Rocky Mountain Power Business Update

Utah Public Service Commission July 1, 2019













Agenda

- Welcome & Introductions
- IRP / Coal analysis
- Repower / EV 2020 Update
- Environmental Update
- Westmoreland Update
- Extended Day Ahead Market
- Wildfire Mitigation Planning
- Klamath Hydroelectric Settlement Agreement Update
- AMI Update
- Customer Service / Service Quality
- Cybersecurity
- Business Plan
- Legislative Review
- Regulatory Proceedings

IRP / Coal analysis

2019 IRP Assumptions Development and "Pre-IRP" Studies
Jun 2018 – Nov 2018

Coal Studies
Dec 2018 – Apr 2019

Port. Dev., Pref. Port., Action Plan May 2019-Aug 2019

<u>Updated Coal Study (April 2019 Public-Input Meeting)</u>

- Stacked coal-retirement cases were updated to account for incremental resource costs to address reliability issues identified and discussed at the December 2018 public-input meeting.
- These stacked cases showed that there are potential customer benefits from accelerating the retirement of certain coal units—the greatest customer benefits are associated with an accelerated retirement of certain units at the Naughton and Jim Bridger power plants.

Portfolio Development Process (May 2019 Public-Input Meeting)

 Results from the coal studies have been used to inform the portfolio-development phase of the 2019 IRP, which will consider a broad range of potential resource portfolios and evaluate cost and risk metrics before selecting a preferred portfolio.

Portfolio Development Process (June 2019 Public-Input Meeting)

- Discussed results to date from the portfolio-development phase of the 2019 IRP.
- Additional resource portfolio analysis and sensitivity cases will be completed before PacifiCorp finalizes the 2019 IRP, which it plans to file with state commissions by August 1, 2019.

Energy Vision 2020 Overview

➤ Energy Vision 2020 includes:

- Repower most of 1,030 MW of existing wind resources
- Add 1,150 MW of new wind (200 MW through PPA)
- Add a new 140-mile 500kV transmission segment to deliver the new wind and relieve congestion of existing capacity

| Key Milestones | Date |
|--|-----------------------------|
| Complete acquisition of all required rights of way and easements for transmission line | Completed April 4, 2019 |
| Issue EPC full notice to proceed for transmission line contracts | Completed April 15, 2019 |
| Issue EPC full notice to proceed for Ekola Flats and TB Flats wind contracts | Completed April 20, 2019 |
| Complete 2019 repowering projects All 10 projects to be completed in 2019 fully contracted Construction underway at 8 of 10 facilities All foundation retrofit work completed | March to December 2019 |
| Complete 2020 repowering projects - Dunlap and Glenrock III projects contracted - Foote Creek I project under evaluation | June to December 2020 |
| New wind and transmission in-service | December 31, 2020 |



Energy Vision 2020 - Wind Repowering

- Work on 12 wind facilities (999 MW) approved in regulatory proceeding is on track
 - Turbine supply and installation contracts executed for all EV2020 repowered facilities
 - Construction efforts underway at 8 wind facilities in Wyoming, Oregon and Washington
 - Construction begins in summer 2019 at 2 additional facilities in Wyoming
 - Construction at remaining 2 wind facilities slated for spring/summer 2020
- Leaning Juniper facility in Oregon undergoing repowering with improved cost and performance as compared to EV2020 regulatory filings
- Additional project, Foote Creek I, is planned to be repowered after obtaining full ownership of the facility.



New Wind Projects Status

| | TB Flats I & II (PacifiCorp) | Ekola Flats (PacifiCorp) | Cedar Springs (NextEra) |
|------------------------------------|---|--|---|
| Interconnection | Shirley Basin POI; LGIA complete; LGIA amendment required | Aeolus POI; LGIA executed; LGIA amendment executed | Windstar POI; LGIA executed; amended and restated LGIA will be filed with FERC |
| Safe Harbor Turbines | Assigned and documented | Assigned and documented | Assigned and documented |
| Site Control | 50,000 acres private/state leases acquired | 17,000 acres private/state leases acquired | 70,000 acres private leases acquired; gen-tie rights of way in progress |
| Permitting Status | Permitting in process and on schedule; industrial siting and conditional use permits received | Permitting in process and on schedule; industrial siting and conditional use permit received | Permitting in process and on schedule; Converse County conditional use and industrial siting permits received |
| Avian Data Collection / Permitting | Underway (24 months); agency consultation continues | Underway (24 months); agency consultation continues | Underway (24 months); agency consultation underway; draft eagle conservation plan available |
| Contracts | Balance of plant EPC contract executed in August 2019; TSA executed in March 2019 | Balance of plant EPC contract executed in August 2019; TSA executed in March 2019 | Build-transfer agreement and power purchase agreement executed in October 2019 |
| Upcoming Milestones | EPC contractor to complete WTG access road rough grading for the TB I area on July 31, 2019 | EPC contractor to complete collector system design by July 31, 2019 | Submit CPCN conditional tag removal application July 15, 2019 |
| Landowner Status | Negotiations complete with all landowners | Negotiations complete with all landowners | Negotiations complete with seven; negotiations ongoing with two landowners |

