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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain)
Power for Approval of Solicitation Process of Wind) Docket No. 17-035-23
Resources)

SECOND SET OF COMMENTS OF THE INTERWEST ENERGY ALLIANCE

The Interwest Energy Alliance (“Interwest”) hereby submits its second set of comments on the draft request for proposals (“RFP”) submitted by Rocky Mountain Power for approval to acquire wind projects to be located in Wyoming.

1. As indicated in its initial comments filed on August 4, 2017, Interwest supports the new wind procurement. The new wind and transmission will provide substantial savings for Utah ratepayers and all PacifiCorp electricity consumers. Prompt action is required to benefit from the 100% PTC levels which PacifiCorp is seeking to achieve. Therefore, Interwest does not support delay of these proceedings. The 100% PTC savings brings wind energy to PacifiCorp customers at a substantial discount and will enable Utah ratepayers to avoid substantial fossil fuel costs for years to come if the utility can timely issue the RFP, acquire any projects which appear to bring all-in savings for consumers, and complete the transmission development and upgrades that will enable these projects and improve reliability in Wyoming. Interwest represents the leading wind and solar developers in the West. A number of its wind developer members have indicated they

are preparing to respond to the RFP. All signs indicate that the response to the RFP will be robust, allowing for the most efficient projects to be identified and acquired after thorough review.

2. The regulatory review process scheduled by this Commission will enable Utah representatives and the Commission to fully review the response to the RFP to ensure that the projects will deliver the least-cost, least-risk electricity to Utah customers. Utah staff, consumer representatives and stakeholders can provide further input related to details of the RFP at the hearing scheduled on September 19. Meanwhile, discovery is ongoing in Docket No. 17-035-40, the “New Wind” procurement docket, with hearings scheduled in March 2018. Prior to those hearings, the 2017 Integrated Resource Plan will continue to be reviewed, discovery conducted, with additional comments filed related to the IRP for the Commission’s consideration in Docket No. 17-035-16. Only after a short list of bids is thoroughly analyzed will the Commission make a final determination about acquisition of new projects.

3. PacifiCorp has modified the RFP in response to the Commission’s and parties’ concerns to enable a more fair, open and transparent, fully competitive RFP and bid review process. The revisions broaden the scope of the market testing process, for example, by a) enabling bidders to submit a base bid and two alternatives for the same bid fee, potentially yielding 50% more alternatives at a lower cost to bidders than originally anticipated; and b) expanding the contract terms for PPA bidders to provide an equivalent project life span for evaluation purposes between a PPA and a BTA, putting a PPA more on equal footing with the BTA asset life, allowing more equitable comparisons between the two options. These and the other revisions reduce some of the concerns about the RFP being biased towards utility-owned benchmark projects, and the wider net will result in a more robust and efficient set of available bid responses. PacifiCorp reports that the Oregon Public Utilities Commission has approved the revised RFP with specific

modifications, conditioned on acknowledgement of the related action items in the 2017 IRP. See R. Link, Supp. Test. filed Aug. 31, 2017, pp. 2–3.

4. Interwest fully supports PacifiCorp’s proposal to issue another RFP in early 2018 for all types of renewables in a broader geographic area, and encourages diligent review in good faith of the results, with an intent towards acquiring a diverse set of cost-effective PPAs or BTA assets. A renewables solicitation in early 2018 in addition to the new Wyoming wind procurement will still enable potential bidders of wind projects in other regions to acquire high levels of PTC benefits, and will enable Investment Tax Credit savings and historically low-cost grid scale solar projects to be made available to Utah consumers while the ITC remains at high levels. See Link, pp. 16-17. PacifiCorp has issued other renewable RFPs in recent months, including a solicitation for renewable energy credits from wind and solar facilities in Oregon and Utah under Oregon Schedule 272.¹ In addition, earlier this year, PacifiCorp solicited renewable energy credits from resources across the Western Electricity Coordination Council transmission network.² Interwest continues to encourage these RFPs from potential renewable bidders across the PacifiCorp service territory.

¹ <http://www.pacificorp.com/sup/rfps/2017-272-REC-RFP.html>.

² http://www.pacificorp.com/content/dam/pacificorp/doc/Suppliers/RFPs/2017_Unbundled_RECs/Pacificorp_Unbundled_REC-RFP_2017.pdf.

Respectfully submitted this 13th day of September, 2017.

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On Behalf of Interwest Energy Alliance

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed and served by email this 13th day of September, 2017, the following addresses:

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