 Order, PacifiCorp submitted amended non-conforming TSAs for PTP Service (some in unexecuted form) reflecting the OATT amendments that were accepted by the Commission. Among the changes to the TSAs was the addition of a statement in Section 5.0 of the Specifications for Firm PTP Service (the “Specifications”), concerning the maximum amount of capacity and energy to be transmitted, that, consistent with OATT Section 1.45 and Schedule 10, the customer’s Reserved Capacity shall include losses. The Commission accepted the revised TSAs subject to the outcome of the pending 2011 transmission rate case proceeding.⁵

On February 22, 2013, PacifiCorp, on behalf of itself and the other parties, filed a Settlement Agreement resolving all issues in Docket No. ER11-3643. PacifiCorp appended clean and redlined revised OATT tariff sheets to the Settlement Agreement. The Commission approved the Settlement Agreement, including the amended tariff sheets, finding the settlement to be fair and reasonable and in the public interest.⁶ On June 13, 2013, PacifiCorp submitted its compliance filing in eTariff format to incorporate into PacifiCorp’s OATT the approved tariff revisions from the Settlement Agreement, effective December 25, 2011. This compliance filing is still pending before the Commission.

B. Description of Proposed Revisions to TSAs

PacifiCorp acknowledges and satisfies herein its obligation to have on file with the Commission full and complete rate schedules and service agreements setting forth any revised or updated rates and charges for transmission service, as well as the non-rate terms and conditions of such service.⁷ While PacifiCorp has a *pro forma* standard Form of Service Agreement for Firm PTP Service in its OATT, it has filed certain TSAs for PTP Service with the Commission as non-conforming service agreements. PacifiCorp generally files all revisions to these non-conforming TSAs with FERC for acceptance within 30 days after service commences.⁸

PacifiCorp proposes herein to make limited substantive revisions across all of the attached TSAs to reflect the current treatment of losses. Among the approved amendments to PacifiCorp’s OATT appended to the Settlement Agreement was a revision to OATT Section 1.45 to remove language that the definition of Reserved Capacity includes losses. OATT Schedule 10 retains language providing that transmission customers taking PTP Service shall be responsible for Real Power Losses in a manner consistent with the OATT. As such, in each of the attached TSAs, PacifiCorp has proposed to remove the statement in Section 5.0 of the Specifications that, consistent with OATT Section 1.45 and Schedule 10, the customer’s Reserved Capacity *shall include losses*. No other approved amendments to PacifiCorp’s OATT as part of the Settlement

⁴ *PacifiCorp*, 136 FERC ¶ 61,092 (2011) (“August 8 Order”), *reh’g denied*, 137 FERC ¶ 61,147 (2011).

⁵ *See PacifiCorp*, Letter Order, Docket No. ER12-949-000 (Mar. 21, 2012); *PacifiCorp*, 138 FERC ¶ 61,127 (2012).

⁶ *PacifiCorp*, 143 FERC ¶ 61,162 (2013).

⁷ *See* 18 C.F.R. § 35.1(a).

⁸ *See* 18.C.F.R. § 35.3(a)(2).

Agreement and June 13, 2013 compliance filing required substantive revisions to all of the TSAs for Long-Term Firm PTP Service.⁹

C. Affected Agreements

PacifiCorp describes below the affected PTP Service customers and the service contemplated under each amended TSA, including the filing history of the current version of each TSA on file at the Commission. Any preceding filing history for each of the agreements is included in the filings in the below-cited proceedings.

1. Executed Agreements

The executed revised TSAs with PacifiCorp's PTP Service customers are described below:

BPA/Green Springs Hydroelectric Project ("Green Springs"): On March 1, 2013, PacifiCorp filed a revised non-conforming TSA with BPA, designated as Third Revised Service Agreement No. 179. The service agreement provides for the transmission of 18 MW of generation from Green Springs. It is non-conforming because of the inclusion of additional dynamic scheduling requirements in Section 9.0 of the Specifications, added to the TSA at BPA's request. On April 23, 2013, the Commission accepted this TSA, effective May 1, 2013, by letter order in Docket No. ER13-1009.¹⁰ The revised TSA with BPA is filed herewith as Fourth Revised Service Agreement No. 179.

