

825 N.E. Multnomah St.
Portland, OR 97232



03-RPS-1078

DOCKET	
02-REN-1038 ✓	
DATE	OCT 01 2007
RECD.	OCT 03 2007

October 1, 2007

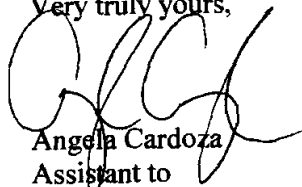
California Energy Commission
Docket Unit, MS-4
1516 Ninth Street
Sacramento, California 95814-5504

Re: Docket No. 02-REN-1038 and Docket No. 03-RPS-1078

Dear Sir or Madam:

I enclose 12 copies of the Comments on RPS Guidebooks submitted by PacifiCorp. If you have any questions please contact me at 925-943-2708. Thank you for your assistance.

Very truly yours,



Angela Cardoza
Assistant to
Jeremy D. Weinstein

COMMENTS ON RPS GUIDEBOOKS
SUBMITTED BY PACIFICORP
September 28, 2007

PacifiCorp is pleased to have the opportunity to comment on the proposed revisions to the California Renewables Portfolio Standard Implementation Guidebooks in California Energy Commission Docket Nos. 02-REN-1038 and 03-RPS-1078. PacifiCorp appreciates the opportunity to work with the Commission and staff to implement these important changes to the Guidebooks. Page and line references herein are to the Draft Third Edition marked workbook posted by the Commission on the internet.

1. Add Language to Avoid Misconstruction of California Environmental Laws As Applying on an Extra-Territorial Basis.

At the Commission Workshop held on January 10, 2007, and in its written comments (Attachment A hereto) PacifiCorp suggested language to clarify that the Commission is not seeking to apply California environmental laws to the territories of other states, or to govern power plant developments in other states, except to the extent those power plants have actual physical impacts on California land, air or water. PacifiCorp subsequently sought certification of out-of-state facilities, including its Wolverine Creek wind facility in Idaho. On August 30, 2007, Commission staff notified PacifiCorp (a copy of which is attached as Attachment B) of alleged deficiencies in a PacifiCorp response for additional information (Attachment C hereto) that listed each category of California LORS set forth in the current draft of the Guidebook and explaining how each such LORS was not applicable to the Wolverine Creek wind facility, situated in Idaho. Commission staff responded as follows:

Unfortunately the data provided is insufficient and does not meet our intended purpose. We request this information to determine if the facility is operating under standards as strict or stricter than the standards facilities located within California are subject to. Would the facility be able to operate within California and not violate environmental quality laws, ordinances, regulations, and standards? It is not simply a matter of not violating any of California's LORS because the facility does not abut California. Please identify and compare standards that Wolverine Creek is subject to that correspond to the LORS.

PacifiCorp interpreted staff's response to seek to apply California environmental laws to the internal territory of the State of Idaho. In the course of productive conversations between counsel for PacifiCorp and Commission staff, PacifiCorp was instructed to identify those LORS that would be applicable to the facility if it was located in the California county closest to Idaho. Commission staff also clarified that once such LORS were identified, their non-applicability could be assessed (Attachment D).

Pursuant to these subsequent conversations with Commission staff, PacifiCorp respectfully requests that the Commission clarify the Guidebooks to ensure that the Commission does not seek to apply California environmental laws to the siting of facilities in other states, and

gives full faith and credit to the facility siting decisions of the facility siting authorities in other states. Additionally, the LORS that are required to be identified should be limited to those that are actually potentially applicable.

Accordingly, PacifiCorp comments as follows:

a. Add underlined language on page 46 line 7-9:

"a) a comprehensive list and description of all California environmental quality laws, ordinances, regulations and standards (collectively referred to as "LORS") that are actually applicable to the physical environmental impacts in California of the facility's development or operation, if any, but excluding those LORS that do not apply under the laws of the jurisdictions in which the facility is located, that may be directly or indirectly impacted by the facility's development or operation"

b. Add underlined language on page 46 line 34:

"Southern California may differ from the air quality standards in Northern California. A wind facility located several states away from California will have no applicable LORS."

2. Safe Harbor.

The last time the manuals were revised, PacifiCorp was required by the Commission to re-file for certifications on more than a dozen facilities that had already been certified or with respect to which applications had been pending for several months, on account of the changes to the forms in the Guidebook (and also on account of changes in requirements on account of SB 107 taking effect after some certifications were granted but before others were granted). Although PacifiCorp recognizes and appreciates that staff itself was at the relevant times also familiarizing itself with the certification process, PacifiCorp respectfully requests that a safe harbor from having to refile applications based on changes to the certification forms that may arise out of changes to this manual or any forms promulgated under it be granted to all facilities that have already received certifications (subject to the normal two year period), or for which applications as an eligible renewable energy facility are already filed.

