



# 2019 Integrated Resource Plan (IRP) Stakeholder Conference Call July 18, 2019





# Modeling Issue

- Coal cost assumptions Jim Bridger units included forward-looking, fixed cost assumptions required to fund mine reclamation.
- While costs to fund mine reclamation are included in fuel costs as an element of net power costs in rates, combining these mine-reclamation funding costs in the Jim Bridger coal cost is influencing modeled dispatch of the Jim Bridger units in the System Optimizer and Planning and Risk.
- These IRP models can avoid the funding cost for mine reclamation by reducing dispatch of the Jim Bridger units even though these costs are unavoidable in reality.
- Historically, the dispatch cost of the Jim Bridger units has been low enough relative to market prices that the coal-cost adder intended to capture the costs to fund mine reclamation has not significantly altered generation levels and, consequently, has not lead to a potential understatement of costs to fund mine reclamation.
- However, base case assumptions adopted in the 2019 IRP for natural gas prices and power prices are relatively low, and the modeling team confirmed that the Jim Bridger units are reducing dispatch in a manner that understate the cost to fund mine reclamation.

# Remedy of Modeling Issue



- Considering that early retirement assumptions for Jim Bridger units vary among cases, mine closure assumptions and associated mine reclamation funding assumptions vary by case as well.
- Consequently, the impact of this issue will vary from one case to the next, which could affect the comparative analysis of the costs and risks of each portfolio that is used to select the preferred portfolio.
- Therefore to ensure that the final IRP is accurate, the company needs additional time to complete its analysis, including re-running portfolios.
- In the process of re-running and finalizing the modeling analysis for the 2019 IRP, the Company will also incorporate updates consistent with feedback and discussion during the June 2019 public-input meeting.
- Specifically, the model runs will be updated to enable selection of Energy Gateway South in January 2024 (as a proxy for year-end 2023) with a consistent set of assumptions for cost, interconnection capability, and transfer capability across all cases. The updated model runs will also be configured to enable selection of solar resources in northern Utah.



# Next Steps

- PacifiCorp has filed requests for extension and notices as required requesting an extension of time to file its 2019 IRP until October 18, 2019.
- Specifically, PacifiCorp filed requests for the extension in Washington, Idaho and Utah on July 16, 2019 with notifications filed in Oregon and Wyoming on July 17, 2019.
- Additional public input meetings have been scheduled:
  - September 5-6, to provide an update on modeling progress and results completed at that time, and
  - October 3-4, to present final modeling results, a draft preferred portfolio, and a draft action plan