BPA/Lost Creek Hydroelectric Project ("Lost Creek"): On March 1, 2013, PacifiCorp filed a revised non-conforming TSA with BPA, designated as Second Revised Service Agreement No. 656. The service agreement provides for the transmission of 56 MW of generation produced at Lost Creek. It is non-conforming because of the inclusion of additional dynamic transfer requirements that were added to Section 9.0 of the Specifications at BPA's request. BPA self-supplies certain ancillary services under Section 9.0. As a result, it is not necessary for PacifiCorp to provide certain ancillary services to BPA under the agreement, as reflected in Section 8.4 of the Specifications. On April 23, 2013, the Commission accepted this TSA, effective May 1, 2013, by letter order in Docket No. ER13-1009.¹¹ The revised TSA with BPA is filed herewith as Third Revised Service Agreement No. 656.

In the case of both of the BPA TSAs, PacifiCorp also proposed to remove language in Section 2.0 of the Specifications referring to the financial settlement of losses associated with Long-Term Firm PTP Service pursuant to OATT Schedule 7. Such language was deemed obsolete insofar as Schedule 10 of PacifiCorp's OATT now provides for the financial settlement of transmission losses for applicable transmission customers.

⁹ The same effort is being performed by PacifiCorp on a parallel track with PacifiCorp's conforming TSAs for Long-Term Firm PTP Service, and such revised TSAs will be reflected in PacifiCorp's Electric Quarterly Reports ("EQRs").

¹⁰ *PacifiCorp*, Letter Order, Docket No. ER13-1009-000 (Apr. 23, 2013).

¹¹ *Id.*

NextEra: On December 21, 2011, PacifiCorp filed a revised unexecuted TSA with NextEra, designated as First Revised Service Agreement No. 583. The service agreement describes the provision of PTP Service to NextEra. The start date of the agreement is January 1, 2012, but service would not commence until the completion of construction of the Wallula to McNary 230 kV transmission line, pursuant to Section 9.0 of the Specifications. On February 17, 2012, the Commission conditionally accepted this TSA subject to the outcome of the 2011 transmission rate case, effective January 1, 2012.¹² The revised TSA with NextEra is filed herewith as Second Revised Service Agreement No. 583.

Black Hills: On January 31, 2012, PacifiCorp filed a revised executed TSA with Black Hills, designated as Second Revised Service Agreement No. 67. The service agreement describes the provision of transmission service to Black Hills between the point of receipt at the Yellowtail Substation on the PacifiCorp system to the point of interconnection between the systems of PacifiCorp and Black Hills at the Wyodak Substation, until December 31, 2020. For the period from January 1, 2021 through December 31, 2023, PacifiCorp will provide transmission service between the point of receipt at PacifiCorp's Jim Bridger Plant and point of delivery at the Wyodak Substation. On March 21, 2012, the Commission conditionally accepted this TSA subject to the outcome of the 2011 transmission rate case, effective January 1, 2012, by letter order in Docket No. ER12-949.¹³ The revised TSA with NextEra is filed herewith as Third Revised Service Agreement No. 67.

2. Unexecuted Agreements

The unexecuted revised TSAs with PacifiCorp's PTP Service customers are described below:

Alpentel Energy: On December 21, 2011, PacifiCorp filed a revised executed TSA with Alpentel Energy, designated as First Revised Service Agreement No. 685. The service agreement describes the provision of PTP Service to Alpentel Energy for 3 MW from its Blue Mountain Complex. The start date of the agreement is January 1, 2012, but service commencement is contingent on the completion of the upgrade of the 46/25 kV transformer at the South Milford Substation to 22 MVA, pursuant to Section 9.0 of the Specifications. These modifications are ongoing. On February 17, 2012, the Commission conditionally accepted this TSA subject to the outcome of the 2011 transmission rate case, effective January 1, 2012.¹⁴

On July 30, 2013, Alpentel Energy provided PacifiCorp with correspondence indicating that it would not be executing the revised TSA. The revised unexecuted TSA with Alpentel Energy is filed herewith as Second Revised Service Agreement No. 685.

