



PacifiCorp's 2019 Integrated Resource Plan (IRP)

Docket LC-70
Public Utility Commission of Oregon
Commissioner Workshop
February 13, 2020





Action Item Updates

- Existing Resource Actions

- Action Item 1b – Cholla Unit 4

- PacifiCorp will initiate the process of retiring Cholla Unit 4, including required regulatory notices and filings, as soon as practicable, but will remove Cholla Unit 4 from service no later than January 2023, and earlier if possible.
 - On December 27, 2019, PacifiCorp filed an application with the California Public Utilities Commission to establish a memorandum account for costs associated with retiring and decommissioning Cholla Unit 4.
 - On December 27, 2019, PacifiCorp provided notice to Arizona Public Service (APS) of its plan to retire Cholla Unit 4 by the end of 2020.
 - PacifiCorp also communicated this information to its IRP distribution list on January 6, 2020.
 - PacifiCorp will work closely with APS to help their employees and the communities to remain informed about the changes ahead.

Action Item Updates



- New Resource Actions
 - Action Item 2a – Customer Preference Request for Proposals
 - PacifiCorp will work with customers to achieve their respective resource preference requirements. By the end of Q4 2019, sign two 20-year PPAs of approximately 80 MW for a large Utah Schedule 34 customer.
 - One PPA for 80 MW signed in December 2019; 2 additional PPAs expected to be executed in February 2020 (one for 80 MW and one for 75 MW)

Action Item Updates



- New Resource Actions (continued)
 - Action Item 2a – Customer Preference Request for Proposals (continued)
 - Monitor the finalization of rules by UPSC for HB 411 (anticipated the end of Q1 2020) that provides a path forward for development of a program for participating communities to begin procuring renewable resources.
 - The UPSC adopted rules related to customer notifications and program filing requirements, which became effective in January 2020.
 - 23 communities passed resolutions before the end of 2019 to support development of the program with the goal of 100% net renewable by 2030. The communities are currently organizing a governance structure among themselves. Full program development with RMP will begin later this year.



Action Item Updates

- New Resource Actions (continued)
 - Action Item 2b – All Source Request for Proposals
 - By the end of Q4 2019, file a request for interconnection queue reform with the Federal Energy Regulatory Commission (FERC) and make state filings to initiate the process of identifying an independent evaluator.
 - PacifiCorp filed its application at FERC on January 31, 2020.
 - By Q1 2020, file a draft all-source RFP with the Public Utility Commission of Oregon, the Public Service Commission of Utah, and the Washington Utilities and Transportation Commission, as applicable.
 - This filing is on-track.

Action Item Updates



- Demand-Side Management Actions
 - Action Item 4a – Energy Efficiency Targets
 - Related to direct load control, PacifiCorp will hold a workshop with parties to discuss interest in demand response in Oregon and a request for proposal.
 - PacifiCorp is working with parties to schedule a workshop in the March / April 2020 timeframe.

Production Tax Credit (PTC) Extension



- On December 20, 2019, the federal government signed the Further Consolidated Appropriations Act of 2020 extending the production tax credit (PTC) by one year.
- The 2019 PTC legislation allows for projects that begin construction in 2020 and achieve operational status before December 31, 2024 (modeled as January 1, 2025) to receive a 60 percent PTC benefit.
- PacifiCorp conducted a re-rerun of its preferred portfolio that resulted in the incremental addition of 2,130 megawatts of wind in 2025 located at Goshen, Idaho (450 MW), Utah (300 MW), Southern Oregon (500 MW), and Yakima, Washington (395 MW) resulting in:
 - a PVRR(d) benefit of \$517 million
 - increased value of previously selected Energy Gateway South wind
 - Incentive for wind to be selected by the SO model compared to the preferred portfolio under a medium gas and medium CO2 price-policy scenario.
- These findings would do not influence PacifiCorp's 2019 IRP action plan but do highlight that new wind resources offering bids into that All-Source RFP may be more competitive.