

September 24, 2010

VIA ELECTRONIC MAIL

Clerk of the Board
California Air Resources Board
1001 I Street,
Sacramento, California 95814

Re: Comments of PacifiCorp regarding “Proposed Regulatory Language Subarticle 4. Gas Insulated Switchgear”, dated September 9, 2010

Dear Board Members:

PacifiCorp respectfully submits these comments as requested in response to the updates to the California Air Resources Board’s (“CARB”) “Proposed Regulatory Language Subarticle 4. Gas Insulated Switchgear”, dated September 9, 2010. We appreciate the opportunity to submit our comments, which replaces our previous submission dated February 22, 2010.

I. Introduction

PacifiCorp is a regulated multi-jurisdictional utility serving 1.7 million retail electricity customers, in Utah, Oregon, Wyoming, Washington, Idaho and California. PacifiCorp owns, or has interests in, 74 thermal, hydroelectric, wind-powered and geothermal generating facilities, with a net owned capacity of 10,188 megawatts. PacifiCorp also owns, or has interests in, electric transmission and distribution assets, and transmits electricity through approximately 15,800 miles of transmission lines.

PacifiCorp maintains a transmission and distribution system in Northern California and is the Balancing Authority for the areas known as PacifiCorp West and PacifiCorp East.¹ PacifiCorp is also a member of the U.S. Environmental Protection Agency Sulfur Hexafluoride (“SF₆”) Emission Reduction Partnership. As a member, PacifiCorp is committed to tracking and reducing SF₆ emissions.

PacifiCorp has adopted the following SF₆ policies and procedures:

- “SF₆ Gas Tracking and Reporting Policy (Policy SOP-POL- 015)”;
- “SF₆ Handling Procedures (Procedure SP-SF6-HNDL)”;

¹ The Balancing Authority is the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time. A Balancing Authority is defined as the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time. A Balancing Authority Area is defined as the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load resource balance within this area.

- “SF₆ Gas Filling Procedure (SP-SF6-FILL)”;
- “SF₆ Gas Sampling Procedure (SP-SF6-SMPL)”

PacifiCorp provided electronic copies of these policy and procedures via e-mail to CARB staff on September 16, 2009.

II. Comments on Updated Draft Regulation

§ 95350: Purpose, Scope, and Applicability.

- We recommend limiting applicability to “... owners of *active* gas insulated switchgear *that totals over 5,000 pounds of nameplate capacity.*” This would effectively exempt small utilities (including PacifiCorp) and their customers from the burdensome reporting and associated costs required for compliance with this rule, while focusing efforts on those entities with larger capacities and associated emission risk.

§ 95352: Maximum Annual SF₆ Emission Rate.

- The exhibit showing declining allowable emissions from 10.0% in 2011 to 1.0% by 2020 should be modified to include a *de minimus* amount of allowable emissions, regardless of the amount of gas in active GIS equipment. We recommend 100 pounds of annual emissions as a limit for maximum allowable emissions.

§ 95354: SF₆ Inventory Measurement Procedures.

- Proposed section a (1): The requirement to weigh all containers at *both* the beginning and end of each calendar year is redundant. A requirement for an annual weighing of each container at *either* the beginning *or* end of each calendar year is sufficient.

§ 95355: Recordkeeping.

- Proposed section b (4): The requirement to weigh all containers at *both* the beginning and end of each calendar year is redundant. A requirement for an annual weighing of each container at *either* the beginning *or* end of each calendar year would be sufficient.
- Proposed section (e): The requirement to calculate annual emissions using the average system nameplate capacity during the course of the year imposes an onerous amount of record keeping and calculation. In lieu of average system capacity, the capacity in service at the end of the year would be sufficient.

§ 95356: Annual Reporting Requirements.

- As noted above, PacifiCorp is a multi-jurisdictional utility with approximately 46,500 of its 1.7 million customers located in northern California. Approximately 35% of these customers are considered low-income and participate in PacifiCorp’s California

Alternative Rates for Energy (“CARE”) assistance program. As such, the Company is particularly sensitive about keeping costs as low as possible while continuing to provide safe and reliable electric service. To achieve these goals, PacifiCorp recommends that the design, implementation, reporting, and enforcement of the rule should allow for flexibility with respect to small and multi-jurisdictional utilities, with the objective of balancing benefits with the potentially high or disproportionate costs of compliance.

- PacifiCorp currently follows most of the draft rule’s reporting requirements at the PacifiCorp company level. Managing the SF₆ inventory at the company level allows for greater inventory control and more precise management of SF₆ recycling and returns, as all SF₆ gas is managed through PacifiCorp’s hub warehouse in Salt Lake City. However, calculating precise SF₆ emissions exclusively for the California service territory may require unnecessary and costly process changes. For example, our crews in Medford and Klamath Falls, Oregon service Northern California equipment, and therefore a single SF₆ cylinder may be used to service both Oregon and California equipment. Establishing procedures and methodologies to segregate California SF₆ emissions will require establishment of new storehouse locations of SF₆ gas within California and further disbursement of SF₆ gas stores, which would complicate inventory management and increase the risk of transportation losses. PacifiCorp suggests that the rule consider the unique circumstances of small and multi-jurisdictional utilities by either (1) allowing additional reporting flexibility or (2) prorating total Company emissions to determine the emissions attributable to California for compliance purposes.

§ 95358: Enforcement.

- Proposed section (c): We recommend that any exceedance of the maximum allowable SF₆ emission rate for a given calendar year should be treated as a *single* violation and *not* a separate violation for each calendar day.

Summary

Once again, PacifiCorp appreciates the opportunity to provide information comments on the draft SF₆ rule. Multi-jurisdictional utilities have unique reporting and record keeping challenges; the rule should both acknowledge these circumstances and adjust or provide staff with the flexibility to adjust the rule requirements as warranted.

Thank you for your consideration of these comments.

Dated: September 24, 2010

Respectfully submitted,

By

A handwritten signature in black ink, appearing to read "Eric Chung". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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