EWEB: On September 21, 2012, PacifiCorp filed a revised executed TSA with EWEB, designated as Second Revised Service Agreement No. 605. The service agreement describes the

¹² *PacifiCorp*, 138 FERC ¶ 61,127 (2012).

¹³ *PacifiCorp*, Letter Order, Docket No. ER12-949-000 (Mar. 21, 2012).

¹⁴ *PacifiCorp*, 138 FERC ¶ 61,127 (2012).

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provision of PTP Service to EWEB. The start date of the agreement is contingent upon the completion of construction of the Wallula to McNary 230 kV transmission line, pursuant to Section 9.0 of the Specifications. On November 14, 2012, the Commission accepted this TSA, effective September 11, 2012, by letter order in Docket No. ER12-2673.¹⁵

On June 24, 2013, EWEB provided PacifiCorp with correspondence indicating that it would not be executing the revised TSA at this time as the customer would have adequate time to review and sign the agreement prior to service commencement. The revised unexecuted TSA with EWEB is filed herewith as Third Revised Service Agreement No. 605.

2. Effective Date and EQR Reporting

Pursuant to Section 35.3(a)(2) of the Commission's regulations,¹⁶ PacifiCorp respectfully requests an effective date of August 1, 2013 for the attached TSAs. As described above, the limited changes to the TSAs are intended to align the current versions of each agreement with certain underlying OATT sections appended to the FERC-approved Settlement Agreement, effective December 25, 2011.

Those revised TSAs included herein for which service has commenced will be reported in PacifiCorp's EQRs with an effective date of August 1, 2013, upon a FERC order accepting this filing. PacifiCorp would report in its EQRs those TSAs for which service has yet to commence upon service commencement in the future.

3. Information Required by 18 C.F.R § 35.13 of the Commission's Regulations

PacifiCorp respectfully requests that the Commission accept the attached agreements for filing under Part 35 of the Commission's regulations and grant waiver of any information requirements under Section 35.13 that are not otherwise satisfied below.

The following information is provided:

- Documents Submitted with this Filing: See Section 5 for the enclosures with this transmittal letter.
- Proposed Effective Date: PacifiCorp is requesting an effective date of August 1, 2013. See Section 2.
- Names and Addresses of Persons Served: See Section 7 and the Service List for a list of those customer representatives that have been served with this filing.
- Brief Description of, and Reasons for, the Rate Changes: These requirements are addressed in Section 1.
- Demonstration of Requisite Agreement: In most cases, as described above, the requisite agreement to the changes has been demonstrated insofar as the revised TSAs have been executed by the customers. However, EWEB and Alpentel Energy have

¹⁵ *PacifiCorp*, Letter Order, Docket No. ER12-2673-000 (Nov. 14, 2012).

¹⁶ 18 C.F.R. § 35.3(a)(2).

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not executed their respective agreements. The TSAs of EWEB and Alpentel Energy are being tendered unexecuted. The revisions to all TSAs are consistent with the FERC-approved uncontested Settlement Agreement submitted by PacifiCorp to resolve all issues in Docket No. ER11-3643.

To the extent that any filing or information requirement in Part 35 of the Commission's regulations is not satisfied by this filing and the materials enclosed herewith, PacifiCorp respectfully requests waiver of such requirements as inapplicable to the circumstances presented in the submission. PacifiCorp submits that this filing presents adequate support for the Commission to accept the TSAs for filing.

4. Designations

PacifiCorp respectfully requests that the TSAs attached herewith be designated as follows:

- (1) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, between BPA and PacifiCorp, to be designated as Fourth Revised Service Agreement No. 179;
- (2) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, between BPA and PacifiCorp, to be designated as Third Revised Service Agreement No. 656;
- (3) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, between NextEra and PacifiCorp, to be designated as Second Revised Service Agreement No. 583;
- (4) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, between Black Hills and PacifiCorp, to be designated as Third Revised Service Agreement No. 67;
- (5) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, between Alpentel Energy and PacifiCorp, to be designated as Second Revised Service Agreement No. 685; and
- (6) Service Agreement for Long-Term Firm Point-to-Point Transmission Service, between EWEB and PacifiCorp, to be designated as Third Revised Service Agreement No. 605

