

March 10, 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. 21-035-09 - In the Matter of PacifiCorp's 2021 Integrated Resource Plan**
Reply Comments on Rocky Mountain Power's Request for Extension

On February 12, 2021 PacifiCorp ("PacifiCorp" or the "Company") filed a request ("Request") with the Public Service Commission ("Commission") for an extension to file its 2021 Integrated Resource Plan ("IRP") from April 1, 2021 to September 1, 2021. The Commission issued a Notice and Request for Comments ("Notice") on February 16, 2021 setting a deadline for interested parties to file comments on the Company's request. Per the Notice, comments were filed on March 3, 2021 by the Division of Public Utilities ("Division"), the Office of Consumer Services ("Office"), Utah Association of Energy Users ("UAE") and Sierra Club. The Company respectfully submits these comments in response.

Background

PacifiCorp began the process of developing the 2021 Integrated Resource Plan ("2021 IRP") in January 2020, and in the subsequent 14 months held 12 public-input meetings to discuss resource cost-and-performance assumptions, model function and overview, load forecast, price-policy assumptions, market price assumptions, and transmission options among other key items considered as part of the 2021 IRP development cycle. PacifiCorp also held a round of state-specific input meetings. However, as noted in the February 10, 2021 public-input meeting and in the Company's February 12, 2021 extension request, the company has encountered unforeseen challenges in the case of an ongoing software implementation that necessitate an extension to the 2021 IRP filing. In addition, the extension will ensure the 2021 IRP captures the results of the 2020 all source request for proposals ("2020AS RFP").

Summary of Interested Party Comments

The Office and UAE support approval of the Company's requested extension for the 2021 IRP to September 1, 2021. The Office notes that "in this instance, it is more important to allow PacifiCorp time to continue to work toward a more effectual 2021 IRP, including a process that allows time for extensive stakeholder feedback, than to meet the current April 1, 2021 filing deadline.¹" Similarly, UAE states they do not oppose the delay to allow sufficient time for

¹ March 3, 2021 comments of the Office of Consumer Services, page 2.

stakeholder feedback while expressing some concern with respect to the 2020AS RFP final shortlist, ultimately concluding that “on balance, however, UAE believes that is appropriate to grant the requested delay.”²

Sierra Club supports an extension, but recommends the deadline be moved to July 15, 2021 instead of the September 1, 2021 requested date. In exchange for the additional time, the Sierra Club recommends the Company be required to provide additional information for model runs with the 2021 IRP filing associated with certain hypothetical federal requirements.

The Division opposes approval of the extension, stating its preference to adhere to the IRP schedule even though it states, “this may negatively affect the value of the IRP as a planning document.”³ Regardless of the aforementioned questionable usefulness of an March 31, 2021 IRP filing, the Division recommends the Company be required to file on that date and then supplement the filing later. The Division points to examples of delays of past IRP filings as reasoning for upholding the principle of timely IRP filings. The Division also claims the Company has had time to prepare the 2021 IRP since it did not complete a 2019 IRP Update and that the Company can incorporate the results of the 2020AS RFP into the 2021 IRP Update. The Division also recommends that the Company be required to “make do” with the information available to it when preparing an IRP and criticizes the Company for not knowing of the modeling issues earlier and retaining the existing software until issues with the new software were resolved. The Division notes that the IRP has become increasingly complex and states it is willing to work with the Company and Commission on reviewing the current IRP requirements for possible changes to address the need for delays going forward.

PacifiCorp’s Response to Sierra Club

PacifiCorp appreciates Sierra Club’s general support for an extension, however its recommendation for a shorter seven week extension to July 15, 2021 would not provide adequate time to work through modeling and incorporate the 2020AS RFP final shortlist while allowing for sufficient stakeholder consideration and feedback. PacifiCorp needs adequate time to work as expediently as possible to develop the IRP, seek robust and inclusive stakeholder feedback, and file the IRP with the regulatory commissions. PacifiCorp further notes that imposing modeling requirements in addition to the current requirements would only result in *more* time constraints and further delay the development of the 2021 IRP.

PacifiCorp’s Response to the Division

As discussed in the Company’s filed request for an extension, the need to extend the filing date of the 2021 IRP is due to a unique circumstance and is not indicative of any precedent regarding development of future IRPs. The Division asserts that “the Company has fallen into a habit of late-filed IRPs that should be avoided. In the absence of a denial, the Division worries the IRP’s regularity will be jeopardized.”⁴ While PacifiCorp respects the Division’s desire to preserve the predictable timeliness of filing an IRP, the requested extension is based on factors that are unique

² March 3, 2021 comments of the Utah Association of Energy Users, page 2.

³ March 3, 2021 comments of the Division of Public Utilities, page 1.

⁴ March 3, 2021 comments of the Division of Public Utilities, page 1.

and materially impact the ability of the Company to produce an IRP consistent with the guidelines. The request for an extension, as all prior requests for extensions, are due to specific circumstances at the time and does not mean the Company does not understand the value of timely filings. Rather, the Company is responding to the increasingly complex focus on resource planning, which the Division acknowledges. As noted by the Office and UAE, the value of a thorough resource planning process outweighs any benefits of filing an incomplete and potentially meaningless document by the current timeline.