Transmission Projects Status

| | Aeolus to Bridg | jer 500 kV | 230 kV Netw | etwork Upgrades | | | | |
|------------------------|--|--|--|--|--|--|--|--|
| | TRANSMISSION | SUBSTATION | TRANSMISSION | SUBSTATION | | | | |
| Permitting Status | Conditional CPCN received; Industria | al Siting Permit received. BLM; Full CPCN approval received A | | ceived March 26, 2019; | | | | |
| Design Status | Overhead design complete for bid; EPC has completed foundation designs | Preliminary Design complete; EPC design during 2019 | Design complete | Design in progress for Q2 2019 completion | | | | |
| ROW Status | Acquisitions complete | Acquisitions complete | Acquisitions complete | Existing substations; no new property required | | | | |
| Procurement Status | Construction contract awarded October 31, 2018 | Construction contract awarded November 7, 2018 | Construction contract awarded February 21, 2019 | Bid/Award Q2 2019 | | | | |
| Contract Status | Limited Notice to Proceed issued November 5, 2018; full Notice to Proceed issued April 9, 2019 | Limited Notice to Proceed November 23, 2018; full Notice to Proceed April 9, 2019 | Full Notice to Proceed expected by August 31, 2019 | Utilize existing LSA contracts | | | | |
| Upcoming Milestones | Mechanical Completion August 31, 2020 | Mechanical Completion August 31, 2020 | Late Summer 2019 construction start | Late Summer 2019 construction start | | | | |

Environmental Update

Utah

- In January 2018, Utah submitted to EPA a State Implementation Plan (SIP) revision which would eliminate the requirement to
 install Selective Catalytic Reduction (SCR) on Hunter Units 1 and 2 and Huntington Units 1 and 2 by August 4, 2021. The 10th
 Circuit Court granted a day-for-day stay of the compliance deadline and placed the FIP litigation in abatement September 11,
 2017. The stay remains in place.
- PacifiCorp filed written comments May 15, 2019, in support of the SIP revision regarding the Hunter and Huntington power plants. The Utah Air Quality Board voted 8-0 to approve Utah's regional haze SIP revision on June 5, 2019.

Wyoming

- EPA's Regional Haze FIP for the Wyodak plant, requiring the installation of SCR within five years (i.e., by 2019), was granted a day-for-day stay by the 10th Circuit Court in September 2014. Multiparty litigation of the FIP is currently being held in abatement pending ongoing settlement of one of the parties.
- EPA approved Wyoming's Regional Haze SIP requiring installation of SCR on Jim Bridger Units 1 and 2 in 2022 and 2021, respectively. On Feb. 5, 2019, PacifiCorp submitted an application with an alternative regional haze compliance strategy which would implement enforceable emissions limits on all Jim Bridger units in lieu of the requirement to install SCR on Units 1 and 2; while resulting in less environmental impacts, better visibility, and significantly lower costs.
- On May 21, 2019, PacifiCorp participated in a conference call with Wyoming Department of Environmental Quality and a group
 of Federal Land Managers, which included the U.S. Forest Service, the National Parks Service, and the U.S. Fish and Wildlife
 Service, to provide an overview of PacifiCorp's Jim Bridger Reasonable Progress Reassessment application, which is currently
 being reviewed by the state of Wyoming and the EPA. The Federal Land Managers' consultation period is scheduled to end on
 July 3, 2019.
- Naughton Unit 3 was removed from coal-fueled service on January 30, 2019, in lieu of SCR and baghouse retrofits prescribed by the approved Regional Haze SIP. PacifiCorp is assessing natural gas conversion options and has received final federal approval of the Wyoming SIP which allows unit 3 conversion to gas.