# Additional Portfolios Under Development



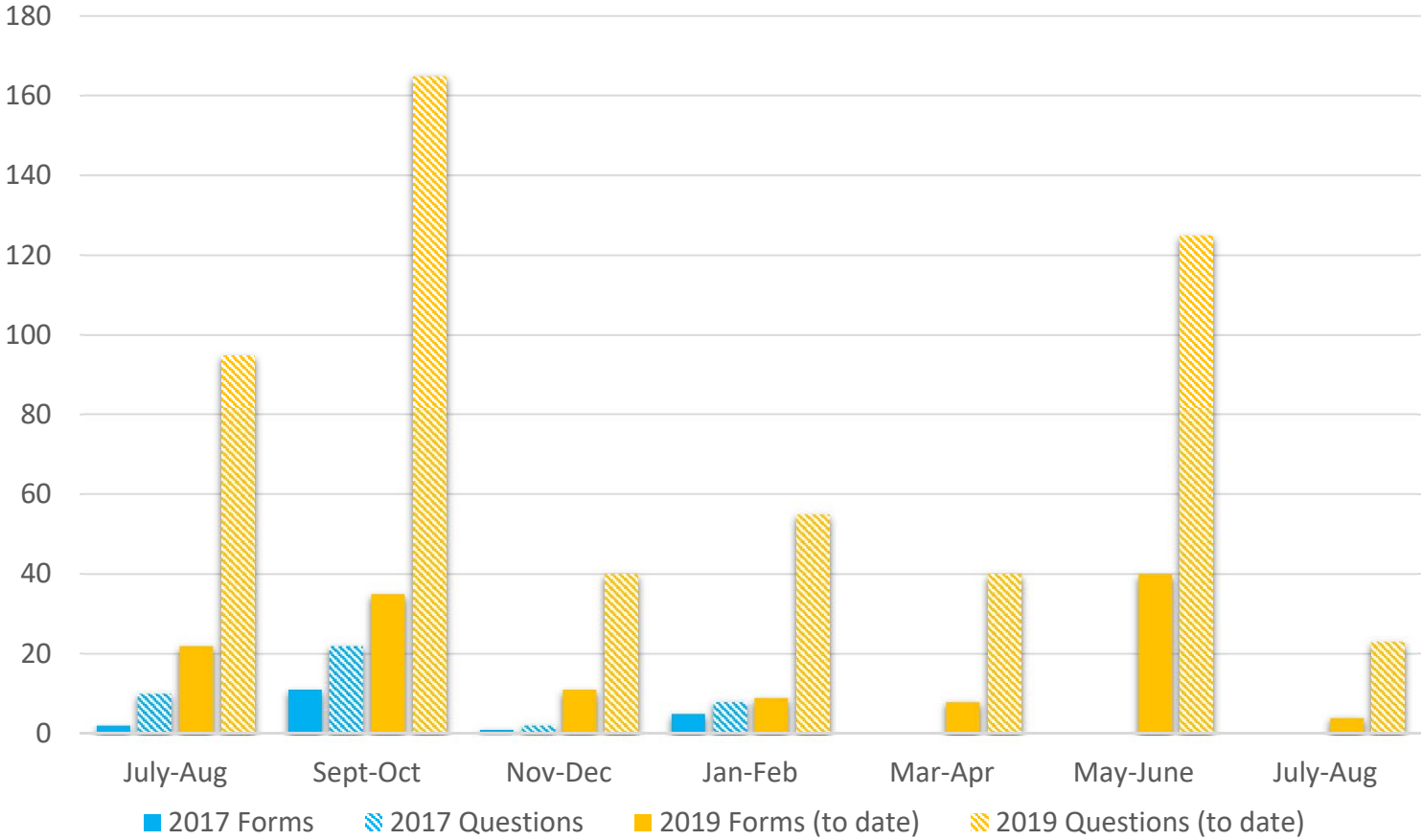
- P-15a = a variant of P28, alternative timing for assumed retirement dates in the case (P-15) that assumes all coal is retired by 2030.
- P-45= a variant of P31, alternative timing for assumed retirement dates for Jim Bridger Units 1 and 2 to 2023 and 2028, respectively.
- P-46 = a variant of P31, alternative timing for assumed retirement dates for Jim Bridger Units 3 and 4, both to 2025.
- P-53 = a variant of P46, alternative timing for assumed retirement dates for Jim Bridger Units 1 and 2, both to 2025, and Units 3 and 4 to 2028 and 2032, respectively.



# Stakeholder Feedback Form Recap



# 2019 IRP vs. 2017 IRP Stakeholder Feedback Form Activity to Date



# Stakeholder Feedback Forms



- 129 stakeholder feedback forms submitted to date.
- Stakeholder feedback forms and responses can be located at: [www.pacificorp.com/es/irp/irpcomments.html](http://www.pacificorp.com/es/irp/irpcomments.html).
- Depending on the type and complexity of the stakeholder feedback received responses may be provided in a variety of ways including, but not limited to, a written response, a follow-up conversation, or incorporation into subsequent public input meeting material.
- Stakeholder feedback following the most recent public input meeting is summarized on the following slides for reference.



# Summary - Recent Stakeholder Feedback Forms

Stakeholder	Date	Topic	Brief Summary (complete form available online)	Response (posted online when available)
Energy Strategies, LLC	June 27	Portfolio Analysis	Requested case similar to Stacked case C-42 from the April 25 (slide 8) PIM and June 20 (slide 8) PIM results.	PacifiCorp will consider running this case or similar variant should time allow.
WUTC Staff	July 2	General June 20-21, 2019 PIM	Questions regarding DSM modeling, transmission cost estimates, portfolio development process, Energy Gateway, carbon emissions cost curve, DERs, and FOTs.	Response targeted for week of July 22, 2019.
OPUC Staff	July 11	General April 25, 2019 PIM	Questions regarding cap on FOTs, capacity needs, and deterministic analyses.	Response targeted for week of July 22, 2019.
OPUC Staff	July 11	General June 20-21, 2019 PIM	Questions regarding transmission modeling, Energy Gateway South, depreciation, modeling of renewables and storage, and RFP design.	Response targeted for week of July 22, 2019.



# Additional Information and Next Steps



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- Public Input Meeting Presentation and Materials:
  - [pacificorp.com/es/irp.html](http://pacificorp.com/es/irp.html)
- 2019 IRP Stakeholder Feedback Forms:
  - [pacificorp.com/es/irp/irpcomments.html](http://pacificorp.com/es/irp/irpcomments.html)
- IRP Email / Distribution List Contact Information:
  - [IRP@PacifiCorp.com](mailto:IRP@PacifiCorp.com)
- Upcoming Public Input Meeting Dates:
  - September 5-6, 2019
  - October 3-4, 2019
  - October 18, 2019 – 2019 IRP File Date