Modeling Software Update

PacifiCorp's transition to a new modeling system is ongoing and has faced unforeseen challenges. The requested extension allows the Company the necessary time to produce model outcomes and allow for stakeholder review and input. Following the 2019 IRP, PacifiCorp began the transition to Energy Exemplar's Plexos model. As the Division notes in their comments, there has been a growing level of complexity in resource planning, which the Company is seeking to address through the implementation of more capable and advanced modeling software. This model provides multiple improvements to the IRP process, including greater granularity, greater ability to model reliability outcomes through inclusion of loss of load probability and planning reserve margin, the ability to include endogenous transmission modeling without including topology additions or other complex setups, and the ability to include greater analysis of resource retirements and options. PacifiCorp presented the benefits of the Plexos system to stakeholders during the June 2020 public-input meeting, and the model transition has been ongoing throughout the 2021 IRP development cycle. However, the transition to the new model and the necessary setup activities to ensure model functionality have encountered challenges, which could not be foreseen until inputs were setup in the model and PacifiCorp could start the portfolio development phase of the 2021 IRP development cycle. Since the decision to utilize the Plexos model to support the 2021 IRP, the entirety of PacifiCorp's modeling activity has supported setting up the Plexos system and optimizing to achieve actionable portfolios as part of the IRP. Therefore, PacifiCorp has not focused on updating the previous modeling software to include information necessary for the 2021 IRP, as simultaneously maintaining and updating two separate modeling systems is not feasible and would likely lead to even longer delays than what is currently being requested to complete the Plexos transition.

The Division's suggestion that the Company be required to complete and file model runs by March 31 and then simply later supplement the filing with other modeling runs fails to appreciate the complexity of allowing for 1) an understanding/interpretation of modeling runs in the context of identifying a preferred portfolio, particularly given the potential implications for coal plant closures; 2) the ability to complete enough analysis to satisfy the Commission's guidelines; and 3) input from the stakeholder process that helps drive the iterative process to arrive at a preferred portfolio. As the modeling challenges persist, the requested filing extension is needed to ensure sufficient time to implement the new system and to seek stakeholder feedback on portfolio modeling outputs. As of today, PacifiCorp has not been able to produce any IRP portfolio results for cost and risk analysis and does not have any draft analysis to share in advance of the current March 31, 2021 filing deadline and no ability to file an IRP that would be supportable, actionable or include analysis necessary to meet the Commission's guidelines. Requiring the Company to file something just to adhere to the schedule would be of limited value and would divert the Company's resources from developing the 2021 IRP to preparing a meaningless March 31, 2021

“placeholder” filing. Instead, resources are better focused on the Company’s upcoming public-input meetings, which will continue to facilitate robust and inclusive stakeholder participation that accompanies the portfolio modeling process. As requested by the Division, the Company has included the following as an indicative timeline and notes that the timeline would not materially change if 2020AS RFP results were not included.

Indicative Timeline for September 1, 2021 IRP Filing

Date	Activity	Tentative Detail
April 22-23, 2021	April Public-Input Meeting	Initial discussion of modeling results; opportunity for stakeholder feedback.
May 27-28, 2021	May Public-Input Meeting	Continued discussion of modeling results and opportunity for stakeholder feedback.
June 2021	2020AS RFP Final Short List	Results will be included in 2021 IRP modeling.
June 24-25, 2021	June Public-Input Meeting	Discussion of portfolios with incorporation of 2020AS RFP final short list results, discussion of cost and risk portfolio analysis; other scenarios / sensitivities; opportunity for stakeholder feedback.
July 29-30, 2021	July Public-Input Meeting	Discuss selection of preferred portfolio/cost and risk analysis; remaining scenarios / sensitivities; opportunity for stakeholder feedback.
August 12, 2021	August Public-Input Meeting	If needed.

2020AS RFP Results

The 2020AS RFP final shortlist will be available by June 1, 2021, only two months following the current filing date of the 2021 IRP. PacifiCorp acknowledges the Division’s point that the 2020AS RFP is a separate proceeding with its own timeline which should not dictate the 2021 IRP filing date. However, the requested extension would avoid an issue of outdated inputs in a March 31, 2021 IRP filing (even if it was feasible) due to the 2020AS RFP final shortlist determined shortly thereafter. This would mean that updates to the 2021 IRP would need to occur almost immediately after its filing, and may lead to delays in any follow-on proceedings for the 2020AS RFP results, such as Certificate of Public Convenience and Necessity filings or Significant Energy Resource Decision filings.

While the Company is mindful that any extension to the 2021 IRP filing timeline may not be ideal, extending the filing of the 2021 IRP to no later than September 1, 2021 would allow the Company to incorporate the updated inputs that will occur from the 2020AS RFP shortlist with the least disruption possible to the IRP process compared to the following alternative options:

- **Option 1:** If the current March 31, 2021 IRP filing date is retained, there may be the need for an immediate update process to ensure that system modeling is current, complete, and actionable. This update process occurring less than 60 days after IRP filing across six states would likely create confusion and the potential for more lengthy regulatory schedules.
- **Option 2:** If the company were to wait until the 2023 IRP cycle to include the 2020AS RFP results, that would potentially create a situation where actionable and timely information is not included in the resource plan and would limit the ability of

stakeholders and the company to establish a least-cost, least-risk portfolio. The company agrees with the Division's statement that portfolio models that include outdated inputs may lead to less-effective portfolios.

Conclusion

PacifiCorp appreciates the Commission's consideration of this extension request for the 2021 IRP and believes granting this extension would allow for the best outcome for development of the 2021 IRP. The Company strongly believes that the value of a meaningful and thoughtfully developed IRP supports the extension in this instance. Furthermore, the Company cannot meet the March 31 filing date with a document that will fulfill the Commission's guidelines or provide meaningful results and therefore respectfully requests the Commission approve the Company's extension request to file its 2021 IRP no later than September 1, 2021.

Sincerely,



Joelle Steward
Vice President, Regulation

CC: Service List - Docket No. 21-035-09

CERTIFICATE OF SERVICE

Docket No. 21-035-09

I hereby certify that on March 10, 2021, a true and correct copy of the foregoing was served by electronic mail to the following:

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