

February 1, 2021

VIA ELECTRONIC FILING

Utah Public Service Commission Heber M. Wells Building, 4th Floor 160 East 300 South Salt Lake City, UT 84114

Attention: Gary Widerburg

Commission Administrator

RE: Docket No. 19-035-42 In the Matter of the Application of Rocky Mountain

Power for Approval of the 2020 Inter-Jurisdictional Allocation Protocol

On December 3, 2019, Rocky Mountain Power ("Company"), a division of PacifiCorp, applied to the Public Service Commission of Utah ("Commission") for approval of the 2020 PacifiCorp Inter-Jurisdictional Allocation Protocol ("2020 Protocol"). On April 15, 2020, the Commission issued its order approving the 2020 Protocol as filed.

Section 4 – Implemented Issues, of the 2020 Protocol, summarizes issues to be implemented during the Interim Period. Section 4.1 - States' Decision to Exit Interim Period Resources and Section 4.1.5 - Establishment of Exit Dates for Hayden Units 1 and 2 outline the timeline for PacifiCorp to make recommendations for the treatment of Hayden Units 1 and 2.

On January 4, 2021, Xcel Energy and the other co-owners of the Hayden Generating Station, PacifiCorp and Salt River Project, announced they had agreed on a proposed plan to retire Unit 2 by the end of 2027 and Unit 1 in 2028. A copy of the announcement is attached to this letter. Accordingly, the Company is respectfully providing this letter as notice to the Commission of its plan to effectuate closure of Hayden Units 1 and 2, in accordance with Section 4.1.5 of the 2020 Protocol. As the plan is for closure and will be consistent in all states, Hayden Units 1 and 2 will be subject to Section 4.1.1 of the 2020 Protocol that outlines the allocation of costs at closure of a coal-fired Interim Period Resource.

Informal inquiries may be directed to Jana Saba at (801) 220-2823.

Sincerely,

Joelle Steward

Vice President, Regulation

cc: Service List



Xcel Energy Media Relations 1800 Larimer St., Suite #900 Denver, Colorado 80202 (303) 294-2300 www.xcelenergy.com

Xcel Energy announces retirement of Hayden power plant

DENVER (January 4, 2021) In partnership with its co-owners, PacifiCorp and Salt River Project, Xcel Energy announced today it will close the Hayden Generating Station. The early closure of the coal plant is part of the company's plan to reduce carbon emissions 80% by 2030 and ultimately deliver 100% carbon-free electricity to customers by 2050. Xcel Energy and its partners have agreed on a proposed plan to retire Unit 2 by the end of 2027 and Unit 1 in 2028.

The plant employs about 75 people, and no layoffs are anticipated. Instead, Xcel Energy and its coowners will manage the transition through attrition, retirement and retraining employees in partnership with IBEW Local 111, which represents the workforce.

"Hayden has been part of the Northwest Colorado community for 55 years. We are committed to supporting our employees and the region as we move forward with our clean energy transition in Colorado. We have a long track record of successfully transitioning coal plants we've retired," said Alice Jackson, president of Xcel Energy—Colorado. "Our top priority is finding new roles for our workers and supporting the communities that have served us so well."

"We are working closely with the company to ensure our union members have ample employment opportunities to minimize impacts to them, their families and the communities we serve," said Rich Meisinger, Business Manager of IBEW Local 111. "Our focus is to keep our members working while ensuring Colorado continues to maintain a safe and reliable electric grid. IBEW Local 111 union workers have led in the construction, maintenance, powering and repowering of the electric grid in Colorado for generations. We're very proud of the work they've accomplished and look forward to demonstrating what this valuable workforce can accomplish for Colorado's energy future."

Details on Hayden's early closure will be included in Xcel Energy's upcoming electric resource plan that will go before the Colorado Public Utilities Commission in March. The plan will also forecast customer electricity needs through 2030 with a focus on maintaining reliable, affordable and clean electric service. Among other things, the plan will likely propose to add more wind, solar and flexible, dispatchable resources.

"In Colorado, Xcel Energy has already made significant strides reducing carbon emissions 42% since 2005," said Jackson, "and we look forward to proposing a new, comprehensive energy plan early this year that continues our clean energy transition and delivers at least an 80% reduction in carbon emissions by 2030. The retirement of Hayden is an important part of Xcel Energy's vision for a carbon-free electric system by mid-century."

- Xcel Energy announced retirement of Hayden power plant

p. 2 of 2 -

Hayden's Unit 1 and Unit 2's original retirement dates were 2030 and 2036, respectively. Xcel Energy will work with the communities and stakeholders to explore new uses of the Hayden site that will promote clean energy innovation and economic opportunity in the Northwest Colorado region.

Xcel Energy is the majority owner and operator of the Hayden Generating Station, owning about 75% of 179-megawatt Unit 1 and 37.5% of 262-megawatt Unit 2. Salt River Project owns 50% of Unit 2 and Pacific Corp owns the balance of Unit 1 and Unit 2.

###

About Xcel Energy

Xcel Energy (NASDAQ: XEL) provides the energy that powers millions of homes and businesses across eight Western and Midwestern states. Headquartered in Minneapolis, the company is an industry leader in responsibly reducing carbon emissions and producing and delivering clean energy solutions from a variety of renewable sources at competitive prices. For more information, visit xcelenergy.com or follow us on <a href="xwellow-twello

CERTIFICATE OF SERVICE

Docket No. 19-035-42

I hereby certify that on February 1, 2021, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Michele Beck mbeck@utah.gov

ocs@utah.gov

Division of Public Utilities

Madison Galt mgalt@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov
Justin Jetter jjetter@agutah.gov
Robert Moore rmoore@agutah.gov
Victor Copeland vcopeland@agutah.gov

Western Resource Advocates

Sophie Hayes <u>sophie.hayes@westernresources.org</u>

Nancy Kelly <u>nkelly@westernresources.org</u>
Steven S. Michel <u>smichel@westernresources.org</u>

Utah Association of Energy Users

Phillip J. Russell prussell@hjdlaw.com

Nucor Steel-Utah

Peter J. Mattheis <u>pjm@smxblaw.com</u>
Eric J. Lacey <u>ejl@smxblaw.com</u>

Jeremy R. Cook jcook@cohnekinghorn.com

Utah Clean Energy

Hunter Holman hunter@utahcleanenergy.org

Rocky Mountain Power

Data Request Response Center <u>datarequest@pacificorp.com</u>
Jana Saba <u>jana.saba@pacificorp.com</u>;

utahdockets@pacificorp.com

Emily Wegener <u>emily.wegener@pacificorp.com</u>

Katie Savarin

Coordinator, Regulatory Operations

atil Savan