Westmoreland Bankruptcy Update

- Westmoreland Coal Company & Westmoreland Resource Partners LP (Master Limited Partnership) filed for Chapter 11 Bankruptcy Protection on October 9, 2018
- PacifiCorp has two coal supply agreements with Westmoreland
 - At Colstrip, the Rosebud mine provides 100% of Units 3 & 4 fuel requirements
 - Current agreement expires December 31, 2019
 - PacifiCorp along with the other Colstrip owners are in negotiations and are evaluating new supply agreement and different fuel supply options, including term length, tonnage volumes, contract structure, and pricing
 - At Naughton, the existing agreement with the Kemmerer mine expires December 31, 2021
- On March 15, 2019, Westmoreland Coal Company emerged from bankruptcy with the sale of all of its assets to a new entity, Westmoreland Mining LLC, a privately held company owned and operated by a group of its former creditors who acted as a stalking horse bidder
 - Prior buyer approved by court, Western Coal Acquisition Partners, was unable to close transaction
 - New ownership is now working on plan and have asked the bankruptcy judge for additional time (additional 60 days) to develop and present a plan for confirmation to the bankruptcy court
 - No decisions will be made regarding the new ownership of the Kemmerer mine until the Bankruptcy Court approves a new plan and the sale of the mine closes with the new owner

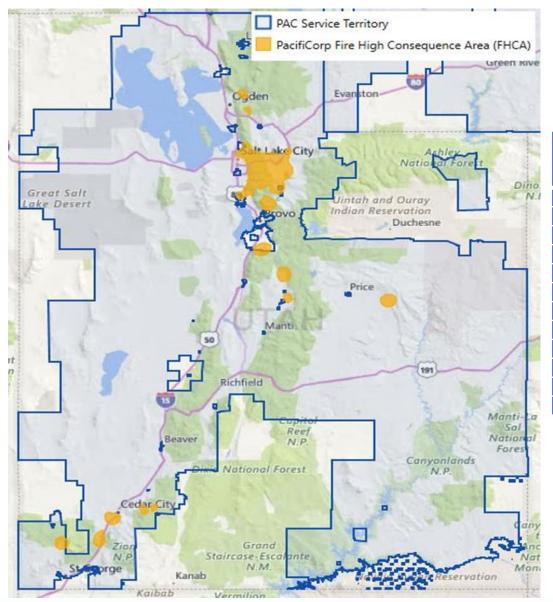
Extend Day-Ahead Market (EDAM)

- EDAM concept proposed in CAISO three-year roadmap in December 2017
- EIM entities requested CAISO temporally postpone a stakeholder process until they
 had time to assess the feasibility of participating in a day-ahead market
- In late 2018 Brattle Group and E3 were commissioned to perform a high level assessment on potential benefits of an EDAM based on production cost modeling and other data analysis
- The feasibility assessment will inform the decision on whether or not EIM entities move forward with EDAM
- Final results of the feasibility assessment expected by mid-summer 2019
- If sufficient benefits and interest exists in EDAM, CAISO will initiate a public stakeholder process with a target implementation and first on-boarding Spring 2022
- EIM entities anticipate the actual EDAM market design will evolve as a result of the public stakeholder and regulatory processes

Utah Wildfire Mitigation

- Risks associated with wildfire continue to trend upward
 - Size and severity of fire has increased Six worst seasons since 1960 have occurred after 2000
 - Magnitude of losses has increased Impact on other western electric utilities and increased insurance costs
 - Development in the Wildland-Urban Interface is a major contributing factor
- As wildfire activity continues to rise throughout the West, Rocky Mountain Power is taking pro-active steps to help minimize the risk of catastrophic fires and safeguard customers and communities
 - Retained REAX Engineering Inc., to prepare wildfire risk mapping throughout service area
 - Factors include fuels, ignition potential, fire spread, and population density
 - Rocky Mountain Power assets in a Fire High Consequence Area (FHCA) in Utah identified
- Wildfire mitigation activities planned in Utah
 - System Operations
 - Operating procedures for reclosing strategy and no-test policy during fire season, including during periods of Red Flag Warning
 - Inspections And Corrections
 - Increased inspection frequency and identification of fire-risk conditions
 - Vegetation Management
 - Increased clearance distances after pruning
 - Public Safety Power Shutoff
 - Under extreme wildfire weather conditions, pre-identified sections of circuits may be deenergized