Respectfully submitted,

Jeremy D. Weinstein
Counsel for PacifiCorp

Contact:

1512 Bonanza St.
Walnut Creek, CA 94596
925-943-3103
jeremy.weinstein@pacificorp.com

Attachments:

Attachment A:	PacifiCorp's comments submitted January 10, 2007
Attachment B:	Commission notice to PacifiCorp on August 30, 2007
Attachment C:	PacifiCorp August 7, 2007 letter to Energy Commission
Attachment D:	Commission email to PacifiCorp on Sept. 9, 2007

ATTACHMENT A

COMMENTS ON RPS GUIDEBOOK

In furtherance of the Workshop held by the California Energy Commission Docket Nos. 02-REN-1038 and 03-RPS-1078, on January 10, 2007, PacifiCorp respectfully submits the following comments on the Renewables Portfolio Standard Eligibility Guidebook –Staff Draft of December 2006, CEC-300-2006-007ED2SD.

1. Page 29 line 14:

"out-of-state must, in lieu of the foregoing criteria, meet the following criteria to be eligible for the RPS"

This underlined language is suggested to ensure clarity that the two previous sets of criteria for out-of-state facilities set forth in Section D, commencing on page 27, are not in addition to the criteria set forth on page 29 for small multi-jurisdictional utilities.

2. Page 44 lines 4-9:

"a) a comprehensive list and description of all applicable California environmental quality laws, ordinances, regulations and standards (collectively referred to as "LORS") that may be directly or indirectly impacted by the facility's development or operation, and
b) an assessment as to whether the facility's development or operation will cause or contribute to a violation of any of these LORS in California."

Page 44 line 32:

"Southern California may differ from the air quality standards in Northern California. A facility several states away from California may have no applicable LORS."

The underlined language is suggested to ensure clarity that California is not seeking to apply its environmental laws to the territories of other states, or to govern power plant developments in other states, which are governed by the laws, ordinances, regulations and standards of those other states, except to the extent those power plants have actual physical contact with California land, air or water.

Respectfully submitted,

Jeremy D. Weinstein
Counsel for PacifiCorp

Contact:

1512 Bonanza St.
Walnut Creek, CA 94596
925-943-3103
jeremy.weinstein@pacificorp.com

ATTACHMENT B

From: Heather Louie [mailto:Hlouie@energy.state.ca.us]
Sent: Thursday, August 30, 2007 12:02 PM
To: Persichetti, Colin {Mkt Affiliate}; Sharp, Kristie {Mkt Affiliate}
Cc: Kate Zocchetti
Subject: RE: Additional Required Info for RPS Certification (Wolverine Creek)

Dear Colin Persichetti,

We received the additional required information for out-of-state facilities seeking RPS Certification for PacifiCorp's Wolverine Creek. Unfortunately the data provided is insufficient and does not meet our intended purpose. We request this information to determine if the facility is operating under standards as strict or stricter than the standards facilities located within California are subject to. Would the facility be able to operate within California and not violate environmental quality laws, ordinances, regulations, and standards? It is not simply a matter of not violating any of California's LORS because the facility does not abut California.

Please identify and compare standards that Wolverine Creek is subject to that correspond to the LORS. If you would like to schedule a conference call with Kate Zocchetti (RPS Lead) and Gabe Herrera (CEC Legal) to help clarify the RPS Guidebook's intent, please send the times when you are available and I will coordinate with them.

Do not hesitate to contact me should you have any further questions.

Best Regards,

Heather Louie
Energy Analyst
California Energy Commission
Phone: 916.651.1232

>>> "Sharp, Kristie {Mkt Affiliate}" <Kristie.Sharp@PacifiCorp.com> 8/1/2007 2:55 PM >>>

Heather,

Thank you for notifying us of receipt of the supplemental form and for directing us to the additional required information. My apologies for the oversight on our part--we'll submit the documentation as soon as possible.

Thanks,
Kristie Sharp

From: Heather Louie [mailto:Hlouie@energy.state.ca.us]
Sent: Wednesday, August 01, 2007 2:52 PM
To: Sharp, Kristie {Mkt Affiliate}
Cc: Heather Raitt; Sims, Jamie {Mkt Affiliate}
Subject: Re: CEC Cover Letter 8-1-07 Wolverine Creek WIND Renewal Supplemental Form 1A-S6

Hi Kristie,

We have received your completed CEC-RPS-1A: S6 Supplemental form for Out-of-State facilities for Wolverine Creek. Thank you.

