

PacifiCorp - Stakeholder Feedback Form

2017 Integrated Resource Plan

PacifiCorp (the Company) requests that stakeholders provide feedback to the Company upon the conclusion of each public input meeting and/or stakeholder conference calls, as scheduled. PacifiCorp values the input of its active and engaged stakeholder group, and stakeholder feedback is critical to the IRP public input process. PacifiCorp requests that stakeholders provide comments using this form, which will allow the Company to more easily review and summarize comments by topic and to readily identify specific recommendations, if any, being provided. Information collected will be used to better inform issues included in the 2017 IRP, including, but not limited to the process, assumptions, and analysis. In providing your feedback, PacifiCorp requests that the stakeholders identify whether they are okay with the Company posting their comments on the IRP website.

Yes No May we post these comments to the IRP webpage?

Date of Submittal 1/19/2017

*Name: Gloria Smith

Title: Managing Attorney

*E-mail: Gloria.smith@sierraclub.org

Phone: 475-977-5532

*Organization: Sierra Club

Address: 2101 Webster Street, Suite 1300

City: Oakland

State: CA

Zip: 94612

Public Meeting Date comments address: 12/15/16-12/16/16 Check here if not related to specific meeting

List additional organization attendees at cited meeting: _____

***IRP Topic(s) and/or Agenda Items:** List the specific topics that are being addressed in your comments.

Confidential coal studies stakeholder meeting

Check here if any of the following information being submitted is copyrighted or confidential.

***Respondent Comment:** Please provide your feedback for each IRP topic listed above.

Overview

Sierra Club is extremely concerned about PacifiCorp's deferment of the mid-December confidential Public Input Meeting (PIM) on the 2017 Integrated Resource Plan (IRP) and subsequent failure to successfully reschedule such meeting. In multiple public input meetings and other forums, we have expressed our concern that the planning mechanism used by PacifiCorp for coal retirements is both flawed and yet extraordinarily influential in all other decisions of the IRP. PacifiCorp's pledge to ensure that results were discussed and vetted with stakeholders mitigated some of our concerns with respect to the 2017 IRP process. In light of two subsequent cancelations, we believe that PacifiCorp has disengaged the public in the preparation and review of the integrated resource plan, inconsistent with the public interest and PacifiCorp's regulatory requirements for public participation. We believe that PacifiCorp must offer the opportunity for involved stakeholders to assess the utility's planning process and should act expediently to produce such a confidential session, or act to distribute confidential materials to signatories of the protective order as quickly as possible.

Background

On July 14, 2016, Sierra Club provided comment to PacifiCorp expressing a concern that the IRP modeling construct proposed by PacifiCorp was unlikely to produce a least-cost plan because it would not assess endogenous plant retirement options – i.e. allow the model to optimally retire existing plants cost effectively. We noted that "PacifiCorp's IRP cannot meet regulatory requirements without a thorough and transparent examination of its existing resources."

* Required fields

The Company then set up an analysis framework in which coal retirements would be assessed ahead of any other resource decisions in a “Volume III” analysis similar to that produced in the 2015 IRP. This announcement redoubled concerns that PacifiCorp’s mechanism of assessing coal retirements would be extremely influential through the IRP process.

In subsequent meetings, PacifiCorp reiterated that it would not consider optimal (“endogenous”) coal retirements, resulting in substantial comments from Sierra Club and other environmental groups on September 14, 2016, urging PacifiCorp to include at least one set of endogenous coal retirement runs. Stakeholders commented that “the proposal offered by PacifiCorp will not result in the selection of the optimal set of resources given the expected combination of costs, risk and uncertainty.”

In the next stakeholder meeting on September 22, 2016, PacifiCorp stated that “in response to stakeholder feedback... [it] plans to include an additional Regional Haze case that allows endogenous retirements.” The Company stated during that meeting that it would then select the least-cost plan from among the set of runs, and urged stakeholder to provide comment on the “Volume III” analysis runs when complete.

