

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE FILING BY</b>	)	<b>CASE NO. PAC-E-17-03</b>
<b>PACIFICORP DBA ROCKY MOUNTAIN</b>	)	
<b>POWER OF ITS 2017 INTEGRATED</b>	)	<b>NOTICE OF FILING</b>
<b>RESOURCE PLAN</b>	)	
	)	<b>NOTICE OF</b>
	)	<b>INTERVENTION DEADLINE</b>
	)	
	)	<b>ORDER NO. 33751</b>

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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.

**NOTICE OF IRP FILING**

YOU ARE HEREBY NOTIFIED that PacifiCorp’s 2017 IRP represents its fourteenth comprehensive plan submitted to state regulatory commissions.

YOU ARE FURTHER NOTIFIED that the Company states that its IRP Application was developed with participation from numerous public stakeholders, including regulatory staff, advocacy groups, and other interested parties. The public input process began with the first public input meeting in June 2016. The plan focuses on a 10-year period, 2017-2028 (hereinafter “planning horizon”).

YOU ARE FURTHER NOTIFIED that PacifiCorp’s 2017 IRP was developed by working through five fundamental planning steps: (1) load and resource balance evaluation; (2) resource portfolio formulation; (3) resource portfolio analysis; (4) identification of the preferred portfolio; and (5) development of an action plan.

YOU ARE FURTHER NOTIFIED that the Company states that the 2017 IRP preferred portfolio reflects a cost-conscious transition to a cleaner energy future. The Company says that over the 20-year planning horizon, the preferred portfolio includes 1,959 MW of new wind resources, 905 MW of upgraded wind resources, 1,040 MW of new solar resources, 2,077 MW of incremental energy efficiency resources, and 365 MW of new direct load control capacity.

YOU ARE FURTHER NOTIFIED that the Company claims that by 2020, it can add 905 MW of repowered wind resources, 1,100 MW of new wind resources, and a new 140-mile 500 kV transmission line in Wyoming to access the new wind resources and relieve congestion for existing capacity. The Company's preferred portfolio assumes existing owned coal capacity will be reduced by 3,650 MW through the end of 2036. Beyond 2020, the Company's preferred portfolio includes an additional 859 MW of new wind – 85 MW of Wyoming wind coming on-line in 2031, and 774 MW of Idaho wind in 2036. New solar resource additions totaling 1,040 MW are expected to come on-line over the 2028 to 2036 timeframe.

YOU ARE FURTHER NOTIFIED that the Company claims that the load forecast used as an input to the IRP does not reflect any incremental investment in new energy efficiency programs. Instead, the load forecast is reduced by the selected additions of energy efficiency resources in the IRP. According to the Company, DSM resources will continue to play a key role in its resource mix. The preferred portfolio identifies an increasing role for direct load control programs with total capacity reaching 365 MW by the end of the planning period.

YOU ARE FURTHER NOTIFIED that PacifiCorp's forecasted wholesale power prices and natural gas prices used in the 2017 IRP are significantly lower than the base case market prices used in the 2015 IRP. The Company states that over the last couple of IRP cycles, growth in natural gas supplies have continued to outpace expectations.

YOU ARE FURTHER NOTIFIED that the 2017 IRP preferred portfolio does not include any incremental selective catalytic reduction (SCR) equipment. The Company claims that by not installing this equipment, customers will save hundreds of millions of dollars and retain compliance-planning flexibility associated with the Clean Power Plan or other potential state and federal environmental policies. By the end of the planning horizon, PacifiCorp assumes 3,650 MW of existing coal capacity will be retired.

YOU ARE FURTHER NOTIFIED that the Company states that the 2017 IRP preferred portfolio reflects PacifiCorp's ongoing efforts to provide cost-effective clean energy solutions for our customers and accordingly reflects a continued trajectory of declining carbon dioxide (CO<sub>2</sub>) emissions. Specifically, the Company estimates that over the first 10 years of the planning horizon, average annual CO<sub>2</sub> emissions are down by over 10.5 million tons (21%) relative to the 2015 IRP. By the end of the planning horizon, the Company estimates that system

CO2 emissions are projected to fall from 43.8 million tons in 2017 to 33.1 million tons in 2036—a 24.5% reduction.

YOU ARE FURTHER NOTIFIED that PacifiCorp has identified and implemented several advancements to improve the IRP plan for its customers, other stakeholders, and regulatory commissions. Some of the key advancements implemented in the 2017 IRP include: (1) a winter peak analysis; (2) improved efficiency in the resource portfolio development process; (3) completion of additional studies requested by stakeholders during the public input process (compared to the 2015 IRP); (4) Clean Power Plan modeling; (5) completion of a flexible reserve study related to solar integration costs; and (6) improved public input through the development of the IRP.

YOU ARE FURTHER NOTIFIED that PacifiCorp described several “supplemental studies” the Company relied upon in order to develop its 2017 IRP.

