

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF PACIFICORP DBA
ROCKY MOUNTAIN POWER'S 2017
INTEGRATED RESOURCE PLAN**

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CASE NO. PAC-E-17-03**ORDER NO. 34018**

On April 4, 2017, PacifiCorp dba Rocky Mountain Power (PacifiCorp; Company) filed its 2017 Integrated Resource Plan (“IRP”) with the Commission pursuant to the Commission’s rules and in compliance with the biennial IRP filing requirements mandated in Order No. 22299. On April 25, 2017, the Commission issued a Notice of Filing and set an Intervention Deadline. Order No. 33751. Monsanto Company intervened, and subsequently withdrew as an intervenor, though it nonetheless filed comments. Besides Monsanto, the Commission received comments from Commission Staff and a reply from the Company. No other comments were received.

OVERVIEW OF IRP PROCESS

An IRP is a status report on the utility’s ongoing, changing plans to adequately and reliably serve its customers at the lowest system cost and least risk over the next 20 years. The report informs the Commission and the public about the utility’s plans, and is similar to an accounting balance sheet; i.e., it is a snapshot in time of the utility’s fluid, resource planning process. *See* Order No. 22299. The IRP is meant to demonstrate that the Company has prepared for, and considered, many scenarios through a reasonable planning process. The Commission thus expects a utility to have vigorously tested the IRP’s assumptions to ensure the IRP accurately reflects changing markets and customer demand.

The Company must update its IRP every two years and allow the public to participate in developing the IRP. *See id.*; Order No. 25260. The final IRP must include the subjects required by the Commission’s prior Orders, including Order Nos. 22299 and 25260. In summary, the final IRP should explain the Company’s present load/resource position, expected responses to possible future events, and the role of conservation in those responses. It also should discuss “any flexibilities and analyses considered during comprehensive resource planning, such as: (1) examination of load forecast uncertainties; (2) effects of known or potential changes to existing resources; (3) consideration of demand- and supply-side resource

options; and (4) contingencies for upgrading, optioning and acquiring resources at optimum times (considering cost, availability, lead time, reliability, risk, etc.) as future events unfold.”

See Order No. 22299. The IRP should separately address:

- “Existing resource stack,” by identifying all existing power supply resources;
- “Load forecast,” by discussing expected 20-year load growth scenarios for retail markets and for the federal wholesale market including “requirements” customers, firm sales, and economy (spot) sales. This section should be a short synopsis of the utility’s present load condition, expectations, and level of confidence; and
- “Additional resource menu,” by describing the utility’s plan for meeting all potential jurisdictional load over the 20-year planning period, with references to expected costs, reliability, and risks inherent in the range of credible future scenarios.

Id. If the Commission finds the IRP discusses these required subjects, then it will enter an order acknowledging that the Company filed the IRP. By acknowledging the IRP, the Commission is acknowledging the Company’s ongoing planning process, but not the conclusions or results reached through that process.

ROCKY MOUNTAIN’S INTEGRATED RESOURCE PLAN

Rocky Mountain’s 2017 IRP is its 14th comprehensive plan submitted to state regulatory commissions. The Company states that its IRP was developed with input from a diverse group of stakeholders, including customer advocacy groups, regulatory staff, and other interested parties. PacifiCorp IRP at 1. The 2017 IRP focuses on a 10-year period planning horizon, through 2028. *Id.* at 2. The Company has provided a plan that illustrates a transition to a “cleaner energy future,” including near-term investments in existing and new renewable resources, transmission infrastructure, and energy efficiency programs. The plan outlines the Company’s plans to dramatically reduce existing coal capacity through 2036, and delay installation of planned natural gas resources when compared to the Company’s 2015 IRP. Among other things, the 2017 IRP discusses transmission planning; load and resource balancing; resource options; the Company’s modeling approach; portfolio selection; and an action plan going forward.

