

Hunter Holman Utah Bar No. 15165  
Utah Clean Energy  
1014 2<sup>nd</sup> Ave.  
Salt Lake City, UT 84103  
(801) 363-4046  
hunter@utahcleanenergy.org  
*Attorney for Utah Clean Energy*

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

<p><b>In the Matter of Rocky Mountain Power’s Application for Approval of a Solicitation Process for 2020 All Source Request for Proposals</b></p>	<p><b>Docket No. 20-035-05 Utah Clean Energy’s Reply Comments</b></p>
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Utah Clean Energy (“UCE”) hereby submits these reply comments in response to the Independent Evaluator’s (“IE”) Report, and comments made by the Office of Consumer Services (“OCS”), Interwest Energy Alliance (“Interwest”), and Utah Association of Energy Users (“UAE”). UCE Appreciates the opportunity to file reply comments in general support of the IE’s conclusion that PacifiCorp’s proposed 2020 all source request for performance (“RFP”) is consistent with the requirements under Utah Code Ann. § 54-17-201 and Utah Admin. Code R746-420. Below, UCE will address specific components of the IE’s report and stakeholder comments that UCE supports. UCE notes that silence on other issues raised in stakeholder comments and the IE’s report does not indicate our support or opposition to those issues.

**BACKGROUND**

On April 10, 2020, RMP filed its application requesting approval of a solicitation process related to the resources identified in the Action Plan from the 2019 Integrated Resource Plan. On May 22, 2020, the DPU, OCS , Interwest, and UAE filed initial comments. The IE filed its written evaluation of the RFP, including several recommendations, on June 3, 2020. UCE filed a

petition to intervene in this docket on May 22, 2020, and the Public Service Commission granted UCE's intervention on June 12, 2020.

## **RECOMMENDATIONS AND COMMENTS THAT UCE SUPPORTS**

### **The IE's and Interwest's Recommendation to Move the Deadline for Project Eligibility from January 1, 2020 to April 1, 2020**

PacifiCorp's proposed RFP contains a project eligibility cutoff of January 1, 2020. This proposed deadline was part of PacifiCorp Transmission's proposed queue reform, which was filed with FERC on January 31, 2020.<sup>1</sup> In its comments, Interwest states that potential bidders did not receive notice that January 31, 2020 would be the cutoff date, and it recommends that projects in PacifiCorp Transmission's queue as of April 1, 2020 be eligible to bid.<sup>2</sup> This change would allow additional projects to participate in the process and increase the likelihood that the RFP will solicit a robust set of bids.<sup>3</sup> The IE report stated that:

The IE recommends that unless there are any specific reasons to the contrary, it appears reasonable to us that projects in the queue as of April 1, 2020 should be allowed to bid. As Interwest notes, this will allow the potential for more competition while not creating any fairness issues since it appears that potential bidders may not have known in advance that January 31, 2020 would be the cutoff date.<sup>4</sup>

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<sup>1</sup> PacifiCorp's Notice of Filing: PacifiCorp Queue Reform Proposal, FERC Docket No. ER20-924-000, *found at* [https://www.oasis.oati.com/woa/docs/PPW/PPWdocs/OASIS\\_Notice\\_of\\_Queue\\_Reform\\_Filing\\_\(2.4.2020\).pdf](https://www.oasis.oati.com/woa/docs/PPW/PPWdocs/OASIS_Notice_of_Queue_Reform_Filing_(2.4.2020).pdf).

<sup>2</sup> *See id.*

<sup>3</sup> *Id* at 9; Utah Admin. Code R746-420(1)(iv).

<sup>4</sup> Independent Evaluator's Report, filed on June 3, 2020, page 42, *found at* <https://pscdocs.utah.gov/electric/20docs/2003505/314125TaskA7RprtIERePacifiCorpRFP6-3-2020.pdf>.

UCE agrees with Interwest and the IE that changing the cutoff date from January 31, 2020 to April 1, 2020 will reasonably increase competition without creating any fairness issues. As such, the Public Service Commission should request that PacifiCorp change the cutoff date to April 1, 2020.

### **The IE’s recommendation for technical conferences or workshops**

The IE recommends that PacifiCorp hold technical conferences or workshops to walk bidders through completing the required forms. The IE states that such a conference or workshop will help “limit bidder errors and minimize the requirement to cure bids.”<sup>5</sup> This is particularly helpful when the bidding forms are complex or when there are new resources being solicited such as battery storage and hybrid resources.<sup>6</sup>

UCE agrees that holding a technical conference or workshop will minimize the risk that bids are disqualified because they contain errors or are otherwise incomplete. This reasonable precaution will help enable the largest number of conforming bids, which will increase the likelihood that the RFP captures resources that represent the lowest reasonable cost to retail customers.<sup>7</sup>

### **The recommendation to clarify evaluation and selection methodology and criteria related to costs, benefits, and risk profiles**

The IE found an apparent inconsistency regarding how PacifiCorp plans to select the initial shortlist based on two quotes in the RFP.<sup>8</sup> “The [first] quote appears to imply that

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<sup>5</sup> *Id.* at 7.