On November 17, 2016 PacifiCorp announced that it would be discussing the Volume III analysis runs in an in-person confidential session on December 16, 2016, and on December 6, 2016 PacifiCorp issued confidentiality agreements to attend this session. Sierra Club and other parties made travel arrangements accordingly to provide meaningful public participation.

On December 12, 2016 PacifiCorp canceled the December 15-16 stakeholder meeting, including the confidential session. PacifiCorp's rationale for the cancelation was: “The cancellation is primarily due to an unforeseen need to update PacifiCorp’s private generation forecast and incorporate that update into the load forecast. PacifiCorp is not able to reproduce revisions to its Volume III studies and portfolio results prior to the public input meeting later this week. Though PacifiCorp does not anticipate that the update to the load forecast will have a material impact on the model results, we nonetheless believe that it is critical to present information to stakeholders based on data and projections that are as accurate as possible. Postponing this meeting provides PacifiCorp the needed time to update the assumptions and models. To present information in the most efficient manner, PacifiCorp will discuss all of the items for the December 15-16 meetings at the January meeting, as well as present core case and sensitivity case results.”

On January 10, 2017 Sierra Club attended hearings at Oregon PUC on docket UM 1790. During an informal period, Bryce Dalley discussed with stakeholder ICNU that the December IRP meeting had been canceled due to snow, in contrast with the message sent to stakeholders.

On January 11, 2017 we queried Mr. Dalley, who responded that the confidential session would not be rescheduled, stating that “the goal is to conduct the meeting using non-confidential materials to the maximum extent possible. We won’t have more information until next week.” No further information was forthcoming from PacifiCorp through formal or informal channels.

Comment

It is not at all clear that the update to the “private generation forecast” warranted a cancellation of a public input meeting, particularly where such updates do not have a material impact on the model results. By cancelling this meeting, PacifiCorp denied stakeholders a key opportunity to engage in an overwhelmingly important component of the IRP, and virtually ensured PacifiCorp’s monopolization of the process and outcome. PacifiCorp typically seeks to file its IRP sometime in March. Results presented at the end of January will, without a doubt represent the IRP we expect to see

less than two months later. PacifiCorp's internal IRP modeling and IRP presentation process already leave little room for modification.

The December cancellation notice indicated that PacifiCorp intended on "discuss[ing] all of the items for the December 15-16 meetings during the January meeting." This is clearly no longer the case as confidential materials will be excluded. Further, PacifiCorp's explanation for the cancellation is that the Company "believe[s] that it is critical to present information to stakeholders based on data and projections that are as accurate as possible." At best, PacifiCorp's intent is misplaced – the accuracy here is irrelevant when no information is presented. At worst, PacifiCorp has denied the public the possibility of meaningful engagement.

According to Oregon Commission order No. 89-507, establishing IRP guidelines, a key procedural element of least-cost planning is that "the public and other utilities should be allowed significant involvement in the preparation of the plan." It goes on: "that participation must include opportunities to contribute information and ideas as well as to receive information. It must also include the opportunity to make relevant inquiries of the utility formulating the plan." Oregon Commission order No. 07-002 affirmed this requirement. In cancelling critical meetings and failing to distribute materials, PacifiCorp denied stakeholders the ability to contribute relevant information and ideas.

Request

PacifiCorp must offer the opportunity for involved stakeholders to assess the utility's planning process and should act expediently to produce such a confidential session, or act to distribute confidential materials to signatories of the protective order as quickly as possible.

Data Support: If applicable, provide any documents, hyper-links, etc. in support of comments. (i.e. gas forecast is too high - this forecast from EIA is more appropriate). If electronic attachments are provided with your comments, please list those attachment names here.

N/A

Recommendations: Provide any additional recommendations if not included above - specificity is greatly appreciated. PacifiCorp must offer the opportunity for involved stakeholders to assess the utility's planning process and should act expediently to produce such a confidential session, or act to distribute confidential materials to signatories of the protective order as quickly as possible.

Thank you for participating.