YOU ARE FURTHER NOTIFIED that the Company states its participation in an Energy Imbalance Market will reduce customer costs and maximize use of clean energy over time. The Company expects that participation in the EIM will continue to expand and that a larger EIM footprint will bring greater resource and geographical diversity, allow for increased reliability and cost savings in balancing generation with demand. The Company believes that the economic dispatch of system resources is critical to how the Company manages net power costs.

YOU ARE FURTHER NOTIFIED that PacifiCorp’s 2017 IRP Action Plan reveals the Company’s planned actions during the 10-year planning horizon (2017-2026):

1. Renewable Resource Actions

- Implementation of a wind repowering project to take advantage of safe-harbor wind-turbine-generator equipment purchase agreements.
- Issue RFPs seeking at least 1,100 MW of Wyoming wind resources that will qualify for federal wind production tax credits.
- Issue unbundled REC RFPs to meet jurisdictional compliance requirements.
- Evaluate potential opportunities to re-allocate RECs from Utah, Wyoming, and Idaho to Oregon, Washington, or California, and maximize the sale of RECs that are not required to meet compliance obligations.

2. Transmission Actions

- By December 2020, complete a 140-mile, 500 kV transmission line running from the Aeolus substation to the Jim Bridger power plant.
- Continue permitting for the Energy Gateway transmission plan.
- Complete Wallula to McNary project, with a 2018 in-service date.
- Complete planning studies, including proposed coal unit retirement assumptions, and two other scenarios.

3. Firm Market Purchase Actions

- Acquire economic short-term firm market purchases for on-peak summer deliveries from 2017 through 2019 through day-ahead brokered transactions, and exchange based day-ahead, and hour-ahead transactions.

4. DSM Actions

- Class 2 DSM: Acquire cost-effective Class 2 DSM resources targeting annual system energy and capacity selections from the preferred portfolio.

5. Coal Resource Actions

- Hunter Units 1 and 2, Huntington Units 1 and 2: The EPA's final Regional Haze Federal Implementation Plan for Utah requires the installation of selective catalytic reduction on the units in 2021. The regulation is being appealed and is currently in the Tenth Circuit Court of Appeals. Actions here will be determined at the conclusion of the litigation and through a future IRP or IRP update.
- Dave Johnston Unit 3: Because of the EPA's final Regional Haze Federal Implementation Plan (FIP) requiring the installation of SCR at Dave Johnston Unit 3, the Company has committed to shut down Dave Johnston Unit 3 by the end of 2027. This commitment will be included in a permit by the compliance deadline in 2019.
- Jim Bridger Units 1 and 2: The EPA's Regional Haze Federal Implementation Plan (FIP) require the installation of SCR on Jim Bridger Units 1 and 2 in 2021 and 2022. The Company will update its economic analysis of compliance strategies, and will provide an analysis in its 2017 IRP Update.

- Naughton Unit 3: The Company will update its economic analysis of natural gas conversion in its 2017 IRP Update.
- Wyodak: Continue appeal of the portion of EPA's final Regional Haze FIP that requires the installation of SCR at Wyodak.
- Cholla Unit 4: The EPA has approved the Company's efforts to avoid installation of SCR in Cholla Unit 4 until 2025, with the option of natural gas conversion thereafter. The Company will update its Cholla Unit 4 plans in a future IRP or IRP update.

YOU ARE FURTHER NOTIFIED that the PacifiCorp's IRP has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices. The IRP filing is also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the "File Room" tab at the top of the page, scroll down to the type of "Open Electric Cases," and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over PacifiCorp, its filing and the issues pertaining to this case pursuant to Title 61 of the Idaho Code and specifically *Idaho Code* § 61-401.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

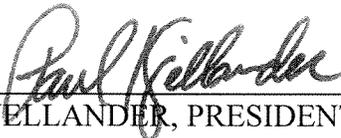
#### **NOTICE OF INTERVENTION DEADLINE**

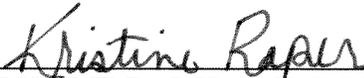
YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073. Persons intending to participate in this matter must file a Petition to Intervene no later than twenty-one (21) days from the service date of this Order. Persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or the parties.

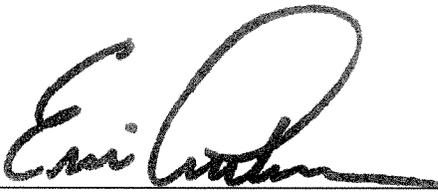
#### **ORDER**

IT IS HEREBY ORDERED that persons desiring to intervene in this matter shall file a Petition to Intervene with the Commission no later than twenty-one (21) days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this *25<sup>th</sup>*  
day of April 2017.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
\_\_\_\_\_  
ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Diane M. Hanian  
Commission Secretary

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