5. Enclosures

PacifiCorp includes both clean and marked versions of each of the revised TSAs included in this filing, in order to demonstrate the changes to the TSAs currently on file with the Commission. The following enclosures are attached hereto:

Enclosure 1	Clean and red-lined versions of Fourth Revised Service Agreement No. 179
Enclosure 2	Clean and red-lined versions of Third Revised Service Agreement No. 656
Enclosure 3	Clean and red-lined versions of Second Revised Service Agreement No. 583
Enclosure 4	Clean and red-lined versions of Third Revised Service Agreement No. 67
Enclosure 5	Clean and red-lined versions of Second Revised Service Agreement No. 685

Enclosure 6 Clean and red-lined versions of Third Revised Service Agreement No. 605

6. Communications

All communications and correspondence regarding this filing should be forwarded to the following persons:

Mark M. Rabuano
Senior Counsel
PacifiCorp
825 N.E. Multnomah St., Suite 1800
Portland, OR 97232
(503) 813-5744
Mark.Rabuano@PacifiCorp.com

Rick Vail
Vice President, Transmission
PacifiCorp
825 N.E. Multnomah, Suite 1600
Portland, OR 97232
(503) 813- 6938
Richard.Vail@PacifiCorp.com

7. Service List

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, a copy of this filing is being served on the parties listed in the attached Service List.

8. Conclusion

For the foregoing reasons, PacifiCorp respectfully requests that the Commission accept the attached executed and unexecuted TSAs, in order to permit the agreements to become effective August 1, 2013, as proposed.

If you have any questions, or if I can be of further assistance, please do not hesitate to contact me.

Respectfully Submitted,

/s/ Mark M. Rabuano
Mark M. Rabuano

Attorney for PacifiCorp

SERVICE LIST

<p>Alpental Energy Partners, LLC c/o Brady Olson 86 N. University Avenue, Suite 400 Provo, UT 84601 bradyolson@alpentalenergy.com</p>	<p>Bonneville Power Administration c/o Connie Howard 905 NE 11th Avenue Routing: PST-6 Portland, OR 97232 cmhoward@bpa.gov</p>
<p>Black Hills Power, Inc. c/o Dory Batka 2828 Plant Street, Suite B Rapid City, SD 57702-1201 Dory.Batka@blackhillscorp.com</p>	<p>Eugene Water & Electric Board c/o Dave Churchman 500 East 4th Avenue Eugene, OR 97440-2148 dave.churchman@eweb.org</p>
<p>NextEra Energy Resources, LLC c/o Bill Narvaez 700 Universe Blvd. Juno Beach, FL 33408 Guillermo.Narvaez@nexteraenergy.com</p>	

CERTIFICATE OF SERVICE

I hereby certify that I have on this day caused a copy of the foregoing document to be served via first-class or electronic mail upon each of the parties listed in the enclosed Service List.

Dated at Portland, Oregon this 9th day of August, 2013.

/s/ Mark M. Rabuano

Mark M. Rabuano
PacifiCorp
825 N.E. Multnomah St., Suite 1800
Portland, OR 97232
(503) 813-5744
(503) 813-7252 (facsimile)
mark.rabuano@pacificorp.com

**Form Of Service Agreement For Long-Term Firm Point-To-Point
Transmission Service**

- 1.0 This Service Agreement, dated as of _____, is entered into, by and between PacifiCorp ("Transmission Provider"), and Eugene Water & Electric Board ("Transmission Customer") for the provision of Long-Term Firm Point-to-Point Transmission Service. This Service Agreement supersedes and replaces Second Revised Service Agreement No. 605, dated September 4, 2012. This agreement will be filed with the Commission as Third Revised Service Agreement No. 605.
- 2.0 The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 For Long-Term Firm Point-to-Point Transmission Service:
 - 3.1 The Transmission Customer has provided to the Transmission Provider an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
 - 3.2 Service under this agreement shall commence on the later of (1) the requested Service commencement date, (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
 - 3.3 Service under this agreement shall be in accordance with the attached Specifications.
- 4.0 For Short-Term Firm Point-to-Point Transmission Service:
 - 4.1 Service under this Agreement shall be provided by the Transmission Provider upon request by an authorized representative of the Transmission

Customer pursuant to the terms and conditions of the Tariff.

