Agenda

• Action Item 11a

• Workshop Objectives

• 2013 IRP Process

• Process Improvement Discussion
2013 IRP Action Item 11a

• Within 90 days of filing the 2013 IRP, schedule an IRP workshop with stakeholders

  – Discuss potential process improvements that can more efficiently achieve meaningful cost and risk analysis of resource plans

  – Implement process improvements in the 2015 IRP
Workshop Objectives

• Opportunity for stakeholders to recommend and discuss IRP process improvements
  – Collaboration with the Company and other stakeholders
  – The goal is to identify ways that can allow the Company to more efficiently develop an IRP that meets state IRP guidelines/requirements

• The Company is most interested in balanced process improvement concepts
  – Divergent opinions and priorities among stakeholders
  – Variation in what the IRP means among states
  – The Company’s goal is to be responsive to all stakeholders and all requests; however, it is often not practical or possible to accommodate all requests

• This workshop is not a forum for challenging specific assumptions or modeling used in the 2013 IRP
## 2013 IRP Process Overview

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2013 IRP Process Overview (Cont’d)

• The 2013 IRP process (12-months)
  – 15 public input meetings
  – 5 conference calls
  – 5 state meetings
  – 94 unique portfolios
  – 111 risk analysis studies

• IRP modeling has become increasingly complex (data requirements, model set-up, model performance)
  – Coal and transmission investment analysis integrated into portfolio development process
  – Expanded representation of DSM
  – Renewable portfolio standards
  – Updated wind integration study
  – Expanded scope LOLP study
  – Other/Future Requirements?
Stakeholders Generally Want Additional/More Advanced Analysis with Each IRP

“The Company has not demonstrated that its preferred portfolio is the optimal set of low cost, low risk resources…”

“Coal plant investments are unsupported by modeling…”

“PacifiCorp should produce sensitivities or trigger point analyses to show what effects its assumptions have on selection of renewable resources…”

“We recommend the Company be required to conduct a stochastic modeling workshop…”

“The Company should be required to perform a new capacity contribution analysis…”

“...encourage the Company to increase the amount of sophistication of its overall analysis regarding demand response and other load control tools…”

“The analysis to determine the appropriate Planning Reserve Margin (PRM) should be expanded…”

Filed Comments
Process Improvement Concepts

• IRP Advisory Committee
  – Efficiencies achieved with commitment for sustained involvement of individuals on the advisory committee
  – Regular meetings, public participation still welcomed and encouraged

• Strategic Selection of Case Definitions
  – The objective would be to do fewer runs that are more useful to the Company and stakeholders
  – The Company develops a small sample of case definitions with System Optimizer portfolio results early in the public process
  – Provides context and basis for a more strategic selection of alternative core case definitions that can be analyzed

• Others?
Utah DPU Suggestions as Filed with the Utah Commission

• Recommendation to revisit IRP Guidelines

• The Company issues a preliminary statement of assumptions and holds one to two meetings to discuss with regulators and interested parties.

• Three months later, the Company participates in a technical conference to discuss principle inputs and assumptions that went into the Company’s Business Plan portfolio and explain why it did or did not accept specific public inputs to the IRP process.

• Two months later, the Company would file relevant portions of its business plan, explain a handful of alternative portfolios developed under specified circumstances (i.e. unconstrained by carbon taxes and RPS standards), and include as many as a half dozen alternative portfolios showing the risks of relatively extreme assumptions.

• Up to two months later, one to two technical conferences would be held for the Company to explain its IRP assumptions and results.

• One month later, the Company files the IRP, with acknowledgement proceeding completed within one month of filing.