A. Transmission Planning

The Company emphasizes that its transmission projects are positioned to comply with various jurisdictions' reliability requirements and meet customer demand in a cost-effective way. *Id.* at 57. The Company also notes that its "robust" transmission network facilitates an economic exchange of power between PacifiCorp and third parties, and capability and capacity to access energy supply markets. *Id.* The Company states the status of its Energy Gateway projects will offer benefits to its customers "under multiple future resource scenarios," urging continued permitting of those projects going forward. *Id.* at 57, 63-68. The 2017 IRP also provides support for the Company's plan to construct transmission projects from Wallula to McNary, and Aeolus to Bridger/Anticline. *Id.* at 59-63.

B. Load and Resource Balancing

The Company performed a load-resource balance study to identify capacity deficiencies that occur over the planning horizon. On average, the Company forecasted system load to be down 5.3 percent and forecasted system peak to be down 3.5 percent when compared to the 2015 IRP Update. *Id.* at 3. The Company cites reduced industrial class loads due to lower commodity prices, and gains in conservation as the main drivers of lower forecasted load. *Id.*

According to the Company, the 2017 IRP reflects a "cost-conscious transition to a cleaner energy future." *Id.* at 2. The Company notes that since the 2015 IRP, it has executed power purchase agreements (PPA) for new wind resources totaling 40 MW. *Id.* at 77. It also notes that since the 2015 IRP, it has added two solar projects representing 100 MW of nameplate capacity. *Id.* at 79. The Company remarked that, for its 2017 IRP, it projected approximately 1.4 GW of cumulative private generation capacity will be installed in its territory from 2017-2036. *Id.* at 84.

C. Resource Options

The Company reported that resource costs have remained stable since the 2015 IRP, and that renewable resource costs have continued to fall. *Id.* at 97. The Company's supply-side options, both large-scale solar and geothermal PPAs were included in this IRP. *Id.* 97-99. The Company also included the potential for advanced large batteries, pumped hydro and compressed air energy storage in its supply-side portion of its 2017 IRP. *Id.* In sum, the Company reported resource options of wind, solar, biomass, geothermal, natural gas, energy storage, nuclear, and coal. *Id.* at 119-130.

With regard to demand-side options, the Company included demand-side management (DSM) and market purchasing options. *Id.* at 133. The Company explained that DSM energy efficiency resources would meet 88 percent of the forecasted load growth, compared to 86 percent, as forecasted in its 2015 IRP. *Id.* at 4, 179. Nonetheless, total efficiency resources have decreased for the preferred portfolio relative to the 2015 IRP— 1,160 aMW in 2015, compared to 930 in the 2017 IRP. *Id.* at 236. Direct load control was assumed by the Company to take effect in 2028, and accounts for approximately 350 MW of load reduction, compared to the projected 550 MW load reduction in the 2015 IRP, coincident with assumed coal-unit retirements. *Id.* at 4-5. DSM and market options were included in the Company’s modeling alongside supply-side resources.

D. Modeling Approach

Among other tools, when developing its IRP portfolio, the Company uses an advanced modeling tool called System Optimizer (SO) to develop its long-term plan. *Id.* at 145. SO models the various scenarios, projecting minimum operating costs for existing and prospective new resources, factoring in system load balance, reliability and other constraints. *Id.* at 145-156. SO projects least-cost dispatch, determines optimal electricity flows between zones, and assumes spot market transactions. Additionally, SO factors transmission projections into its modeling. *Id.*

The Company further performs Planning and Risk (PaR) modeling based on SO data. PaR cost-risk metrics are ultimately used in the preferred portfolio selection. *Id.* at 156. Finally, PacifiCorp considers several other cost and risk metrics, including fuel source diversity and rate impact in its analysis of potential resource portfolios. *Id.* at 169. The Company reported that over 200 PaR studies were performed in selecting the preferred portfolio. *Id.* at 179. The Company explained this equates to over 10,000 simulations. *Id.*