Utah Wildfire Mitigation – Risk Based Approach



| | Total | FH | CA |
|---------------------------|---------|-------|------|
| Asset | Line- | Line- | % |
| | Miles | Miles | 70 |
| OH Transmission | 7077.1 | 210.2 | 3.0% |
| 46 kV Transmission Lines | 2075.0 | 78.7 | 3.8% |
| 69 kV Transmission Lines | 549.3 | 16.5 | 3.0% |
| 138 kV Transmission Lines | 1969.5 | 89.7 | 4.6% |
| 230 kV Transmission Lines | 564.9 | 11.1 | 2.0% |
| 345 kV Transmission Lines | 1918.4 | 14.2 | 0.7% |
| | | | |
| OH Distribution | 10937.0 | 488.8 | 4.5% |
| | | | |
| OH Lines - Miles | 18014.1 | 699.0 | 3.9% |
| | | | |
| Substations | 503 | 26 | 5% |

Klamath - Key Events and Next Steps

- In 2016 the Klamath Hydroelectric Settlement Agreement (KHSA) was signed to provide for the removal of four dams on the Klamath River
- Klamath River Renewal Corporation (KRRC) is the non-profit formed solely for purpose of becoming FERC licensee for Klamath project and conducting facilities removal
- June 2018 the KRRC submitted its dam removal plan (Definite Plan) and related cost estimates to FERC. KRRC also submitted responses to questions from FERC regarding the KRRC's technical, legal, and financial capacity to be the sole licensee for purposes of dam removal
- Q2 Q3 2019 the KRRC is refining its Definite Plan cost estimates based on feedback from an independent board of consultants. By late July 2019, the KRRC expects to provide to FERC, PacifiCorp and the states quantitative information on whether there is adequate funding to complete the project and manage risk consistent with the KHSA's terms (including viability of indemnification of PacifiCorp)
 - KRRC has finalized an agreement with its preferred dam removal contractor
 - The KRRC has engaged Aon to conduct a quantitative risk analysis and develop an insurance program
 - KRRC is negotiating with a potential liability transfer company who would partially backstop the KRRC's indemnification obligation
- The target date for dam removal has been pushed to 2022 due to ongoing regulatory processes at FERC and the California State Water Resources Control Board

AMI Project Overview - Utah

• Installation of an AMI field area network delayed due to need for cybersecurity improvements in meters

| Milestone | Schedule |
|---|-------------------------|
| Software integration with existing legacy systems | Now through Q2 2021 |
| Field area network construction | Q4 2020 through Q3 2021 |
| Meter installations | Q4 2020 through Q3 2021 |
| AMI Benefits available to customers | Beginning Q2 2021 |
| Project complete | December 2021 |

Rocky Mountain Power - MSI Residential and Small-Midsize Business Studies

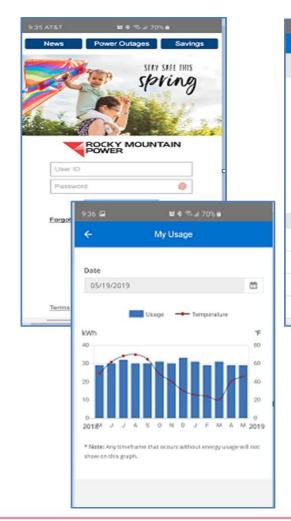
| Mel | Rocky Mour Residenti | ntain Power al Results | Small to Midsiz | ntain Power ed Commercial sults |
|-------------------------------------|--|--|--|--|
| MSI Overall | 2017 | 2018 | 2017 | 2018 |
| Customer Satisfaction Results | 93% satisfied | 93% satisfied | 94% satisfied | 93% satisfied |
| | Rank: 3 of 99 Top 3% | Rank: 2 of 99 Top 2% | Rank 14 of 85 Top 16% | Rank: 10 of 84 Top 12% |
| | 1 st quartile 1 st decile | 1 st quartile 1 st Decile | 1 st quartile 2 nd decile | 1 st quartile 2 nd Decile |

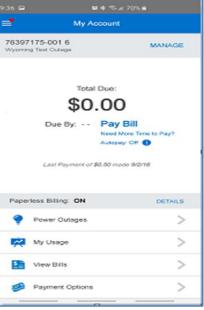
Rocky Mountain Power - Large Industrial Customer Key Account Results: 2012-2018

