

Phillip J. Russell (10445)
JAMES DODGE RUSSELL & STEPHENS PC
10 West Broadway, Suite 400
Salt Lake City, Utah 84101
Telephone: (801) 363-6363
Email: prussell@jdrsllaw.com

Counsel for Utah Association of Energy Users

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

PacifiCorp's 2021 Integrated Resource Plan	Docket No. 21-035-09
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REPLY COMMENTS OF THE UTAH ASSOCIATION OF ENERGY USERS

The Utah Association of Energy Users (“UAE”) hereby submits this reply to the initial comments filed on March 3, 2021 by the Division of Public Utilities (“Division”), the Office of Consumer Services (“Office”), and Sierra Club regarding PacifiCorp’s request (“Request”) for an extension to file its 2021 Integrated Resource Plan (“IRP”).

The initial comments contain a wide range of responses. The Division recommends that the Commission deny the Request and require PacifiCorp to file its IRP on March 31, 2021 and then update the IRP as modeling capability improves and more information (such as the results of the 2020AS RFP) becomes available. The Office and UAE recommend that the Commission grant the Request, reasoning that an IRP filed on March 31 will have little value given the lack of resource portfolios and the lack of public comment thereon. Sierra Club recommends that the Commission grant an extension to allow PacifiCorp to file its IRP, but that it extend the deadline to July 15, 2021, rather than the extension to September 1, 2021 sought in the Request.

Each of the initial comments weigh the two choices presented in the Request—either a timely but inadequate IRP filing or a delayed but compliant IRP filing. Both outcomes are undesirable and it is unfortunate that the Commission and the stakeholders have been put in the position of choosing between them. UAE is concerned about the circumstances that have led to the failure of the IRP modeling software to produce even a single resource portfolio at this stage of the IRP cycle and encourages the Commission to require a further explanation on that point.

Setting aside for the moment the need for a more detailed explanation as to why the Request for an extension is necessary, this Commission must make a decision on how best to proceed with the IRP filing itself. As discussed more fully below, UAE believes that delaying the IRP filing to can harm the ultimate product of the IRP process, but is a better outcome than the alternative of requiring PacifiCorp to file a non-compliant IRP on March 31.

An IRP timely filed on March 31, 2021 will fail to adhere to the Standards and Guidelines that have governed IRP submissions since they were established by this Commission in Docket No. 90-2035-01.¹ As noted by the Division, the Office, and UAE in their initial comments, PacifiCorp has not been able to successfully complete any model runs using its new IRP modeling software. As a result, any timely-filed IRP will fail to comply with several IRP Guidelines, most notably the requirement that the IRP “be developed in consultation with the Commission, its staff, the Division of Public Utilities, the Committee of Consumer Services, appropriate Utah state

¹ See *In the Matter of Analysis of an Integrated Resource Plan for PacifiCorp*, Docket No. 90-2035-01, Report and Order on Standards and Guidelines (June 18, 1992). IRP procedures have been updated from time to time. See, e.g., *In the Matter of the Acknowledgement of PacifiCorp’s Integrated Resource Plan*, Docket No. 09-2035-01, Report and Order (April 1, 2010) (imposing certain IRP procedural requirements, including requirement that PacifiCorp file IRP on March 31 of each odd-numbered year).

agencies and other interested parties,” and that the Company “provide ample opportunity for public involvement and the exchange of information during the development of its Plan.²

Once filed, the IRP will be subject to “public comment, review and acknowledgement” and interested stakeholders will have the opportunity to file formal comments.³ In addition, the Commission will review the IRP filing for adherence to the Standards and Guidelines and “[i]f the Plan needs further work the Commission will return it to the Company with comments and suggestions for change.”⁴ UAE expects that any public comment filed in response to an IRP filed March 31 will identify the IRP’s failure to comply with the Standards and Guidelines and recommend that the Commission decline to acknowledge it. Given PacifiCorp’s admission that it has not yet successfully modeled any resource portfolio and resource portfolios have not been subject to public input, the Commission would certainly be authorized to decline to adopt the IRP and require PacifiCorp to continue its work on the IRP and to develop resource portfolios and subject them to public scrutiny. In other words, the Commission could require PacifiCorp to do what PacifiCorp—through its Request—has already proposed to do between now and September 1, 2021. Of course, any Commission ruling on an IRP filed March 31, 2021 would not be entered for several months so that any public input process and adequate IRP filing would actually be delayed beyond the time contemplated in PacifiCorp’s Request.

A March 31 IRP filing would not incorporate the results of the 2020AS RFP. UAE agrees with the comments submitted by the Division that the IRP filing should not be delayed solely to accommodate the final shortlist for the 2020AS RFP and that PacifiCorp could update the IRP

² Docket No. 90-2035-01, Report and Order on Standards and Guidelines (June 18, 1992) at 17.

³ *Id.* at 27.