E. Portfolio Selection

Rocky Mountain’s 2017 IRP preferred portfolio includes the addition of 1,100 MW of energy from new wind resources, and associated transmission, operational by the end of 2020. *Id.* The Company notes that the new wind project is time-sensitive due to expiring Production Tax Credit (PTC) benefits. *Id.* The Company also includes 905 MW of “repowered” wind resources, which will also take advantage of beneficial PTCs. *Id.*

The Company stated that its analysis of Regional Haze compliance requirements led it to a significant reduction in coal use. *Id.* at 192-196. One of the major drivers for coal reduction is the avoidance of costly installation of Selective Catalytic Reduction (SCR) equipment. *Id.* at 237. Ultimately, compared to previous IRP portfolios, the 2017 IRP preferred portfolio provides a mix of resources with more renewables and less coal.

F. Action Plan

The 2017 IRP action plan outlines steps the Company will take during the next two to four years to deliver its preferred portfolio of resources. *Id.* at 263. The action plan focuses on the front ten years of the planning horizon. *Id.* The Company's 2017 IRP Action Plan includes the following:

1. **Renewable Resource Actions**

- Implement wind-repowering project, with equipment installation complete by December 31, 2020.
- Complete construction of at least 1,100 MW of Wyoming wind resources by December 31, 2020.
- As needed, issue unbundled renewable energy credits to meet state compliance requirements.
- Evaluate potential re-allocation of Renewable Energy Credits (RECs) from Utah, Wyoming, and Idaho to Oregon, Washington, or California to meet state compliance obligations.

2. **Transmission Actions**

- Build 140-mile, 500 kV transmission line from Aeolus to Jim Bridger.
- Continue permitting for the Energy Gateway transmission plan. Near-term targets for Segments D, E, and F include the continued funding of the required federal agency permitting environmental consultant; continue to support the federal permitting process by providing information and participating in public outreach. For Segment H (Boardman to Hemingway), continue to support the project under the conditions of the Boardman to Hemingway Transmission Project Joint Permit Funding Agreement.

- Complete Walla Walla to McNary project construction per plan with 2018 expected in-service date. Continue to support permitting process.
- Complete planning studies that include coal-unit retirement assumptions.

3. **DSM Actions**

- **Class 2 DSM**: Acquire the following cost-effective energy efficiency resources targeting annual system energy and capacity selections from the preferred portfolio: 2017 – 646 MW of Annual Incremental Energy (GWh) and 154 MW of Annual Incremental Capacity; 2018 – 559 MW of Annual Incremental Energy and 128 MW of Annual Incremental Capacity; 2019 – 571 MW of Annual Incremental Energy and 131 MW of Annual Incremental Capacity; and 2020 – 527 MW of Annual Incremental Energy and 122 MW of Annual Incremental Capacity.

4. **Firm Market Purchase Actions**

- Acquire short-term on-peak firm market purchase deliveries from 2017 through 2019.
- Balance month and day-ahead competitive price brokered transactions.
- Balance month, day-ahead, and hour-ahead transactions executed through an exchange, such as Intercontinental Exchange (ICE).
- Prompt month forward, balance of month, day-ahead, and hour-ahead non-brokered transactions.

5. **Coal Resource Actions**

- **Hunter Units 1 and 2**: Continue appeal of the portion of Environmental Protection Agency's (EPA's) final Regional Haze Federal Implementation Plan (FIP) that requires the installation of SCR at Hunter Units 1 and 2 in 2021. If EPA's final FIP is upheld, the Company will update its evaluation of alternative compliance strategies that will meet Regional Haze compliance obligations.
- **Huntington Units 1 and 2**: Continue appeal of the portion of EPA's final Regional Haze FIP that requires the installation of SCR at

Huntington Units 1 and 2 in 2021. If EPA's final FIP is upheld, the Company will update its evaluation of alternative compliance strategies that will meet Regional Haze compliance obligations.