Because PacifiCorp has chosen to exercise the option of selling generation from the Wolverine facility to other retail sellers, all Out-Of-State requirements must be met. This includes the additional required information described on page 39 of the RPS Guidebook. Please review the guidebook and submit the information at your convenience. My apologies for not mentioning this in my original email.

Feel free to contact me should you have any questions or concerns.

Best Regards,

Heather Louie
Energy Analyst
California Energy Commission
Phone: 916.651.1232

>>> "Sharp, Kristie {Mkt Affiliate}" <Kristie.Sharp@PacifiCorp.com> 8/1/2007 1:17 PM >>>

Dear Sir or Madam,
Attached please find PacifiCorp's submittal of a cover letter and supplemental form CEC-RPS-1A:S6 for the Wolverine Creek wind project. A renewal application was transmitted on May 31, 2007; this supplemental form is submitted in response to e-mail correspondence received from Heather Raitt of the Renewable Energy office.

Original documents will follow via Federal Express.

If you have any questions regarding this information, please contact me via reply e-mail or my contact information below.

Thank you,

Kristie Sharp
Contract Administrator
Marketing & Trading Contracts
Telephone: 503-813-5961
Fax: 503-813-6291
E-mail: Kristie.Sharp@PacifiCorp.com

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<<CEC Cover Letter 8-1-07 Wolverine Creek WIND Renewal Supplemental Form 1A-S6.PDF>> <<CEC-RPS-1A-S6 PacifiCorp - Wolverine Creek 8-1-07.pdf>>

ATTACHMENT C

August 7, 2007

California Energy Commission
Attn: RPS Certification
1516 Ninth Street, MS-45
Sacramento, CA 95814

Dear Sir or Madam:

On August 1, 2007, PacifiCorp submitted an application for Certification, California Renewables Portfolio Standard Program, Supplemental Form CEC-RPS-1A:S6 for the Wolverine Creek project. PacifiCorp subsequently received an e-mail communication from Heather Louie notifying us of the need to submit additionally required information. We have accordingly reviewed the criteria listed on page 39 of the Renewables Portfolio Standard Eligibility Guidebook, Section 4, Supplemental Instructions for Out-of-State Facilities and evaluated its application to the resource in question to provide the response herein. Item #1, concerning impacts on California's environmental quality standards ("LORS") requires a statement by PacifiCorp with respect to the Wolverine Creek application. This requirement is:

Impact on California Environmental Quality Standards: The applicant must provide a) a comprehensive list and description of all California environmental quality laws, ordinances, regulations, and standards (collectively referred to as "LORS") that may be directly or indirectly impacted by the facility's development or operation, and b) an assessment as to whether the facility's development or operation will cause or contribute to a violation of any of these LORS in California.

The Wolverine Creek project is located within township 1S 39 E in Bingham and Bonneville Counties, Idaho, and is approximately 410 miles from the California border. It is not situated on any rivers that run through California, and does not emit any pollutants into California air, land or water. No LORS apply to the facility's development or operation. Nothing physically present in the project touches anything physically within the jurisdiction or application of any LORS. Therefore, (a) no LORS are directly or indirectly impacted by the facility's development or operation, and (b) the facility's development or operation will not cause or contribute to a violation of any of these LORS in California.

Additionally, the Guidebook requires "the LORS described shall address the following environmental areas consistent with Appendix B, Section (g), of the Energy Commission's regulations for power plant certification ... " Taking the list then given in the Guidebook, in those areas, the impact of the Wolverine Creek project on LORS is:

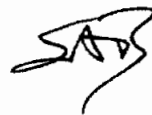
- Cultural Resources – none; no part of the project or its site is in or abutting California.
- Land Use – none; no part of the project or its site is in or abutting California.
- Traffic and Transportation – none; no part of the project or its site is in or abutting California.

- Visual Resources – none; no part of the project or its site is in or abutting California.
- Socioeconomics – none; no part of the project or its site is in or abutting California.
- Air Quality – none; no part of the project or its site is in or abutting California, and the project does not emit any air pollutants.
- Public Health – none; no part of the project or its site is in or abutting California.
- Hazardous Materials Handling – none; no part of the project or its site is in or abutting California.
- Workers' Safety – none; no part of the project or its site is in or abutting California and no physical work on the project will be performed at the site by any person who is present in California at the time he or she is performing the work.
- Waste Management – none; no part of the project or its site is in or abutting California.
- Biological Resources – none; no part of the project or its site is in or abutting California.
- Water Resources – none; no part of the project or its site is in or abutting California, and the project does not draw water from California.
- Agriculture and Soil – none; no part of the project or its site is in or abutting California.
- Paleontologic Resources – none; no part of the project or its site is in or abutting California.
- Geological Hazards and Resources – none; no part of the project or its site is in or abutting California.
- Transmission System Safety and Nuisance – none; no part of the project or its site is in or abutting California.