- 4.2 The Transmission Customer agrees to supply information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 4.3 The Transmission Customer will provide to the Transmission Provider an Application deposit for Short-Term Firm Point-to-Point Transmission Service in accordance with the provisions of Section 17.3 of the Tariff at the time such service is arranged.
- 4.4 Service under this agreement shall commence and shall be provided as agreed to at the time such service is arranged.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

US Mail Deliveries: PacifiCorp Transmission
PO Box 2757
Portland, OR 97208-2757

Other Deliveries: PacifiCorp Transmission
Attn: Central Cashiers
1033 NE 6th Ave
Portland OR 97256-0001

Phone Number: (503) 813-6774

Transmission Customer:

Eugene Water & Electric Board
500 East 4th Avenue
Post Office Box 10148
Eugene, OR 970440-2148

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

PacifiCorp:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

**Specifications For Long-Term Firm Point-To-Point
Transmission Service**

- 1.0 Term of Transaction: To be determined, based on the start date of this Agreement

Start Date: Service under this agreement shall commence on the date on which the transmission line referenced in Section 9.0 of these Specifications is complete.

In order to provide the requested service, PacifiCorp must construct a new transmission facility. Therefore, by entering into this agreement, the Transmission Customer agrees to waive its rights to extend commencement of service under Section 17.7 of Transmission Provider's Open Access Transmission Tariff.

Termination Date: December 31, 2026

- 2.0 Description of capacity and energy to be transmitted by Transmission Provider including the electric Control Area in which the transaction originates.

Firm capacity and associated energy in the amounts as shown in Section 5.0 shall be transmitted by the Transmission Provider. All capacity and associated energy transmitted under this Service Agreement shall be scheduled pursuant to the scheduling practices of the Tariff.

This transaction originates and terminates in the Transmission Provider's Western control area (PACW).

- 3.0 Point(s) of Receipt: Wallula Substation, to be represented by a new scheduling point on Transmission Provider's OASIS

Delivering Party: Transmission Customer

4.0 Point(s) of Delivery: McNary Substation, as represented by MCNARY on Transmission Provider's OASIS

Receiving Party: Transmission Customer

5.0 Maximum amount of capacity and energy to be transmitted (Reserved Capacity): 25 MW

6.0 Designation of party(ies) subject to reciprocal service obligation: none

7.0 Name(s) of any Intervening Systems providing transmission service: none

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 Transmission Charge:

The currently effective yearly delivery charge as provided in Schedule 7 of the Tariff.

8.2 System Impact and/or Facilities Study Charge(s): none

8.3 Direct Assignment Facilities Charge: none

8.4 Ancillary Services Charges:

a) Scheduling, System Control and Dispatch Service:

Only to the extent required pursuant to Schedule 1 of the Tariff.

b) Reactive Supply and Voltage Control from Generation Sources Service:

Only to the extent required pursuant to Schedule 2 of the Tariff.

c) Regulation and Frequency Response Service:

Only to the extent required pursuant to Schedule 3 of the Tariff.

d) Generator Regulation and Frequency Response Service:

Only to the extent required pursuant to Schedule 3A of the Tariff.

e) Energy Imbalance Service:

Only to the extent required pursuant to Schedule 4 of the Tariff.

f) Operating Reserve - Spinning Reserve Service:

Only to the extent required pursuant to Schedule 5 of the Tariff.

g) Operating Reserve - Supplemental Reserve Service:

Only to the extent required pursuant to Schedule 6 of the Tariff.

h) Real Power Losses:

Transmission service under this agreement shall be assessed real power losses pursuant to Section 15.7 and Schedule 10 of the Tariff.

- 9.0 Service under this agreement is contingent upon completion of construction of the planned Wallula to McNary 230 kV transmission line. If the Transmission provider determines that it will not be able to complete the Wallula to McNary transmission line by the start date, the Transmission Provider will contact the Transmission Customer to discuss alternatives pursuant to Section 20 of the Tariff.

10.0 Optional Waiver of Jury Trial:

_____ (Transmission Customer to check only if applicable). TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE, OR TO REQUEST THE CONSOLIDATION OF, ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.