⁴ *Id.*

with the results of the 2020AS RFP when they are available.⁵ PacifiCorp and all of the IRP stakeholders have known since April of 2020 that the final shortlist for the 2020AS RFP would not be complete until June 1, 2021.⁶ If incorporating the results of the 2020AS RFP were of primary importance to the IRP process PacifiCorp would have requested many months ago to delay the IRP filing. That PacifiCorp waited until February of 2021—more than a year after the stakeholder process began and after 12 public input meetings were held—strongly suggests that awaiting the results of the 2020AS RFP is not itself a reason to delay the IRP filing. While UAE believes that incorporating the results of the 2020AS RFP into the IRP will benefit the final product of the IRP, UAE does not believe the IRP should be delayed for this purpose alone. If PacifiCorp had modeling capabilities to submit a compliant IRP filing on March 31, 2021, UAE would likely support a timely IRP filing followed by an IRP update that incorporates the results of the 2020AS RFP when they are available.

PacifiCorp will not be able to submit an IRP on March 31 that complies with the Standards and Guidelines or that fully incorporates public input and, as such, a delay is merited. Requiring PacifiCorp to submit its IRP on March 31 will accomplish little other than to highlight PacifiCorp's decision to utilize new IRP modeling software that, despite months of effort, cannot successfully produce a resource portfolio.

An IRP filing that complies with the Standards and Guidelines, but which is delayed for several months, is also a cause for concern. The comments filed by the Division aptly sum up the problems associated with a delayed IRP filing. Among the problems created by a delayed IRP

⁵ Division Comments at 5-6.

⁶ See *In the Matter of the Application of Rocky Mountain Power for Approval of Solicitation Process for 2020 All Source Request for Proposals*, Docket No. 20-035-05, Application for Approval of Solicitation Process (April 9, 2020) (proposing June 1, 2021 as deadline for independent evaluator's approval of 2020AS RFP final shortlist).

filing is the fact that assumptions about resource prices and load forecasts (among other model inputs) are “locked in” at some point during the IRP process and are not further updated and those locked in assumptions can become outdated when an IRP filing is delayed. Thus, the longer PacifiCorp waits to file its IRP, the less confidence this Commission can have that it is based on relevant data. This is particularly true when prices change quickly, as they do with solar, wind, and battery storage resources and, at times, with natural gas prices. The Division notes that incorporating the results of the 2020AS RFP can exacerbate this problem by including solar, wind, and battery storage resources with updated data and pricing “but other inputs, such as coal and gas prices and load forecasts, will not have updated values, thus creating a mismatch between types of resources and types of data.”⁷ A delay in the IRP filing will reduce the value of the IRP.

Sierra Club recommends a middle ground, proposing that the Commission deny PacifiCorp’s request to delay the IRP filing deadline to September 1, 2021 and, instead, approve a delay to July 15, 2021. Sierra Club asserts that its proposal would grant PacifiCorp sufficient time to incorporate the 2020AS RFP final shortlist and to remedy its modeling issues.⁸ Sierra Club provides no basis for its assertion that a July 15 filing deadline will provide sufficient time for PacifiCorp to remedy its modeling issues. This is not Sierra Club’s fault. PacifiCorp has provided no factual basis for its assertion that it requires a delay to September 1, 2021 to remedy its modeling issues and seek public input. UAE is not in a position to know whether July 15 is sufficient time or if September 1 is more time than is necessary. PacifiCorp has sought a delay from the Commission and PacifiCorp has the burden of proving that the requested relief is justified.

⁷ DPU Comments at 5.

⁸ See Sierra Club Comments at 1-2.

PacifiCorp is also the only party that knows the extent to which its IRP model is falling short of expectations and how long it will take to remedy the problem. The Commission should require PacifiCorp to demonstrate that it is entitled to the remedy it seeks.

If the Commission believes that a delay to July 15, 2021 will allow sufficient time for PacifiCorp to remedy its modeling problems such that it can produce resource portfolios with sufficient time to seek and receive public input before filing the IRP, then the Commission should adopt Sierra Club's recommendation. If, however, the Commission believes PacifiCorp has provided sufficient basis to justify a delay to September 1, 2021, then the Commission should grant that request. UAE recommends that a delay of reasonable duration that is no longer than necessary to allow PacifiCorp to submit an IRP filing after creating resource portfolios and obtaining public input. UAE takes no position on how long the delay should be.

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Respectfully submitted,



By:

Phillip J. Russell
JAMES DODGE RUSSELL & STEPHENS P.C.

Counsel for UAE

Certificate of Service
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I hereby certify that a true and correct copy of the foregoing was served by email on March 10, 2021 on the following:

ROCKY MOUNTAIN POWER

Jana Saba jana.saba@pacificorp.com
 Datarequest@pacificorp.com
 utahdockets@pacificorp.com

DIVISION OF PUBLIC UTILITIES

Chris Parker cparker@utah.gov
William Powell wpowell@utah.gov
Doug Wheelwright dwheelwright@utah.gov
Joni Zenger jzenger@utah.gov
David Williams dcwilli@utah.gov
Patricia Schmid pschmid@agutah.gov
Justin Jetter jjetter@agutah.gov
 dpudatarequest@utah.gov

OFFICE OF CONSUMER SERVICES

Michele Beck mbeck@utah.gov
Bela Vastag bvastag@utah.gov
Robert Moore rmoore@agutah.gov
 ocs@utah.gov

SIERRA CLUB

Rose Monahan rose.monahan@sierraclub.org

WESTERN RESOURCE ADVOCATES

Sophie Hayes sophie.hayes@westernresources.org
Nancy Kelly nkelly@westernresources.org
Steve Michel smichel@westernresources.org

/s/ Phillip J. Russell