| Drivers | | | | Mounta | *National Rankings Among 100 Largest U.S. Electric Utility Operating Companies (Only available for overall satisfaction) | | | | | | | | |
|---------------------------------|---------------|---------------|---------------|----------------------|--|---------------|---------------|------|------|------|------|------|------|
| | 2012 n=136 | 2013 n=121 | 2014 n=122 | 2015 n=120 | 2016 n=123 | 2017 n=117 | 2018 n=114 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| Overall Satisfaction | 94.9% | 95.0% | 94.3% | 98.3% | 96.7% | 95.7% | 99.13% | 3 | 5 | 5 | 2 | 4 | 5 |
| Account Manager | 99.3% | 100% | 97.5% | 100% | 98.4% | 100% | 99.1% | | | | | | |
| Electric Reliability | 94.9% | 92.6% | 94.3% | 95.8% | 93.5% | 95.7% | 91.3% | | | | | | |
| Power Quality | 93.4% | 92.6% | 92.6% | 97.5% | 95.9% | 89.6% | 87.5% | | | | | | |
| Price | 85.8% | 87.9% | 82.2% | 84.5% | 87.4% | 87.6% | 91.8% | | | | | | |
| Energy Efficiency | 91.9% | 97.5% | 92.5% | 95.8% | 93.4% | 94.8% | 94.7% | | | | | | |
| Handling Customer Contacts | 86.0% | 78.4% | 95.2% | 98.2% | 97.4% | 97.3% | 97.3% | | | | | | |
| Company Image | 95.6% | 87.5% | 94.2% | 94.9% | 92.7% | 91.5% | 96.6% | | | | | | |
| Value of Products & Services | 90.4% | 3.0% | 92.4% | 91.3% | 92.6% | 96.5% | N/A | | | | | | |
| Customer Loyalty | 84.2% | 87.6% | 85.1% | 78.6% | 73.2% | 77.3% | N/A | | | | | | |

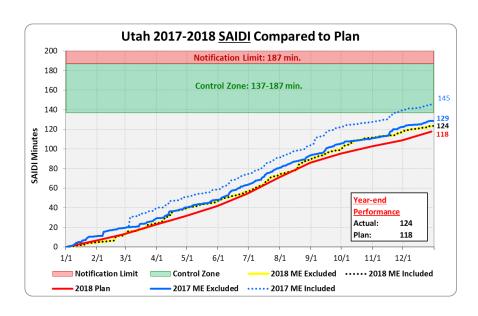
Customer Experience Digital Expansion

- Technology enabled, self-service channels continue to grow steadily
- Mobile App use has seen large year over year growth between 2017 and 2018 in the following areas:
 - 460% increase in Check Outage Status
 - 65% increase in Mobile App Bill Pay
 - 42% increase in View Alerts
 - 34% increase in Report Outage
- A fully automated, proactive outage notification tool was deployed in Q4 2018
 - Allows customers to report their power outage, receive outage status, estimated time of restoration and restoration confirmation through text messages
- Customers will see an enhanced bill ready email notification in Q2 of 2019
- A fully redesigned website will be released in the second half of 2019, providing customers an easy, fast and secure mobile experience



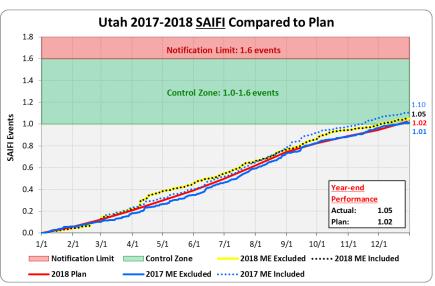


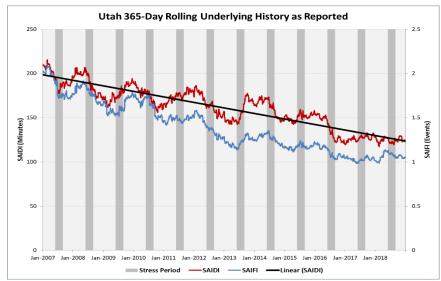
Utah's 2018 Reliability Performance





No Major Events occurred in 2018





[&]quot;ME" - Major Event

[&]quot;SAIFI" - System Average Interruption Frequency Index

[&]quot;SAIDI" - System Average Interruption Duration Index

Cybersecurity

Phishing

- Over 90% of personal and commercial data breaches nationwide are the result of a phishing scam
- National and Industry average phishing click rates range from 12%-30% on test campaigns
- September 2016: PacifiCorp implemented a Phishing Awareness and Improvement program
 - Approximately 4 to 5 phishing test campaigns per month
 - PacifiCorp click rates on test campaigns dropped from 16% in August 2016 to 1.2% average in 2017, 0.3% in 2018, and 0.1% YTD in 2019
 - Technical Controls implemented, including disabling links from external email, warning tags on external email, separate Internet mail inbox
 - Accountability enhancements: reporting, scorecards, HR action

