

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 2024-09-10

*Name: Nancy Kelly

Title: _____

*E-mail: _____

Phone: _____

*Organization: Western Resource Advocates

Address: _____

City: _____

State: _____

Zip: _____

Public Meeting Date comments address: _____

Check here if 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.
INFORMATION REQUEST, MARKET VARIANT REQUESTS

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.

INFORMATION REQUEST

1. Please provide more information supporting the addition of the new Wyoming hub.

In developing the 2023 IRP Update, PacifiCorp added a 500 MW hub in Wyoming that it had never previously modeled. This same modeling assumption is carried forward into the 2025 IRP.

The stated justification for this new modeling assumption is provided in a single sentence on page 41 of the IRP Update and in a single bullet on page 42 of the July Public Input Meeting (“PIM”) presentation. The July PIM explanation is more complete than the 2023 IRP Update explanation. It states: “the addition of the Wyoming energy market reflects improved access to additional utilities facilitated by the construction of Gateway South.”

More information is needed to justify this 500 MW addition. If this market is assumed to be available in all hours of every year over the 20-year planning period, this is the equivalent of adding a 500 MW facility in Wyoming but with no forced outage rate.

Please provide, at a minimum, the following information:

- Does PacifiCorp assume these 500 MWs are available in all hours of every year over the 20-year planning period?

If so, why does PacifiCorp believe this energy will continue to be available in all hours across the 20-year planning period? If not, what products is PacifiCorp assuming will be available and in what time periods?

- Which utilities can PacifiCorp now access that it couldn’t previously?

- What experience does PacifiCorp have with these sellers?

- How liquid and deep does PacifiCorp expect this new market hub to be? Please provide all supporting documentation.

2. Please provide the price forecast for the Wyoming market hub.

Page 39 of the July PIM presentation shows Quarter 2 price forecasts for the market hubs, but no market price forecast is provided for the new Wyoming hub. Please provide the forecast for this hub that will be used for modeling.

* Required fields

MARKET VARIANT REQUESTS

1. Market Variant One

- Model the MM scenario, but without assuming access to a Wyoming hub.

Justification: In other proceedings, the Company has described declining liquidity at all market hubs and has shown that market reliance is a large risk and significant driver for increases in net power cost requests across the states. This variant tests what happens if the new market hub does not play out as PacifiCorp forecasts.

2. Market Variant Two

- Model the MM scenario, but without assuming access to a Wyoming hub.
- Additionally, assume the short-term market caps at the other five hubs extend out as is currently modeled over the first 3 years only. In the 4th year, reduce the availability at each hub by 50%, and in the fifth year, reduce the availability by 75%.

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.

Justification: In each IRP, PacifiCorp assumes that market hubs are liquid for five years and then dry up. This has the effect of encouraging ongoing near-term market reliance which may or may not be in customers' best interest. This variant tests what happens if the new market hub does not play out as PacifiCorp forecasts and markets tighten earlier and in a more gradual manner than PacifiCorp has assumed.

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

PacifiCorp Response:

PacifiCorp's transmission system in eastern Wyoming is connected to the following other utilities, including:

- NorthWestern Energy (in Montana)
- Western Area Power Administration - Rocky Mountain Region
- Tri-State Generation and Transmission
- Black Hills Power
- Basin Electric Power Cooperative

Through these entities, there are also connections to the Southwest Power Pool (SPP) in Western Nebraska.

These entities have limited access to liquid western markets, like Mid-Columbia and Palo Verde, and are thus more likely to have resources available when supplies at those markets are restricted. These connections are not new, but with Gateway South in service, it is also more likely that incremental supply sourced from these neighboring utilities would be able to reach PacifiCorp's major load centers in Utah.

Like the other markets modeled in the IRP, the short-term (ST) modeling reflects hourly balancing transactions in all hours, though unlike the other markets, the Company is not modeling market sales in Wyoming, as the resource mix in the area is typically dominated by low-cost thermal resources and wind and likely to be limited by transmission constraints. For modeling purposes, purchases from the Wyoming market were assumed to have the same price as Palo Verde.

While this "all hours" treatment is consistent with other market modeling, PacifiCorp recognizes that it is not really a firm commitment. Importantly, under the Western Resource Adequacy Program (WRAP), balancing transactions without a specified source will not count toward forward showing capacity requirements. PacifiCorp is modelling WRAP capacity requirements in the 2025 IRP starting in 2028, and does not intend to count capacity from markets (including Wyoming) as part of WRAP compliance for modeling purposes. Note that in practice "market" products exist that would meet forward showing requirements, e.g. annual hydro slice purchases, and WRAP compliance could be met with short-term or long-term products.

While markets may not count toward WRAP compliance, the Western Energy Imbalance Market (WEIM) already provides opportunities to balance resources in real-time across a broad footprint that covers most of the Western interconnect. CAISO's Enhanced Day-ahead Market (EDAM) is expected to provide further optimization by coordinating

* Required fields

day-ahead decisions. The WEIM and EDAM are likely to enable greater system balancing under nearly all conditions, though PacifiCorp recognizes they are not replacements for the firm resources needed for WRAP compliance.

For the first time the 2025 IRP will separate the balancing function of markets from the reliability aspects, which should address some of the concerns identified. PacifiCorp appreciates the suggestions about market scenarios and intends to examine how WRAP requirements and market reliance interact in the 2025 IRP results before considering further analysis.

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

Thank you for participating.

* Required fields