- Dave Johnston Unit 3: The Company has committed to shutting down Dave Johnston Unit 3 by the end of 2027.
- Wallula to McNary Transmission Line: Complete construction project with a 2018 expected in-service date.
- Planning Studies: Complete planning studies that include proposed coal-unit retirement assumptions.
- Jim Bridger Units 1 and 2: The Wyoming State Implementation Plan (SIP), and the EPA's FIP require installation of SCR on Jim Bridger Units 1 and 2 in 2021 and 2022. The Company will update its evaluation of compliance strategies in future IRPs.
- Naughton Unit 3: Update analysis of natural gas conversion.
- Wydak: Continue to pursue appeal of EPA's Regional Haze FIP that requires SCR at Wydak.
- Cholla Unit 4: The Arizona SIP was approved, and incorporates an alternative Regional Haze compliance approach, with a commitment to cease operating Cholla Unit 4 as a coal-fueled resource by the end of April 2025, with the option of a natural gas conversion thereafter. The Company will update its evaluation of compliance strategies in future IRPs.
- Craig Unit 1: The EPA has not yet approved the Colorado SIP that incorporates an alternative Regional Haze compliance approach, with a commitment to cease operating Craig Unit 1 as a coal-fueled resource by the end of 2025, with the option of a natural gas conversion thereafter. The Company will update its evaluation of compliance strategies in future IRPs.

THE COMMENTS

A. Staff Comments

Staff provided an extensive review of the Company's IRP, including a review of the load forecast, natural gas forecasts, existing resource assumptions, and new expansion resource assumptions. Among other things, Staff highlights the following items unique to the Company's 2017 IRP: The Company's preferred portfolio showed move to renewable energy resources,

away from coal resources; the Company should identify least-cost coal plant retirement dates; the Company's inclusion of benefits outside the traditional planning timeframe can distort comparisons between portfolios; there was limited public input due to the late introduction of Energy Vision 2020 projects (wind repower, and new wind) into the IRP process; the Company is effectively using DSM; the Company likely is underestimating natural gas prices over the 20-year planning period. Staff found that the 2017 IRP meets the Commission's requirements, and should be acknowledged.

1. Preferred Portfolio

Staff evaluated the Company's 2017 IRP preferred portfolio, and related that it represents a mix of resources, with a notable transition from coal to renewables. Staff Comments at 4-5. Staff identified that the portfolio relies heavily on new renewable resources, front-office transactions, and DSM load control resources. *Id.* Staff also noted that the transition into renewables is driven largely by the Company's Energy Vision 2020 program. *Id.* Staff further related that a major reduction in coal is attributable to the Company's avoidance of installing expensive SCR equipment. *Id.*

2. Modeling of Coal Plants

Staff's analysis of the Company's modeling of its coal resources identified that Company coal plant operating life is limited by the length of time the Company assumes it can operate the plants without installing environmental controls. *Id.* at 5-6. Staff opined this approach essentially assumes that producing energy from existing coal without environmental controls is less costly than potential alternatives. *Id.* Staff believes this assumption cannot be justified due to several variables. *Id.* Rather, Staff argued that the Company's modeling should fully assess the economics of the coal plant retirement. *Id.* Staff expressed concern that the Company's analysis was too limited. *Id.* at 6. Staff expressed that the Company is "arbitrarily prescribing that certain plants remain operational until a defined date," and in so doing, is limiting "introduction of new resources that may be more economically competitive in the long run." *Id.*

3. Energy Vision 2020

The Company's Energy Vision 2020 project (EV2020) is shorthand for two major wind projects: 1. the repowering of 905 MW of Company-owned wind resources; and 2. 1,100 MW of new wind, and an associated 140-mile 500 kV transmission line. The EV2020 projects

are time-sensitive due to PTC benefits for such facilities. Staff expressed concerns with the projects due to the projects' timeframes, and limited public input. *Id.* at 6-7.