Integrated Threat

- 2016: An unannounced penetration test by an outside firm was unsuccessful at gaining domain administration rights
 - The attempt integrated physical access, social engineering, and sophisticated cyber attacks
 - Testers commented that PacifiCorp's threat detection and response was in the top 10% of government and private entities they've tested
- 2017: A security audit of the controls environments had a rating of "above average" with a risk score of "Low"
 - · During this audit all detection and response measures stood down to allow the audit to proceed
- 2018: An unannounced penetration test by an outside firm was again unsuccessful at gaining domain administration rights
- 2019: Another audit of the controls environment is scheduled for mid-year

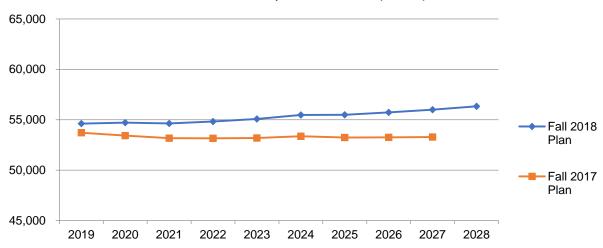
Safe Harbor Cautionary Statement Regarding Forward Looking Statements

Certain statements contained herein are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this document include, but are not limited to, statements regarding future capital and operating expenditures and projected load growth.

Rocky Mountain Power (RMP) wishes to caution readers, and others to whom forward-looking statements are addressed, that any such forward-looking statements are not guarantees of future performance and that actual results may differ materially from estimates in the forward looking statements. The Company undertakes no obligation to revise these forward looking statements to reflect events or circumstances after the date hereof.

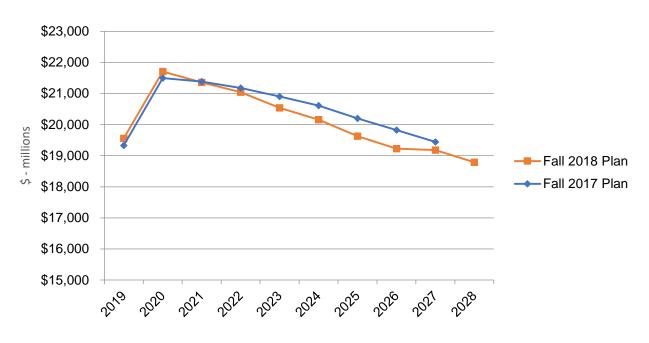
Sales and Load Growth





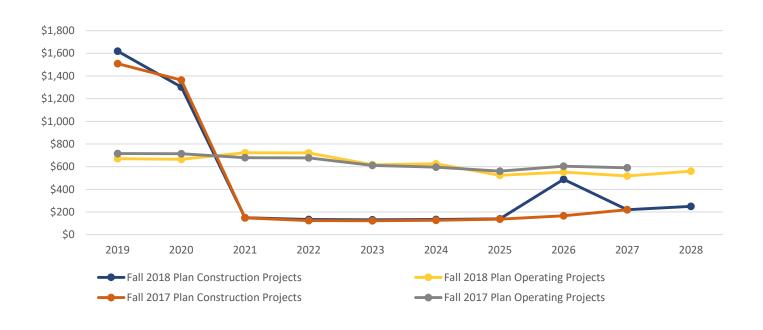
| Retail Sales (GWH) | Forecast 2019 | Forecast 2020 | Forecast 2021 | Forecast 2022 | Forecast 2023 | Forecast 2024 | Forecast 2025 | Forecast 2026 | Forecast 2027 | Forecast 2028 |
|------------------------------|----------------------|------------------|-----------------------|---------------------|-------------------------|---------------------|-------------------------|-------------------------|-----------------------|------------------|
| Residential | 16,215 | 15,926 | 15759 | 15,752 | 15,775 | 15,868 | 15,868 15,824 15,853 1: | | 15,909 | 16,045 |
| Commercial | 17,946 | 18,318 | 18,532 | 18,712 | 18,869 | 19,040 | 19,104 | 19,229 | 19,330 | 19,422 |
| Industrial | 18,850 | 18,881 | 18,764 | 18,772 | 18,852 | 18,993 | 18,998 | 19,086 | 19,210 | 19,314 |
| Irrigation | 1,466 | 1,461 | 1,456 | 1,452 | 1,448 | 1,443 | 1,439 | 1,434 | 1,430 | 1,426 |
| Other | 134 | 133 | 131 | 130 | 128 | 128 | 126 | 125 | 123 | 123 |
| Total Sales by Class | 54,610 | 54,719 | 54,641 | 54,817 | 55,073 | 55,472 | 55,491 | 55,728 | 56,002 | 56,330 |
| Utah Sales Fall 2017 Plan | 23,702 53,707 | 23,868 53,421 | 23,92 9 53,165 | 24,08 53,157 | 7 24,29 8 53,190 | 24,55 53,357 | 6 24,66 5 53,241 | 5 24,86 2 53,254 | 2 25,04 53,283 | 1 25,239 |

