



State of Utah  
Department of Commerce  
Division of Public Utilities

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**To:** Public Service Commission of Utah  
**From:** Utah Division of Public Utilities  
Chris Parker, Director  
Artie Powell, Manager  
Joni Zenger, Technical Consultant  
David Williams, Utility Analyst  
**Date:** July 22, 2019  
**Re:** **Docket No. 19-035-02**, PacifiCorp's 2019 Integrated Resource Plan, Time Extension Request

### **Recommendation (Approve)**

The Utah Division of Public Utilities (Division) has reviewed the filing made by PacifiCorp (Company) and recommends that the Public Service Commission (Commission) approve the request for an extension of time for the Company to file its 2019 Integrated Resource Plan (IRP).

### **Issue**

On January 28, 2019, the Company filed a request for an extension of time to file its 2019 IRP in August of 2019, rather than on its March 31, 2019 due date. The Commission granted the extension of time on March 12, 2019.<sup>1</sup> Then on July 16, 2019, the Company filed a second request with the Commission seeking an extension of time up to October 18, 2019, to complete and file its 2019 IRP.<sup>2</sup> The Division received an Action Request in this matter on July 16, 2019.

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<sup>1</sup> Order Amending 2019 Filing Deadline and Vacating Reply Comment Filing date, March 12, 2019.  
<https://pscdocs.utah.gov/electric/19docs/1903502/3069911903502oa2019irpfdavrcfd3-12-2019.pdf>.

<sup>2</sup> Rocky Mountain Power's Request for Extension, July 16, 2019.

## Discussion

The Division has reviewed this matter. In addition, the Division participated in a conference call, hosted by PacifiCorp on July 18, 2019, where the Company explained its modeling problem and how it will remedy the problem. The reason stated by the Company for the need for additional time is due to a problem with modeling forecast cost assumptions at the Jim Bridger coal plant. The Company discovered that some fixed costs for coal mine reclamation costs were inadvertently included in its variable fuel cost model inputs. The Company states the modeling is used to weigh the costs of continuing to run the plant compared to retiring it and acquiring alternative generation resources. The modeling error is confined strictly to the Jim Bridger facility and does not impact the evaluation of other coal plants.

The Company has assured stakeholders that it will continue to host public input meetings to keep stakeholders informed and allow ample opportunity for public input up until the filing date. The Company has scheduled September 5 and 6, 2019 and October 3 and 4, 2019 for public input meetings. The Division notes that the Company has already begun correcting this problem, by recasting model runs. The Division believes that the model re-runs need to be completed in order for the proper preferred portfolio to be determined in this IRP process. For these reasons, the Division believes the Company's request for an extension should be granted. The Division recommends the Commission approve the Company's request.

The Division stresses that this is a one-time extension. In past IRPs, the Company was frequently late and/or unprepared.<sup>3</sup> The IRP schedule needs to be maintained so that there is time for review. The Commission in its 2008 IRP order stated:<sup>4</sup>

The IRP process and schedule must be maintained and adequate time and sufficient documentation provided for regulatory and public input and review.

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<sup>3</sup> The Company's 2007 IRP was filed on May 30, 2007. Its 2007 IRP Update was filed on June 11, 2008, and its 2008 IRP was filed on May 28, 2009. <http://pacificorp.com/irp>.

<sup>4</sup> Report and Order on PacifiCorp's 2008 IRP, Docket No. 09-2035-01, issued April 1, 2010, p. 49 and 54.

[M]aterials should be distributed one week prior to the public input meeting ... a written report should be provided after each meeting to provide follow-up to issues or questions raised in the meeting.

Given that in the past the Company has filed late IRPs, the Division's recommendation of an extension in this instance comes with a reminder that the IRP is a long-term planning tool that serves as an input to other processes, and thus requires the Company to plan to ensure it meets its March 31 filing deadline of its IRP on each odd-numbered year and its IRP Update on March 31 of each even-numbered year. Late filings should not become a regular occurrence. There are likely to be elements of any IRP that might be better developed with more time, but that should not lead to delays in most instances. Furthermore, delays can detach the filing from the input process designed to inform it. By the time stakeholders have reviewed the IRP, it is possible that many of the inputs to the models could be outdated and have changed, making the results of the IRP model runs less informative. Further, stakeholders need an opportunity to review the IRP and provide comments before the IRP Update is filed.

## **Conclusion**

The Division has reviewed the Company's request for an extension to file its 2019 IRP on October 18, 2019, much later than its due date of March 31, 2019. The Division recommends the Commission approve the extension in this instance so the Company can correct its cost assumptions and complete its analysis. The Division requests that the Commission require the Company to continue public stakeholder meetings and remind the Company that future IRPs need to be filed on March 31 of each odd-numbered year, with an IRP update filing on March 31 of each even-numbered year.

Cc: Yvonne Hogle, Rocky Mountain Power  
Michele Beck, Office of Consumer Services