Staff noted that because of the late addition of the EV2020 projects, the IRP process was modified to include them in the analysis. *Id.* at 7. In sum, Staff explained that the Company evaluated the projects by comparing net benefits of potential portfolios with and without the projects, rather than including the resources in the Company's standard modeling IRP process. *Id.* Staff stated this process saved the Company time, and was appropriate considering the circumstances. *Id.*

Staff found the Company's evaluation of the EV2020 projects problematic because the Company included benefits beyond the standard 20-year IRP timeframe. *Id.* As a result, the portfolios appeared more cost-effective, biasing the portfolios by increasing the value of the EV2020 projects. *Id.* at 7-8. Staff found this approach created an unfair comparison between potential cases. *Id.* at 8. However, Staff acknowledged there were benefits beyond the 20-year planning timeframe, but argued that that should be addressed differently, such as by extending the planning timeframe and modeling of other resources. *Id.*

Staff further objected to the limited opportunity for public input because of the late addition of the EV2020 projects. *Id.* In particular, Staff stated that the Company could have introduced the projects sooner in the IRP process, leading to more transparency, and a proper timeframe for feedback. *Id.*

4. Demand-Side Management

Staff evaluated the Company's DSM projections, and noted that the Company effectively created supply curves for its DSM resources. *Id.* at 9. Staff felt that the cost-based DSM supply curves were properly included in the Company's modeling and competed against supply-side resources on equal footing. *Id.* Staff stated that "this methodology provides robust and equal treatment between demand-side and supply-side resources in the modeling process." *Id.*

5. Natural Gas Forecast

Staff's evaluation of the Company's natural gas forecasts revealed that the Company's forecasted natural gas prices used in the 2017 IRP are significantly lower than prices used in its 2015 IRP. *Id.* at 10. Staff compared the Company's forecasting to recent U.S. Energy Information Administration (EIA) forecasts, and expressed concern that the Company's official

forward price curve forecast “remains excessively low through the entire planning period.” *Id.* at 10-11. Staff noted that the Company’s low-price forecast is less than EIA’s forecast 11 out of 19 years, and less every year for the reference forecast. *Id.*

Staff expressed concern that the excessively low gas price forecast creates a disproportionate upside price risk. *Id.* Staff argued that the Company should address the serious concern that long-term natural gas price volatility may pose a long-term risk in this IRP, especially when a substantial portion of future generating resources depend on natural gas. *Id.*

Overall, based on its review of the Company’s 2017 IRP, Staff believes that the Company presented a balanced consideration to supply and demand resources, and satisfied the requirements of Commission Order No. 22299. However, Staff recommended that the Commission direct the Company to: identify least-cost coal plant retirement dates SO; include cost and benefits from the same planning timeframe when comparing portfolios in future IRP planning; and recommend the Company provide additional justification if it chooses to use historically low gas costs in its 2019 IRP. With those conditions, Staff recommended that the Commission acknowledge the Company’s 2017 IRP filing.

B. Monsanto Comments

Despite withdrawing as an intervenor, Monsanto provided extensive comments. Monsanto’s comments largely concern the Company’s EV2020 projects, and their effect on the Company’s portfolio. Monsanto expressed concern that in the Company’s 2015 IRP, its preferred portfolio was focused on meeting its energy and capacity needs, whereas its 2017 portfolio reflects a transition to a cleaner energy future with near-term investments. Monsanto Comments at 2. Monsanto characterizes the Company’s plan as relying “on speculative future benefits ... beyond the 20-year IRP planning [horizon].” *Id.* at 3. Monsanto argued that the Commission should be cautious in recognizing the Company’s plan in order to protect customers from rate increases to pay for new renewable resources before they are needed. *Id.*

In cautioning against the new renewable focus, Monsanto highlights that the Company’s forecasts are uncertain, and have been wrong in the past. *Id.* at 3-4. Monsanto points to the Company’s 2007 IRP, where the Company predicted a possible resource deficit by 2010, and long-term natural gas price escalation and volatility. *Id.* at 4. Monsanto points out that by 2008, the Company projected a decrease in resource need. *Id.*

