

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF PACIFICORP’S</b> <b>APPLICATION FOR</b> <b>ACKNOWLEDGEMENT OF THE 2023</b> <b>INTEGRATED RESOURCE PLAN</b>	) ) ) ) )	<b>CASE NO. PAC-E-23-10</b>  <b>ORDER NO. 35977</b>
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On March 31, 2023, Rocky Mountain Power, a division of PacifiCorp (“Company”), filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) requesting acknowledgment of the Company’s 2023 Integrated Resource Plan (“IRP”). On May 31, 2023, the Company submitted an amended 2023 IRP (“2023 IRP”).

The Company represented that it submitted the 2023 IRP filing in compliance with Order No. 22299, Case No. U-1500-165, dated January 1989; whereby the Commission ordered biennial filings of the electric integrated resource plan. The Company stated that its plan was also submitted to the Commission as the Resource Management Report on the Company’s resource planning status.

The Company represented that the 2023 IRP contains information outlining how the Company has addressed the Commission’s integrated resource planning requirements, and the Company requested that the Commission acknowledge the 2023 IRP in accordance with the Commission’s rules, and fully support the 2023 IRP conclusions, including the proposed action plan.

The Company files an IRP on a biennial basis with the state utility commissions of Utah, Oregon, Washington, Wyoming, Idaho, and California. The Company represented that the 2023 IRP fulfills the Company’s commitment to develop a long-term resource plan that considers cost, risk, uncertainty, and the long-run public interest. 2023 IRP Vol. 1 at 35.

The Company represented that the 2023 IRP was developed through a collaborative public input process with involvement from regulatory staff, advocacy groups, and other interested parties, and that the Company’s selection of the 2023 IRP preferred portfolio was supported by comprehensive data analysis and an extensive public-input process, and includes substantial new renewables, facilitated by incremental transmission investments, demand-side management (“DSM”) resources, significant storage resources, advanced nuclear, and non-emitting peaking resources. *Id.*

The Company represented that the 2023 IRP preferred portfolio includes new resources from the 2020 All-Source Request for Proposals (“RFP”) including 1,792 megawatts (“MW”) of wind and 495 MW of solar additions with 200 MW of battery storage capacity. *Id.* The Company stated that these resources will come online in the 2024-to-2025 timeframe, and that the preferred portfolio also includes the acquisition and repowering of Rock River I (50 MW) and Foote Creek II-IV (43 MW) wind projects located in Wyoming. *Id.* The Company also represented that through the end of 2026, the 2021 IRP preferred portfolio includes an additional 745 MW of wind and an additional 600 MW solar co-located with storage, for which the 2022 All-Source RFP is currently soliciting and evaluating resources to fulfill. *Id.*

The Company represented that the 2023 IRP preferred portfolio includes the 500 MW advanced nuclear Sodium demonstration project, anticipated to achieve online status by summer 2030, 1,000 MW of additional advanced nuclear resources through 2033, and 1,240 MW of non-emitting peaking resources through 2037. *Id.* Additionally, the Company stated that over the 20-year planning horizon, the 2023 IRP preferred portfolio includes 9,114 MW of new wind and 7,855 MW of new solar. *Id.*

The Company represented that the preferred portfolio includes the construction of a 416-mile 500-kilovolt (“kV”) transmission line known as Gateway South connecting southeastern Wyoming and northern Utah, the 59-mile 230 kV transmission line in eastern Wyoming known as Gateway West Segment D.1, and the 500 kV, 290-mile transmission line across eastern Oregon and southwestern Idaho known as Boardman to Hemingway (B2H). *Id.*

#### **STAFF COMMENTS**

Based on Staff’s review of the Company’s 2023 IRP and Staff’s participation in the series of 2023 IRP Stakeholder Meetings, Staff believed that the 2023 IRP addresses the requirements outlined in Commission Order No. 22299. Staff recommended that the Commission acknowledge the 2023 IRP.

However, Staff is concerned that recent change in federal policy exposes the Company’s customers to higher costs and risks as the Company accelerates its transition away from dispatchable coal-fired generation toward other dispatchable resources. Staff is also concerned that technological and permitting challenges for implementing the new Sodium Nuclear plants add potential risk and higher cost if these plants are not completed as forecast; and that highly variable natural gas prices relative to more stable priced coal exposes customers to higher energy costs in both the near-term and long-term as the Company relies on more natural gas to maintain

dispatchable capacity for its system as it transitions away from coal as part of its coal unit conversions and exits.

Based on its review of the 2023 IRP, Staff recommended that:

1. The Company review its practices for hedging natural gas fuel supply to mitigate fuel-supply risk as it continues to step away from coal and into increased use of natural gas for dispatchable generation;
2. The Company keep the Commission informed with regular updates on the Company's progress toward implementation of the Natrium Nuclear plants;
3. The Company consider strategies to address potential delays in the capacity provided by the B2H transmission line; and
4. The Company begin forecasting the benefits of WRAP when it is projected to become a binding participant in the next IRP.

### **COMPANY REPLY COMMENTS**

The Company noted that its risk management policy, which includes the power and gas limits program, is reviewed/revised at least once per year. The Company also stated that it is open to providing the Commission with updates to the status of the Natrium demonstration project as needed. Additionally, the Company represented that the 2023 IRP process includes ongoing evaluation of the Boardman-to-Hemmingway project, and that the Company remains open to suggestions for future analysis. Finally, the Company explained that it expects that its 2025 IRP will include discussion of the impacts of WRAP compliance and will include appropriate modeling of planning reserve margin and resource requirements.

### **PUBLIC COMMENTS**

The Commission received seventeen (17) public comments, all of which reflect the same basic concern that the Company is not doing enough to commit to reducing greenhouse gas emissions.

### **COMMISSION FINDINGS AND DECISION**

The Company is a 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. Having reviewed the record, the Commission finds that the Company's 2023 IRP satisfies the requirements in the Commission's prior orders, and the Commission acknowledges the 2023 IRP.

In doing so, the Commission once again reiterates that an IRP is a working document that incorporates many assumptions and projections at a specific point in time. An IRP is a plan, not a

blueprint, and by issuing this Order we merely acknowledge the Company's ongoing planning process, not the conclusions or results reached through that process.

The Commission does not approve the 2023 IRP, or any resource acquisitions referenced in it, endorse any particular element in it, opine on the Company's prudence in selecting the 2023 IRP's preferred resource portfolio, nor allow or approve any form of cost recovery. The appropriate place to determine the prudence of the Company's decisions to follow or not follow the 2023 IRP, and the validation of predicted performance under the 2023 IRP, is a general rate case or other proceeding where the issue is noticed.

### ORDER

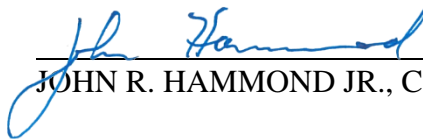
IT IS HEREBY ORDERED that the Company's 2023 IRP is acknowledged.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding any matter decided in 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 and 62-619.*


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 31<sup>st</sup> day of October 2023.



ERIC ANDERSON, PRESIDENT

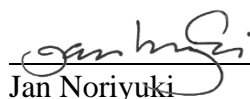


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Jan Noriyuki  
Commission Secretary