Therefore, PacifiCorp states that the Wolverine Creek Project will have no impact on California environmental quality standards.

If you have any questions regarding the application, please contact Colin Persichetti at 503-813-5952 or colin.persichetti@pacificorp.com.

Sincerely,



Stefan Bird
Senior V.P., Commercial and Trading

bc: Contract Notice Distribution List, Erb, K. Davis-2000 LCT, Weinstein

File: California Energy Commission - Correspondence

ATTACHMENT D

Jeremy Weinstein

From: "Gabe Herrera" <Gherrera@energy.state.ca.us>
To: "Jeremy D. Weinstein" <jeremy.weinstein@PacifiCorp.com>
Cc: "Heather Louie" <Hlouie@energy.state.ca.us>; "Heather Raitt" <Hrait@energy.state.ca.us>;
 "Kate Zocchetti" <Kzocchet@energy.state.ca.us>
Sent: Friday, September 07, 2007 12:38 PM
Subject: Re: Additional Required Info for RPS Certification (Wolverine Creek)

Jeremy,

Here is a link to the Final Staff Assessment for the Roseville Energy Park project, a thermal power plant the Energy Commission licensed in 2005.

http://www.energy.ca.gov/sitingcases/roseville/documents/2004-11-30_FSA.PDF

As I mentioned in our earlier conversation, the Final Staff Assessment includes a chapter on the applicable LORS for the project as well as an analysis of how the proposed power plant will comply with the LORS. This is a very comprehensive description and analysis of the LORS, and much more detailed than the Energy Commission expects of an out-of-state renewable facility seeking RPS certification, but it does provide an example of the applicable LORS for a given power plant project. Keep in mind that most of the LORS for the Roseville Energy Park project are site-specific (Placer County) and are different than the LORS we would expect PacifiCorp to identify in its application for RPS certification. In PacifiCorp's case, the appropriate LORS would probably be based on a facility located in Modoc County, because this county is located in the north-eastern corner of California, on the California-Nevada border and California-Oregon border, and closest to the location of PacifiCorp's Wolverine Creek project.

Gabe

>>> "Jeremy D. Weinstein" <jeremy.weinstein@pacificorp.com> 8/30/2007 7:55 PM >>>

Gabe-

Please see below (I attach the referenced letter), and recall our prior conversations, as well as Commissioner Geesman's comments to me at the manual review session (pp. 53-54, also attached). We would indeed be delighted to discuss at your convenience, but I wonder if perhaps an initial call between just you and I might be constructive.

-Jeremy
 925-943-3103

----- Original Message -----

From: Persichetti, Colin {Mkt Affiliate}
To: Sharp, Kristie {Mkt Affiliate} ; Weinstein, Jeremy ; Kusters, Stacey {Mkt Affiliate}
Cc: Erb, Jeff
Sent: Thursday, August 30, 2007 3:03 PM
Subject: FW: Additional Required Info for RPS Certification (Wolverine Creek)

9/26/2007

From: Heather Louie [mailto:Hlouie@energy.state.ca.us]
Sent: Thursday, August 30, 2007 12:02 PM
To: Persichetti, Colin {Mkt Affiliate}; Sharp, Kristie {Mkt Affiliate}
Cc: Kate Zocchetti
Subject: RE: Additional Required Info for RPS Certification (Wolverine Creek)

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Do not hesitate to contact me should you have any further questions.

Best Regards,

Heather Louie
Energy Analyst
California Energy Commission
Phone: 916.651.1232

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Heather,

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To: Sharp, Kristie {Mkt Affiliate}
Cc: Heather Raitt; Sims, Jamie {Mkt Affiliate}

9/26/2007

Subject: Re: CEC Cover Letter 8-1-07 Wolverine Creek WIND Renewal Supplemental Form 1A-S6

Hi Kristie,

We have received your completed CEC-RPS-1A: S6 Supplemental form for Out-of-State facilities for Wolverine Creek. Thank you.

Because PacifiCorp has chosen to exercise the option of selling generation from the Wolverine facility to other retail sellers, all Out-Of-State requirements must be met. This includes the additional required information described on page 39 of the RPS Guidebook. Please review the guidebook and submit the information at your convenience. My apologies for not mentioning this in my original email.

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Heather Louie
Energy Analyst
California Energy Commission
Phone: 916.651.1232

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Original documents will follow via Federal Express.

If you have any questions regarding this information, please contact me via reply e-mail or my contact information below.

Thank you,

Kristie Sharp
Contract Administrator
Marketing & Trading Contracts
Telephone: 503-813-5961
Fax: 503-813-6291
E-mail: Kristie.Sharp@PacifiCorp.com

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9/26/2007