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March 26, 2021

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Filing Center

RE: LC 70 – Petition for Partial Waiver of OAR 860-027-0400(8)

PacifiCorp d/b/a Pacific Power submits for filing its petition for a one-time waiver of OAR 860-027-0400(8) in the above referenced docket.

Informal inquiries may be directed to Cathie Allen, Manager, Regulatory Affairs, at (503) 813-5934.

Sincerely,

Etta Lockey
Vice President, Regulation, Customer and Community Solutions

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 70

In the Matter of

PACIFICORP, d/b/a PACIFIC POWER,

2019 Integrated Resource Plan.

**PETITION FOR PARTIAL WAIVER
OF OREGON ADMINISTRATIVE
RULE 860-027-0400(8)**

Pursuant to Oregon Administrative Rule (OAR) 860-001-0000(2), OAR 860-027-0000(2) and OAR 860-027-0400(1), PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) respectfully requests that the Public Utility Commission of Oregon (Commission) grant a one-time waiver of OAR 860-027-0400(8) regarding the update to the Company’s 2019 Integrated Resource Plan (IRP). Specifically, OAR 860-027-0400(8) provides that each electric utility submit an annual update on its most recently acknowledged IRP on or before the acknowledgement order anniversary date. Granting the waiver is appropriate as the Company has undertaken actions to implement the action plan to select best portfolio of resources contained in its acknowledged 2019 IRP and there have been no material deviations. Furthermore, the waiver of the update to the Company’s 2019 IRP will allow the Company to continue to dedicate resources to the preparation of its 2021 IRP, which it will file with the Commission on or before September 1, 2021.¹ Good cause exists to grant the Company’s petition.

¹ See *In the Matter of PacifiCorp, d/b/a Pacific Power, 2021 Integrated Resource Plan*, Docket No. LC 77, Letter to the Commission from Etta Lockey dated February 12, 2021.

BACKGROUND

On October 18, 2019, PacifiCorp filed its 2019 IRP with the Commission for consideration and acknowledgment in docket LC 70.² At its May 7, 2020 special public meeting, the Commission acknowledged the Company's 2019 IRP with conditions. On June 8, 2020, Order 20-186 was issued, which memorializes the Commission's decision at the May 7, 2020 Special Open meeting.³ Under OAR 860-027-0400(8), the Company is required to submit an annual update to its 2019 IRP on or before May 7, 2021, the Commission's decision anniversary date.

WAIVER REQUEST

OAR 860-027-0400(8) provides that each electric utility submit an annual update on its most recently acknowledged IRP on or before the acknowledgement order anniversary date. Specifically, OAR 860-027-0400(8) describes the update as an informational filing that:

- (a) Describes what actions the energy utility has taken to implement the action plan to select best portfolio of resources contained in its acknowledged IRP;
- (b) Provides an assessment of what has changed since the acknowledgement order that affects the action plan to select best portfolio of resources, including changes in such factors as load, expiration of resource contracts, supply-side and demand-side resource acquisitions, resource costs, and transmission availability; and
- (c) Justifies any deviations from the action plan contained in its acknowledged IRP.

PacifiCorp requests a waiver from OAR 860-027-0400(8) for several reasons. First, the purpose of OAR 860-027-0400(8) is for a utility to provide a description of actions taken to implement the action plan to select the best portfolio in the acknowledged IRP and to provide an assessment of any changes and justify deviations. The Company has taken actions consistent

² *In re the Matter of PacifiCorp's 2019 Integrated Resource Plan*, Docket No. LC 70, PacifiCorp 2019 Integrated Resource Plan (Oct. 18, 2019).

³ Docket No. LC 70, Order No. 20-186 (June 8, 2020).

with the action plan to select the best portfolio of resources set forth in its acknowledged 2019 IRP and there have been no significant deviations.

