

# PacifiCorp - Stakeholder Feedback Form

## 2019 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 2019 IRP, including, but not limited to the process, assumptions, and analysis. In order to maintain open communication and provide the broader Stakeholder community with useful information, the Company will generally post all appropriate feedback on the IRP website unless you request otherwise, below.

Date of Submittal 10/17/2018

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\*Organization: Oregon Public Utility Commission

Address: 201 High Street Suite 100

City: Salem

State: Oregon

Zip: 97301

Public Meeting Date comments address: 9/27/2018

Check here if not related to specific meeting

List additional organization attendees at cited meeting:

[Click here to enter text.](#)

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

Intra-hour Flexible Resource Credit

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

Check here if you do not want your Stakeholder feedback and accompanying materials posted to the IRP website.

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

Public Utility Commission of Oregon Staff (Staff) appreciates PacifiCorp's presentation and information relating to the Intra-hour Flexible Resource Credit presentation provided at the 2019 IRP Public Meeting held on Sept. 27-28, 2018. Staff offers the following comment requesting further clarity and additional information so as to more meaningfully participate in this process.

PacifiCorp has proposed adding an Intra-hour Flexible Resource Credit to resources to reflect the benefit they provide through participation in the EIM. Oregon Staff believes that as Oregon ratepayers will see much of these economic benefits, it is entirely appropriate to weight resources differently, such that optimization selects a portfolio which maximizes benefits. We thank the company for highlighting this opportunity, and we recognize that any attempt to quantify this will be extremely difficult as there is no methodology upon which to draw.

That said, Oregon Staff is concerned that PacifiCorp's proposed methodology inappropriately weights higher-cost resources at the expense of cheaper alternatives. Consider a utility whose load is served by two hypothetical generation resources, identical in all respects save for their fuel cost. Cost-minimization will select the cheaper option until its entire output is utilized; only then will the more expensive option be selected. In other words, the cheaper option will always be scheduled first to meet baseload. Accordingly, when evaluating historical experience, the more expensive generator could appear to have provided the majority of the benefits associated with flexibility simply because of its higher cost.

\* Required fields

By providing this credit now to their optimization, PacifiCorp will have more coal plants in the future than they otherwise would, and receive some benefit from the EIM. However Oregon Staff believes this to be inappropriate, as it ignores the context in which lower-cost resources are being dispatched earlier.

**PacifiCorp Response:**

PacifiCorp provided further description of the Intra-hour Flexible Resource Credit calculation and values by resource type at the September and October 2018 public input meetings. PacifiCorp plans to calculate and present the impact on overall portfolio costs attributed to the Intra-hour Flexible Resource Credit as part of its portfolio development, but will not apply the credit as a reduction in resource costs when portfolios are being generated.

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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.

[Click here to enter text.](#)

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Recommendations: Provide any additional recommendations if not included above - specificity is greatly appreciated.

[Click here to enter text.](#)

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Please submit your completed Stakeholder Feedback Form via email to [IRP@PacifiCorp.com](mailto:IRP@PacifiCorp.com)

Thank you for participating.