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On The Power Source Disclosure Program Regulations (Express Terms)

Additional submitted attachment is included below.

STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the matter of:

Rulemaking to Consider Modifications to the
Electricity Generation Source Disclosure Regulations.

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**COMMENTS OF PACIFICORP ON THE
POWER SOURCE DISCLOSURE
PROGRAM REGULATIONS (EXPRESS TERMS)**

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Date: February 5, 2016

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**COMMENTS OF PACIFICORP ON THE
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PROGRAM REGULATIONS (EXPRESS TERMS)**

PacifiCorp provides these comments on the Power Source Disclosure Program proposed regulations (Express Terms) posted on December 15, 2015. PacifiCorp is California’s sole multi-jurisdictional utility (MJU), serving retail customers in northern California counties located within its balancing authority. Because of this MJU status, elements of earlier drafts of the Power Source Disclosure (PSD) regulations from 2011 and 2015 were incompatible with the operational realities of PacifiCorp’s integrated, multi-state operations. When working on the previous iterations of the PSD regulations in 2011 and 2015, PacifiCorp met with Staff and discussed an approach that better reflects actual operations and provided suggested language revisions. PacifiCorp also provided written comments on the earlier drafts of the PSD regulations, seeking to provide meaningful information regarding the mix of resources PacifiCorp uses to serve its California retail customers with an approach that is administratively efficient and that will minimize potential inconsistencies with resource reporting made to other California agencies as well as other jurisdictions PacifiCorp serves.

PacifiCorp appreciates the California Energy Commission’s (Commission) efforts to address PacifiCorp’s concerns and the revisions made to earlier versions of the PSD regulations

to develop the Express Terms. Many of the revisions have addressed PacifiCorp's concerns and better reflect and account for PacifiCorp's multi-jurisdictional status. However, PacifiCorp believes that additional revisions to the Express Terms will help recognize PacifiCorp's unique status as California's only MJU and ensure that accurate and meaningful information is provided to the Commission and PacifiCorp's customers.

I. The Express Terms Must Account for PacifiCorp's Status as an MJU and the Existence of its Multi-State Service Territory

PacifiCorp's primary concern with the Express Terms, as well as its primary concern with the previous iteration of the PSD regulations, is how reporting will be calculated in light of PacifiCorp's allocation approach for resources and costs. PacifiCorp operates an integrated system across its six-state service territory and, with narrow exceptions, allocates the resources and associated costs across its retail customers in proportion to their share of retail loads. Under PacifiCorp's allocation methodology, less than two percent of system-wide generation is allocated to California retail customers. To accommodate this MJU status and allocation methodology, PacifiCorp proposes that Section 1394 of the Express Terms be revised to address PacifiCorp's unique status.

A. Section 1394(a)(2)(A)(2) Should Account for PacifiCorp's Unique Allocation Methodology

While the updated Express Terms are a significant improvement upon earlier versions of the PSD regulations, Section 1394(a)(2)(A)(2) will require further revision or clarification in light of PacifiCorp's MJU operations. PacifiCorp's resource planning and operations are done on an integrated basis across its six-state service territory. Resources operated within this integrated service territory are not tracked in a way that can show any particular generation source delivering to PacifiCorp's California customers. Moreover, although PacifiCorp does make wholesale sales and purchases at numerous market hubs throughout the western United

States to cost effectively balance its integrated system loads and resources, PacifiCorp does not make wholesale sales or purchases to specifically serve its California customers.

PacifiCorp appreciates that the Express Terms have been updated to clarify reporting requirements applicable to PacifiCorp and other retail suppliers. However, Section 1394(a)(2)(A)(2) must be further revised to address PacifiCorp's status, as it currently requires reports to subtract "resold and consumed electricity." As explained above, PacifiCorp does not make sales on behalf of its California customers. Therefore, this section should be further clarified to specify that PacifiCorp need only report purchases allocated to its California customers, and need not subtract any "resold or consumed electricity." This approach is more consistent with PacifiCorp's resource allocation methodology described above, and will avoid allocating on-site consumption or resales to PacifiCorp's California customers (or any other particular customer in any of the six states that PacifiCorp serves), in contradiction with PacifiCorp's multi-state allocation methodology. This will not only help avoid confusion for PacifiCorp's customers, but will avoid unnecessary burdens of reporting transactions that are not specific to serving California retail load.

PacifiCorp's specific proposed modifications to the Express Terms are included in Attachment A.


II. Conclusion

PacifiCorp thanks Staff for its attention to this matter. Should there be any questions concerning these comments, please do not hesitate to contact me.

Dated: February 5, 2016

Respectfully submitted,

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Attachment A – Proposed Revisions to Express Terms

Proposed Section 1394(a)(2)(A)(2) should be modified to read:

2. All specific purchases and unspecified sources of power shall be reported on Schedule 1 as individual line items of gross kilowatt hours of purchased electricity and net kilowatt hours of purchased electricity, which shall be calculated by subtracting resold and consumed electricity. Retail suppliers that offer an electricity product to retail consumers in California and one or more other states need only provide purchase information allocated to that retail supplier's retail California customers and need not subtract resold or consumed electricity.