PacifiCorp has worked over the past nine months to select resources as acknowledged in May of 2020. In July 2020, the Commission approved the 2020 All Source Request for Proposals (2020AS RFP), and PacifiCorp issued the 2020AS RFP to market. The 2020AS RFP seeks bids for resources capable of coming online by the end of 2024 up to the level of resources identified in PacifiCorp's 2019 IRP. Bids were submitted in August 2020. An initial shortlist was identified in October 2020. The initial shortlist includes a total of 6,982 MWs of new generation and storage capacity. Of the total, 5,652 MWs are new generation resources (represented by 3,173 MWs of solar generation and 2,479 MWs of wind generation) and an additional 1,330 MWs of new battery storage assets, which includes 1,130 MWs of solar collocated battery storage and 200 MWs of stand-alone battery storage. PacifiCorp expects to submit the final shortlist of winning bids to the Commission for consideration in June 2021.

Second, waiver of the update to the 2019 IRP will allow the Company to continue to dedicate resources to the preparation of its 2021 IRP, which it will file with the Commission on or before September 1, 2021. Typically, the Company files its update to an acknowledged IRP within a year of filing an IRP.⁴ Over the last year the Company has been diligently working on development of its 2021 IRP through a robust, transparent and thorough public-input process. This stakeholder process began in January 2020 with a series of technical workshops focused on energy efficiency assumptions being developed from an updated conservation potential

⁴ See *In re the Matter of PacifiCorp's 2013 Integrated Resource Plan*, PacifiCorp's 2013 Integrated Resource Plan Update (Mar. 31, 2014); *In re the Matter of PacifiCorp's 2015 Integrated Resource Plan*, Docket No. 62, PacifiCorp's Integrated Resource Plan Update (Mar. 31, 2016); *In re the Matter of PacifiCorp's 2017 Integrated Resource Plan*, Docket No. 67, PacifiCorp's 2017 Integrated Resource Plan Update (May 1, 2018);

assessment. Following the 2019 IRP, PacifiCorp began the transition to using Energy Exemplar's Plexos models.

This model provides multiple improvements to the IRP process, including greater granularity, greater ability to model reliability outcomes through inclusion of loss of load probability and planning reserve margin, the ability to include endogenous transmission modeling without including topology additions or other complex setups, and the ability to include greater analysis of resource retirements. PacifiCorp first presented the benefits of the Plexos system to stakeholders during the June 2020 public-input meeting, and the model transition has been ongoing throughout the 2021 IRP cycle.

However, the transition to the new model and the necessary setup activities to ensure model functionality have encountered challenges, and the transition activities are ongoing. PacifiCorp has previously discussed the ongoing challenges of implementing the new modeling system as part of the November 2020, December 2020, and January 2021 IRP public-input meetings. With modeling issues persisting, in docket LC 77, the Company notified the Commission of the revised filing date for the 2021 IRP which will ensure sufficient time to implement the new system and to seek stakeholder feedback on portfolio modeling outputs. As of today, PacifiCorp has not been able to run any IRP portfolio models and as such has been unable to receive stakeholders' input on the modeling results. Granting the Company a waiver will allow it to continue to dedicate its resources to the preparation of the 2021 IRP to be filed no later than September 1, 2021. The 2021 IRP will capture any updates that otherwise would be provided in an IRP update and will be filed within four months of when the IRP update is due.

Good cause exists to grant the Company's request as there has been no material deviation to the implementation of the action plan for the best portfolio of resources contained in its

acknowledged 2019 IRP. Also, the 2021 IRP, which will be filed by September 1, 2021, will include any updates that would have been included in the 2019 IRP update. Further, it is in the public interest for the Company to dedicate resources to the preparation of its 2021 IRP as it will set forth a path for the Company to continue provide reliable and reasonably priced service to its customers.

CONCLUSION

Based on the foregoing, PacifiCorp respectfully requests that the Commission grant PacifiCorp a waiver of OAR 860-027-0400(8), which requires it to file an update to its acknowledged 2019 IRP within a year of the acknowledgement order. Good cause exists to grant the Company's request.

Respectfully submitted this 26th day of March, 2021, on behalf of PacifiCorp.



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