Monsanto further highlighted that in 2011, the Company projected significant load growth, while the 2013 IRP projected load growth that was down. *Id.* at 5. Monsanto pointed to this load growth projection as continuing, pointing out that the Company’s 2015 IRP again revised load growth projections downward—a trend that continued into the 2017 IRP. *Id.* at 5-6. In sum, Monsanto argued that the Company has a “real difficulty ... trying to predict the future, particularly regarding future gas and market power prices.” *Id.* at 6.

The thrust of Monsanto’s concerns with the 2017 IRP lies with the EV2020 projects, which rely on demand projections far into the future. *Id.* at 8. Further, Monsanto expressed concern that “[t]o make the project look beneficial in its IRP, PacifiCorp artificially extended the planning life to 2050, creating a 33-year IRP view.” *Id.* Monsanto alleged that such a distant planning horizon creates a speculative assignment of benefits, and should be given lesser weight in the IRP context. *Id.*

Additionally, while Monsanto recognized the benefits of the PTCs, it expressed concerns that the Company had not explored lower cost, lower risk alternatives to the EV2020 projects. *Id.* at 9. Finally, regarding the transmission aspect of the EV2020 projects, Monsanto expounds that the Company has not fully considered how its transition from coal will affect transmission lines. *Id.*

Monsanto does not oppose acknowledgement of the Company’s plan, but urges caution as the Company’s long-term planning accuracy “should give the Commission little confidence.” *Id.* at 10.

C. Company Reply

The Company filed reply comments on February 13, 2018. It expanded on its EV2020 projects, including the planning timeframe, the public-input process, its modeling of coal plants, and natural gas forecasting.

Regarding the EV2020 projects, the Company pointed out that it complied fully with the Commission’s Standards and Guidelines for resource planning. Company Reply at 2. Further, it emphasized that the EV2020 projects are “heavily discounted resources” supported by federal wind PTCs, will satisfy “both near-term and long-term resource needs,” and are “lower than [other] resource alternatives.” *Id.* at 2-3. Pointedly, the Company disagreed with Monsanto’s claim that it is going in a new direction, stating that it “developed the 2017 IRP using the same

approach to establish its least-cost, least-risk resource plan as has been used in prior IRPs.” *Id.* at 3.

The Company took further issue with Monsanto’s assertion that the EV2020 projects are being undertaken without demand need. *Id.* at 5. Rather, the Company stated that the EV2020 projects will meet system load requirements through their lifespan, and “are not required to comply with renewable energy policies.” *Id.* The Company noted that the PTCs are factored into its modeling, and “displace higher-cost market transactions in the near term and defer the need for other, higher-cost resource alternatives in the long term.” *Id.*

Regarding Staff’s comments on the Company’s extended planning timeframe for the EV2020 projects, the Company took issue with Staff’s suggestion that “the Company only include costs and benefits from the same planning timeframe,” and argues that it did precisely that in its final portfolio screening and selection process. *Id.* at 6. The Company asserted that by extending the wind projects through 2050 across the planning portfolios, it gave resource options “consistent treatment.” *Id.* at 6. The Company explained that the benefits of the EV2020 projects are extended through 2050 in order “to capture the full 30-year life of the new equipment.” *Id.* at 6-7.

Regarding Staff’s comments that the Company introduce large-scale projects like EV2020 at an earlier point, the Company argued that it took input on the projects at the earliest possible point, in March 2017. The Company explained that it did not execute “any agreements committing it to move forward with development of the Energy Vision 2020 projects other than the December 2016 purchases of wind turbine safe harbor equipment to preserve ... federal PTCs.” *Id.* at 8. The Company further explained that it recognized “the need to be open and transparent,” and likewise shared “the results of its analysis with stakeholders as they were being produced.” *Id.* at 9.

