

July 15, 2014

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Utah Public Service Commission Heber M. Wells Building, Fourth Floor 160 East 300 South Salt Lake City, UT 84114

Attn: Gary Widerburg

**Commission Secretary** 

**RE:** Docket No. 13-2035-01

PacifiCorp's 2013 Integrated Resource Plan Update – Reply Comments

Dear Mr. Widerburg:

PacifiCorp appreciates the comments filed by Utah parties regarding its 2013 Integrated Resource Plan Update (2013 IRP Update). Commenting parties included the Utah Division of Public Utilities (DPU) and Utah Office of Consumer Services (OCS).

DPU's comments focused on requirements arising from the Report and Order issued by the Public Service Commission of Utah on PacifiCorp's 2013 IRP January 2, 2014. DPU found, "the 2013 IRP Update largely complies with the Commission's 2013 IRP acknowledgment order, and most other requirements stemming from the Commission's IRP Order will be incorporated into the 2015 IRP." (DPU comments at page 12).

Issues that DPU would like addressed in the 2015 IRP process include:

- Expanded use of Table 9.2, acquisition path analysis, via webinar or specifically reserved time. Specific items of interest are:
  - 1. Renewable resource cost assumptions;
  - 2. Process for performing sensitivity studies;
  - 3. Use of sensitivity results in acquisition path analysis; and
  - 4. Issues to include in the acquisition path analysis.
- Inclusion of environmental assumptions, especially as related to new EPA requirements,
- Use and meaning of Business Plan sensitivity, and
- Further analysis of renewable energy credits (RECs), especially an analysis of the risks of relying on unbundled RECs versus physical resources.

OCS raised several issues as well, with some overlap to those raised by DPU, including:

- Reliance on Front-office Transactions,
- Necessity of Energy Gateway transmission project,

- Inclusion of Present Value of Revenue Requirement, and
- Assumptions on CO<sub>2</sub>.

The majority of issues raised by both parties will be addressed in the upcoming 2015 IRP, and the associated public process. The Company looks forward to continuing the dialog on these issues in the 2015 IRP public input meetings. The DPU noted the 2015 IRP process is underway, with the kick-off meeting held on June 5, 2014, and that attention should focus on that process. The Company likewise agrees with DPU that no action is required by the Commission.

Any questions related to this filing should be directed to Ted Drennan at (503) 813-6841.

Sincerely,

Yvonne R. Hogle Senior Counsel

Cc: Service List

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 15th day of July, 2014, a true and correct copy of the foregoing **2013 Integrated Resource Plan Update** – **Reply Comments** was served upon the following as indicated below:

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