Net Plant-in-Service



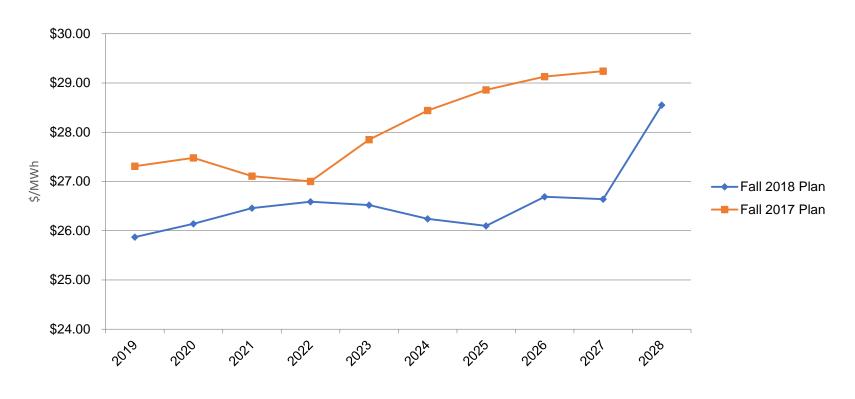
| Net Plant In-Service (\$, millions) | 2019 2020 | | 2021 | 2021 2022 | | 2023 2024 | | 2026 | 2027 | 2028 | |
|-------------------------------------|--------------|----|--------|-----------|-----------|-----------|-----------|-----------|--------------|-----------|-----------|
| Fall 2018 Plan | \$ 19,555 | \$ | 21,706 | \$ 21,358 | \$ 21,046 | \$ 20,540 | \$ 20,160 | \$ 19,630 | \$ 19,226 | \$ 19,182 | \$ 18,789 |
| Fall 2017 Plan | \$ 19,328 | \$ | 21,499 | \$ 21,385 | \$ 21,176 | \$ 20,904 | \$ 20,612 | \$ 20,198 | \$ 19,822 | \$ 19,444 | |

Capital Expenditures



| Capital Expenditures Growth Projects incl. AFUDC (\$, millions) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|
| Fall 2018 Plan Construction Projects | \$1,618.4 | \$1,302.4 | \$149.3 | \$134.4 | \$131.0 | \$134.7 | \$140.2 | \$487.9 | \$220.9 | \$250.2 |
| Fall 2018 Plan Operating Projects | \$670.0 | \$665.1 | \$723.2 | \$721.2 | \$617.6 | \$625.3 | \$523.9 | \$551.8 | \$517.7 | \$560.9 |
| Fall 2017 Plan Construction Projects | \$1,509.3 | \$1,364.0 | \$148.1 | \$124.4 | \$123.0 | \$126.9 | \$136.4 | \$166.6 | \$220.3 | |
| Fall 2017 Plan Operating Projects | \$716.2 | \$714.3 | \$679.4 | \$677.2 | \$611.4 | \$595.1 | \$561.0 | \$603.6 | \$590.1 | |

