

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider Electric
Procurement Policy Refinements pursuant to the
Joint Reliability Plan.

Rulemaking 14-02-001
(Filed February 5, 2014)

**JOINT COMMENTS OF PACIFICORP (U 901-E) AND LIBERTY UTILITIES
(CALPECO ELECTRIC) LLC (U 933-E) ON PRELIMINARY SCOPING MEMO**

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In accordance with the Order Instituting Rulemaking to Consider Electric Procurement Policy Refinements pursuant to the Joint Reliability Plan (OIR), PacifiCorp (U 901-E), d.b.a. Pacific Power (PacifiCorp) and Liberty Utilities (CalPeco Electric) LLC (U 933-E) (Liberty Utilities)¹ hereby provide comments on the Preliminary Scoping Memo (Scoping Memo) set forth in the OIR. Based on PacifiCorp and Liberty Utilities' unique characteristics (including the fact that both PacifiCorp and Liberty Utilities are not part of the California Independent System Operator Corporation (CAISO) balancing authority and PacifiCorp's status as California's only multi-jurisdictional utility), as well as the fact that the issues relevant in this proceeding are unrelated to PacifiCorp and Liberty Utilities' continued reliable operation, PacifiCorp and Liberty Utilities request that they be removed as respondents in this proceeding.

I. PacifiCorp and Liberty Utilities' Unique Characteristics Warrant Their Removal as Respondents in this Proceeding.

PacifiCorp serves more than 1.7 million customers in six western states (California, Idaho, Oregon, Utah, Washington, and Wyoming) and operates its own balancing authority which encompasses its six-state service territory. However, PacifiCorp has only approximately 45,000 retail customers in California. These customers currently comprise approximately 1.5 percent of PacifiCorp's total retail sales. PacifiCorp is uniquely situated in comparison to the

¹ Pursuant to Rule 1.8(d), PacifiCorp has been authorized to file these Joint Comments on behalf of Liberty Utilities.

other load serving entities (LSEs) in California because it has load-service obligations in six states and multi-state cost allocation considerations. Additionally, the California Public Utilities Commission (Commission) has traditionally deferred to PacifiCorp's multi-state Integrated Resource Planning (IRP) process for ensuring compliance with certain Commission directives, such as certain renewables portfolio standard requirements, and PacifiCorp does not participate in the Long-Term Procurement Planning (LTPP) dockets. As a result, the procurement, reliability, and planning practices associated with PacifiCorp's California customers are significantly different from other LSEs in California.

While a California-only utility, Liberty Utilities has only approximately 49,000 retail customers. Liberty Utilities is part of the NV Energy balancing authority. Currently, Liberty Utilities procures all of its full electric requirements from a single power purchase agreement with NV Energy and in a manner to satisfy the Commission's resource adequacy requirements.² Liberty Utilities also does not participate in the Commission's LTPP or Resource Adequacy (RA) dockets. Similar to PacifiCorp, Liberty Utilities' procurement, reliability, and planning practices are significantly different from other LSEs in California.

The OIR is primarily focused on three areas: (1) joint reliability planning within the CAISO; (2) RA; and (3) LTPP. PacifiCorp and Liberty Utilities do not operate within the CAISO, but rather PacifiCorp operates its own balancing authority and Liberty Utilities is part of the NV Energy balancing authority. Currently, PacifiCorp and Liberty Utilities are not subject to the Commission's RA requirements.³ Finally, consistent with Public Utilities Code Section

² See Application 09-10-028, at 49 *approved* by Decision 10-10-017.

³ *Assigned Commissioner's Ruling and Scoping Memo for Phase 2 of the Order Instituting Rulemaking to Consider Refinements to and Further Development of the Commission's Resource Adequacy Requirements Program*, p. 15, available at <http://docs.cpuc.ca.gov/PublishedDocs/EFILE/RULC/63157.PDF> (The "RA program framework adopted in D.04-01-050 and implemented in a series of decisions since then is currently limited to the three largest

454.5(i), PacifiCorp does not participate in the LTPP proceedings and is not required to submit procurement plans.⁴ Similarly, and also consistent with Public Utilities Code Section 454.5(i), Liberty Utilities does not participate in the LTPP proceedings and does not submit procurement plans.⁵

Because PacifiCorp and Liberty Utilities have not and do not expect to participate in or be impacted by the areas upon which this proceeding is focused, PacifiCorp and Liberty Utilities respectfully request that they be removed as respondents to this proceeding.

II. Conclusion

PacifiCorp and Liberty Utilities appreciate this opportunity to submit comments in response to the Scoping Memo and respectfully request, for the reasons described above, that they be removed as respondents to this proceeding.

Dated: February 20, 2014

Respectfully submitted,

/s/

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California investor-owned utilities and the electric service providers and community choice aggregators that service in the service territories of these utilities.”)

⁴ See D.03-07-011 (exempts PacifiCorp from the filing of procurement plans in the LTPP per Section 454.5(i)).

⁵ See D.04-02-044 (exempts Liberty Utilities’ predecessor, Sierra Pacific Power Company, from the filing of procurement plans in the LTPP per Section 454.4(i)).