

PacifiCorp - Stakeholder Feedback Form

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 call, 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 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 post appropriate feedback on the IRP website based on your selection below.

Date of Submittal 2024-08-09

*Name: Jon Martindill

Title: _____

*E-mail: jon@npenergyca.com

Phone: _____

*Organization: NP Energy LLC

Address: _____

City: _____

State: _____

Zip: _____

Public Meeting Date comments address: 07-18-2024

Check here if related to specific meeting

List additional organization attendees at cited meeting:

Nick Pappas, Max Greene, James Himelic

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

Candidate Resource Costs

Check here if you want your Stakeholder feedback and accompanying materials posted to the IRP website.

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

RNW seeks additional information from PacifiCorp regarding its assumptions and methods around resource costs. In comments submitted on June 14, RNW questioned PacifiCorp's unsubstantiated escalators for renewable energy resources used in the 2023 IRP and 2023 IRP Update. In those comments, RNW demonstrated that third-party sources of information, including NREL ATB 2024, did not support PacifiCorp's assumptions about renewable resource costs and their change over time. In the July 18 Public Input Meeting, PacifiCorp stated that they are basing cost estimates for proxy resources on NREL ATB 2024, but that there are additional costs that PacifiCorp adds to the ATB estimate to more accurately reflect the true cost. In order to meaningfully engage with the resource costs, a critical input to any planning exercise, PacifiCorp must provide additional information and substantiation on this adjustment step than has been made available previously. Therefore, RNW asks that this adjustment step be made as transparently 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.

Recommendations: Provide any additional recommendations if not included above - specificity is greatly appreciated. Please provide specific information on the following questions: 1) What specific costs are added in this adjustment step, and what information sources are used to estimate these costs? 2) How do cost adjustments vary by resource? 3) How do cost adjustments vary over time? 4) How will this cost adjustment step be transparent to stakeholders? 5) Will

* Required fields

PacifiCorp share the specific cost adjustments applied to each resource and the rationale behind each adjustment?

Please submit your completed Stakeholder Feedback Form via email to IRP@PacifiCorp.com

PacifiCorp Response:

- 1) Regarding capital costs presented in the Supply-side Resource table (column heading “CAPEX”), the National Renewable Energy Laboratory (NREL) Annual Technology Baseline (ATB) provides overnight capital cost (OCC) in 2022 dollars for the year of commercial operation (COD year). The ATB’s OCC for the appropriate soonest COD year is escalated to from 2022 dollars to 2024 dollars. Then the following costs are added:
 - Allowance For Funds Used During Construction (AFUDC): this reflects the cost of funds used prior to commercial operation and incorporates PacifiCorp’s confidential financial costs in the calculation. This is used instead of the ATB’s Finance Factor.
 - Capital surcharge: administrative and general costs, which cannot be charged directly to a capital project, in accordance with the Federal Energy Regulatory Commission (FERC) and generally accepted accounting principles (GAAP).
 - Property tax: 1.2%
- 2) The CAPEX described in response to question 1 varies by location and tax incentive rules. Locational cost factors were obtained from the United States Energy Information Agency report: “Capital Cost and Performance Characteristics for Utility-Scale Electric Power Generating Technologies, January 2024.” For resources that do not have a cost forecast, standard inflation is applied. Additionally, instead of using the ATB’s interconnection costs, the Company’s PLEXOS modeling reflects location-specific interconnection cost estimates from throughout PacifiCorp’s transmission system.
- 3) CAPEX costs vary over time according to the ATB’s cost forecasts, adjusted for inflation.
- 4) The cost adjustments indicated above were discussed at the July and August public input meetings for the 2025 IRP ([Public Input Process \(pacifiCorp.com\)](https://www.pacifiCorp.com/public-input-process)). Additional information provided in this response is publicly available along with the 2025 IRP Supply-side Resource table [Integrated Resource Plan \(pacifiCorp.com\)](https://www.pacifiCorp.com/integrated-resource-plan).
- 5) The overarching rationale is to provide information that is more consistent with PacifiCorp’s expected costs in its operating areas than that represented by the nationwide average costs provided in the ATB. The rationale behind each individual resource adjustment does not vary except as described above.

Thank you for participating.