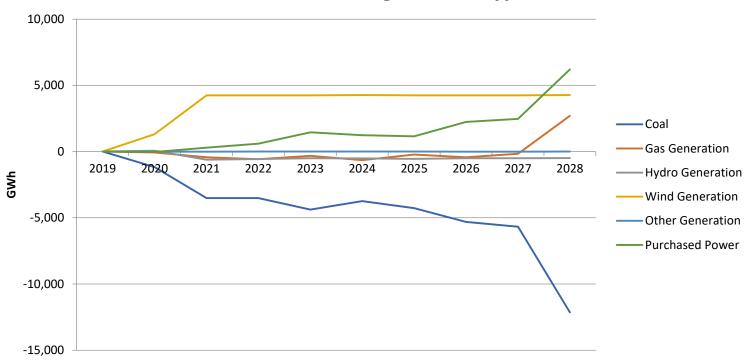
Net Power Costs



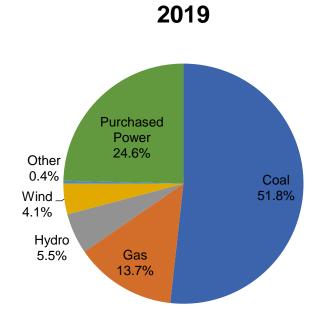
| Net Power Cost before deferrals (\$/MWh) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Fall 2018 Plan | \$ 25.87 | \$ 26.14 | \$ 26.46 | \$ 26.59 | \$ 26.52 | \$ 26.24 | \$ 26.10 | \$ 26.69 | \$ 26.64 | \$ 28.55 |
| Fall 2017 Plan | \$ 27.31 | \$ 27.48 | \$ 27.11 | \$ 27.00 | \$ 27.85 | \$ 28.44 | \$ 28.86 | \$ 29.13 | \$ 29.24 | |
| Fall 2017 Plan Annual % | -5.27% | -4.88% | -2.40% | -1.52% | -4.78% | -7.74% | -9.56% | -8.38% | -8.89% | |

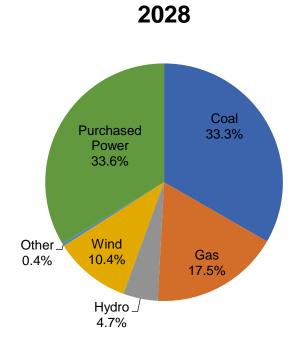
Fuel Type

Cumulative Change in Fuel Type



Fuel Type





Legislative Update - Rocky Mountain Power

<u>Utah</u>

H.B. 411 – Community Renewable Energy Act

- Creates 100% net renewable energy program for cities that choose to participate.
- Participating cities must adopt a 100% renewable energy resolution before Dec 31, 2019.
- Customers within a participating community may opt out of the program and maintain existing rates. The legislation outlines the roles and rule making authority for the Public Service Commission including the setting of rates to avoid cost shifting to other customers.

Wyoming

S.F. 14 Public Utilities – Certificates of Public Convenience and Necessity

• Provides for the issuance of non-situs CPCN's for resources that exceed one percent of the total capital investment in the plant.

S.F. 159 New Opportunities for Wyoming Coal-Fired Generation

- Prohibits utility recovery of the capital costs associated with new electric generation facilities built to replace the retiring coal units in Wyoming, unless the WPSC determines that the utility made a good-faith effort to sell the facility.
- Utility is obligated to purchase some or all of the output of a facility through a power purchase agreement at an avoided cost to be set by the WPSC.
- The WPSC has issued a call for comments and scheduled a workshop on Aug 1, 2019 on the bill.

Legislative Update - Pacific Power

Washington

Senate Bill 5116 – Clean Energy Transformation Act (signed into law May 7, 2019) Key provisions:

- Coal out of Washington rates by 2025
- 80% renewable by 2030 with compliance options for remaining 20%
- 2% cost cap measured over a four-year compliance period; if the cost cap is triggered, the utility is deemed to be in compliance
- Compliance penalty = \$100/MWh with multiplier depending on type of fossil generation
- Sets mandate of 100% carbon free electricity sector by 2045 (no compliance penalty)

California

Wildfire remains top policy issue for legislature

Areas of focus:

- Wildfire prevention measures, including vegetation and forest management bills, establishing protocols around proactive line de-energization, and regulatory oversight of utility wildfire mitigation plans created by Senate Bill 901 in 2018
- Measures to address the financial fallout from wildfires, including creation of state insurance and victim compensation funds
- Deadline to pass bills for 2019 session is September 13

Legislative Update - Pacific Power

Oregon

House Bill 2020 – The Clean Energy Jobs Act (not passed)

Key Provisions:

- Establishes new greenhouse gas goals: 45% below 1990 emissions levels by 2035; 80% below 1990 emissions levels by 2050
- Allocates allowances directly to investor-owned utilities through 2030: customers are not responsible for paying for emissions reductions already covered by Renewable Portfolio Standard or Senate Bill 1547 (2016)
- From 2031-2050, investor-owned utility allocations decline at same rate as cap
- If emit more than forecast, must acquire additional allowances in the market
- Electricity Price Containment Reserve can be used for unforeseen emissions

Regulatory Proceedings

- Multi-State Process
 - Discussions with all states on jurisdictional allocation process and methodology continue; filings expected to be made Fall 2019
- Depreciation Study
 - 2018 Depreciation Study filed in September 2018. Proceeding stayed in all states pending IRP filing
- 2019 Integrated Resource Plan
 - Filing August 1, 2019
- Idaho Net Metering Reform filed June 14, 2019
 - Requests termination of current net metering program and approval of new net billing program
- Wyoming PURPA implementation changes filed November 2, 2018
 - Requests reduction in fixed price contract length from 20 years to 7 years and refinements to calculation of avoided costs