<sup>6</sup> *Id.* at 31.

<sup>7</sup> See Utah Admin. Code R746-420(1)(b)(ii)(A).

<sup>8</sup> Independent Evaluator’s Report, filed on June 3, 2020, page 33, *found at* <https://pscdocs.utah.gov/electric/20docs/2003505/314125TaskA7RprtIERePacifiCorpRFP6-3-2020.pdf>.

PacifiCorp will select an initial shortlist based on 150% of the IRP identified portfolio for all resources in total for a specific location while the second quote indicates that bids will be separated, evaluated and selected by resource type.”<sup>9</sup> While the IE appears to have cleared up the apparent inconsistency with PacifiCorp, it still “feels PacifiCorp should clarify its specific evaluation and selection methodology for initial and final evaluation and selection so there is no ambiguity regarding the shortlist selection process and decision parameters for each resource type and location.”<sup>10</sup>

Additionally, the IE “suggests that PacifiCorp also include a table in the RFP document that lists the net cost components . . . and also provide a brief description of each component.”<sup>11</sup> The OCS also requested clarity on “potential variations in the way the different bid structures will be evaluated that may not be readily apparent to the bidders.”<sup>12</sup> UAE also requested that additional information be included in the RFP to, among other things, help bidders understand how different risk profiles would be evaluated.<sup>13</sup>

UCE agrees with the IE, OCS, and UAE that additional clarity on both the selection methodology and on specific evaluation criteria is reasonable and will enhance the transparency and fairness of the RFP.

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<sup>9</sup> *Id.*

<sup>10</sup> *Id.* at 34.

<sup>11</sup> *Id.*

<sup>12</sup> Office of Consumer Services Initial Comments filed on May 22, 2020, page 5, *found at* <https://pscdocs.utah.gov/electric/20docs/2003505/313955OCSCmnts5-22-2020.pdf>.

<sup>13</sup> Utah Energy Association’s Initial Comments, filed on May 22, 2020, pages 13-15, *found at* <https://pscdocs.utah.gov/electric/20docs/2003505/313957UAECmnts5-22-2020.pdf>.

## CONCLUSION

UCE appreciates the opportunity to file reply comments responding to the IE's report and other stakeholder comments. UCE supports the following recommendations for PacifiCorp's 2020 all source RFP:

- The Deadline for project eligibility should be moved from January 1, 2020 to April 1, 2020.
- Given the complexity of the bidding forms, and the fact that this RFP is soliciting new types of resources (battery storage and hybrid resources), PacifiCorp should hold technical conferences or workshops to walk bidders through how to complete the required forms.
- In its RFP, PacifiCorp should clarify its evaluation and selection methodology for the initial and final shortlists, and provide a more explicit explanation of the specific evaluation criteria related to costs, benefits, and risk profiles for each bid type.

UCE believes that these recommendations will enhance the transparency of the RFP process and make it more likely that the RFP solicits the lowest cost resources for customers.

Respectfully submitted this 15<sup>th</sup> day of June 2020.

*/s/ Hunter Holman*

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Hunter Holman  
*Attorney for Utah Clean Energy*

Certificate of Service  
Docket No. 20-035-05

I hereby certify that a true and correct copy of the foregoing was served by email this 15<sup>th</sup> day of June 2020 on the following:

Rocky Mountain Power

Jacob McDermott  
Jana Saba

jacob.mcdermott@pacificorp.com  
jana.saba@pacificorp.com  
datarequest@pacificorp.com

Division of Public Utilities

Chris Parker  
William Powell  
Doug Wheelwright  
David Williams  
Patricia Schmid  
Justin Jetter

chrisparker@utah.gov  
wpowell@utah.gov  
dwheelwright@utah.gov  
dcwilli@utah.gov  
pschmid@agutah.gov  
jjetter@agutah.gov  
dpudatarequest@utah.gov

Office of Consumer Services

Michele Beck  
Cheryl Murray  
Robert Moore

mbeck@utah.gov  
cmurray@utah.gov  
rmoore@agutah.gov

Interwest Energy Alliance

Lisa Tormoen Hickey

lisahickey@newlawgroup.com

Utah Association of Energy Users

Phillip J. Russell

prussell@jdrslaw.com

/s/ Hunter Holman