

# PacifiCorp - Stakeholder Feedback Form

## 2023 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 2023 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 2022-10-27

\*Name: Sergio Dueñas Title: \_\_\_\_\_  
\*E-mail: sduenas@storagealliance.org Phone: \_\_\_\_\_  
\*Organization: Western Energy Storage Taskforce  
(WEST)  
Address: 10265 Rockingham Dr. Suite #100-4061  
City: Sacramento State: CA Zip: 95827

Public Meeting Date comments address: 10-13-2022  Check here if not related to specific meeting

List additional organization attendees at cited meeting: Nate Blouin

**\*IRP Topic(s) and/or Agenda Items:** List the specific topics that are being addressed in your comments.  
2023 IRP Supply-Side Resource Escalation

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.

Pacificorp's proposed 2023 IRP Supply Side Table Cost Assumptions based on the WSP report are unduly high through 2030. While near-term costs may be inflated because of supply chain issues and global economic conditions, assuming these effects will remain consistent through the following decade is unwarranted and largely ignores the expected impacts of the Inflation Reduction Act (IRA). To remedy this overestimation of costs, WEST recommends two modifications. First, Pacificorp should use other sources of information to guide the costs of battery storage. Specifically, WEST recommends using Lazard's Levelized Cost of Storage (LCOS) forecast as the primary source of information for utility-scale battery energy storage candidate resources (see Data Support). In Data Support, WEST includes the reference for Lazard's LCOS Version 7.0; however, Version 8.0 is expected in the coming months and should be the one used by Pacificorp. WEST considers this request is reasonable as Lazard is a credible source that is employed in other planning venues across the Western United States, such as the California Public Utilities Commission's (CPUC) Integrated Resource Planning (IRP) proceeding, which will use Lazard LCOS 8.0 (see Data Support). Second, WEST recommends that, regardless of the data source used to estimate supply side cost trends (i.e., NREL or Lazard), Pacificorp should revise its price modifications so that pricing remains flat on a nominal basis through 2027 (year-end 2026) and returns to the ATB projection by, at maximum, 2030. Importantly, Pacificorp should also underscore that these cost forecasts are not inclusive of the IRA, which will further reduce costs of storage, solar, wind, and other assets (see Data Support).

**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.

\* Required fields

CPUC IRP Inputs and Assumptions for the 2023 Cycle: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/integrated-resource-plan-and-long-term-procurement-plan-irp-ltpp/2022-irp-cycle-events-and-materials/iamag09222022.pdf> Lazard Levelized Cost of Storage: <https://www.lazard.com/perspective/levelized-cost-of-energy-levelized-cost-of-storage-and-levelized-cost-of-hydrogen/> Moss Adam's IRA Overview: <https://www.mossadams.com/articles/2022/08/inflation-reduction-act-clean-energy-credits>

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**Recommendations:** Provide any additional recommendations if not included above - specificity is greatly appreciated. PacificCorp should use Lazard's Levelized Cost of Storage forecast as the primary source of information for utility-scale battery energy storage candidate resources. Regardless of the data source used to estimate supply side cost trends (i.e., NREL or Lazard), PacificCorp should revise its price modifications so that pricing remains flat on a nominal basis through 2027 (year-end 2026) and returns to the used projection by, at maximum, 2030. PacificCorp should underscore that the cost forecasts discussed during the October 13th meeting are not inclusive of the IRA, which will further reduce costs of storage, solar, wind, and other assets.

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### **PacifiCorp Response: (11/8/2022)**

PacifiCorp uses multiple resources to determine the pre-tax-incentive costs presented in the September 1<sup>st</sup> Public Input Meeting. In addition to the study performed by a third-party expert, which is in line with the U.S. Department of Energy Annual Technology Baseline (ATB) data, PacifiCorp observes market trends which are more recent than either the ATB data or the existing 2021 Lazard data. Demand for solar panels and batteries in 2022 has exceeded production capacity and planned production capacity, which is expected to drive up prices until production capacity catches up with demand. PacifiCorp appreciates your feedback that resource costs may fall starting in 2028 and return to their previous trajectory by 2030. This is slightly accelerated from PacifiCorp's proposal where resource costs fall starting in 2029 and return to their previous trajectory by 2032. PacifiCorp will continue to accept feedback and monitor these assumptions underlying these inputs.

PacifiCorp re-affirms that the costs presented in the September 1st Public Input Meeting do not include tax incentives implemented in the Inflation Reduction Act. Additional supply-side table reporting will identify costs after accounting for tax incentives and all tax incentives are being accounted for in the 2023 IRP modeling process. The information about tax incentives presented to date is consistent with Table 7.1 in PacifiCorp's 2021 IRP. Resource information inclusive of tax incentives was provided in Table 7.2 of PacifiCorp's 2021 IRP and comparable information will be provided for the 2023 IRP.

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

Thank you for participating.

\* Required fields