On Staff’s concern with the limited coal plant modeling, “the Company has agreed to conduct additional unit-by-unit analysis that will inform the 2019 IRP.” *Id.* According to the Company, this analysis will be completed by the end of June 2018, and the Company will provide coal-unit screening studies early in the public-input process of the IRP. *Id.* at 10.

Finally, on the subject of its natural gas forecast, the Company argued that Staff’s concern regarding low gas price assumption is misplaced. Rather, in its reply, the Company argued that its gas pricing assumptions “are reasonable and align with current market

fundamentals driven by projections of supply and demand.” *Id.* at 11. The Company specified that it uses market forward forecasting for the first 72 months, followed by a 12-month blend of forward forecasting. *Id.* The Company further pointed out that it “subscribes to two expert third-party forecasting services to receive multi-client ‘off-the-shelf’ base and scenario forecasts.” *Id.* The Company concluded that their gas forecasting “represents a moderate long-term view.” *Id.* at 12.

The Company continued its reply commenting that it agrees with Staff that “the 2017 IRP complies with Commission Order No. 22299 and believes it reflects a balanced consideration of customer interests that is well supported by portfolio modeling and reasonable planning assumptions.” *Id.* The Company concluded recommending that the Commission acknowledge its 2017 IRP.

DISCUSSION AND FINDINGS

Rocky Mountain is an electrical corporation and public utility as defined in Idaho Code §§ 61-119 and -129, and the Commission has jurisdiction over it and the issues in this case under Title 61 of the Idaho Code, including Idaho Code § 61-501.

After a thorough review of the record, we find and thus conclude that the Company’s 2017 Electric IRP satisfies the requirements of prior Commission orders. Accordingly, we acknowledge that the Company has filed the 2017 Electric IRP. However, we reiterate that an IRP is a working document that incorporates many assumptions and projections at a specific point in time. It is a plan, not a blueprint. In issuing this Order, we merely acknowledge the Company’s ongoing planning process, not the conclusions or results reached through that process.

With this Order, the Commission is not approving the IRP or any resource acquisitions referenced in it, endorsing any particular element in it, opining on the Company’s prudence in selecting the IRP’s preferred resource portfolio, or allowing or approving any form of cost recovery. The appropriate place to determine the prudence of the IRP or the Company’s decision to follow or not follow it, and the validation of predicted performance under the IRP, is a general rate case or other proceeding where the issue is noticed.

The Commission appreciates Monsanto’s participation in the IRP process, and the concerns highlighted by Monsanto and Commission Staff. We feel that such input helps the Company develop better and more comprehensive IRPs, and will continue to do so in the future.

We recognize the participants' viewpoints and commentary as they relate to the EV2020 project, and will closely evaluate those projects as they come before us. We encourage the Company to seriously consider those comments going forward in the EV2020 process, and in its planning for the 2019 IRP. We share Staff's concern regarding the timing of the IRP updates and encourage the Company to use thoughtful outreach opportunities in the future to better inform its customers of large-scale projects like the EV2020 projects. The Company must maintain transparency and openness in its planning, with an eye toward including all reasonably foreseeable potential resource outcomes.

We expect the Company to actively consider the concerns raised in this case as it plans, and to continue evaluating all resource options and the best interests of its customers when developing the 2019 IRP. Likewise, the Company should let its modeling fully assess when a coal plant should be retired, and provide resource portfolios that are least-cost based on modeling, and not assumed coal plant retirement. We further fully expect the Company to continue improving its forecasting methodologies by analyzing a broad and diverse range of measures to avoid disadvantageous or unfair forecasting treatment of certain resources over others, including coal and wind.

ORDER

IT IS HEREBY ORDERED that the filing of Rocky Mountain Power's 2017 IRP is acknowledged.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See Idaho Code § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this day of *3rd*
April 2018.



PAUL KJELLANDER, PRESIDENT



KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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