



PublicService Commission <psc@utah.gov>

Docket 21-035-09 ... Request for agency action to reform IRP guidelines

1 message

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To: Public Service Commission <psc@utah.gov>

Cc: UCARE@xmission.com

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Dear Commissioners,

Thank you for your June 2, 2022 [Order](#), in Docket 21-035-09, finding that "PacifiCorp failed to substantially comply with the Guidelines during its development of the 2021 IRP." I appreciate your withholding acknowledgement of that IRP, but am concerned that it is the sole penalty PacifiCorp will have received for violations dating back at least to the 2017 IRP. Nevertheless, I am pleased that your Order also offered an opportunity for any party that believes IRP Guidelines reforms are necessary to file a request for agency action. Please accept this correspondence as my request for such action on behalf of the all-volunteer Utah Citizens Advocating Renewable Energy (UCARE) and my family.

The Commission's IRP [Guidelines](#) currently in use were codified in 1992, through Docket 90-2035-01, and are not well-suited to economic, environmental, and societal conditions that have developed over the past three decades. Deficiencies in the Guidelines challenge the Public Service Commission's responsibility for ensuring safe, reliable, adequate, and reasonably priced utility service now and in a manner consistent with the long-run public interest. Ratepayers, stockholders, and the Utah general public --including UCARE associates and my family members-- face new dangers linked to the local and global impacts of Utah energy policies, programs, and utility regulatory actions of the Commission. Utah's current IRP Guidelines are overdue for review and revision, with input from all interested stakeholders.

While the Commission, in 21-035-09, has rightly taken PacifiCorp to task for violations of Guidelines 3, 4(b), and 4(i), I believe those IRP Guidelines need strengthening along with others.

Of particular concern to UCARE and to my family is Guideline 4(k)'s dismissive treatment of externalities as a factor in utility resource decisions and ratemaking. Nowhere in Docket 90-2035-01 or in the Procedural Principles and Standards/Guidelines it establishes are "externalities" explicitly described. During stakeholder discussions preceding the Commission's order, most references were generally to "environmental externalities", although the former Utah Division of Energy [now Office of Energy Development] suggested inclusion of "all social costs". At that time, the Division of Public Utilities (DPU) called for attention to "other externalities associated with the electric utility business" and the former Committee of Consumer Services [now Office of Consumer Services] recommended workshops to address how "external costs" should be considered in the acquisition of resources.

To my knowledge, the only externalities-related session held thus far at the Commission was UCARE's May 12, 2015 [presentation](#) on the costs and benefits of net metering.

Unchanged since 1992, Guideline 4(k) still sees externalities as difficult to quantify and, to an extent, intangible. In its 2021 IRP, PacifiCorp reports that "Social cost of greenhouse gas emissions are assumed to start in 2021" and are incorporated into one of the four CO2 pricing scenarios. The state of Washington's Utility and Transportation Commission, however, sees this subject differently and recently [charged](#) PacifiCorp (dba Pacific Power) with failing to use the social cost of greenhouse gas emissions --an externality metric-- in its 2021 resource planning.

The Washington UTC case highlights another IRP Guideline topic that needs revisiting and possible reform: interjurisdictional factors and impacts. In 90-2035-01, the Commission said that IRP planning standards and guidelines must meet needs of the Utah service area, but not ignore the rules governing other jurisdictions in the

six-state PacifiCorp grid system. In 2022, there are striking differences between energy policies of the PacifiCorp states, with some eliminating fossil fueled electricity and moving toward clean energy much more quickly than others. Does Guideline 4(a)(i) still serve the Commission's IRP planning needs?

There may be additional IRP Guidelines items that other stakeholders would like to see reviewed and updated. Parties to the discussions in 1990-92 raised concerns that remain valid. New economic, environmental, and societal conditions heighten the importance of these and other factors that, along with better available data, should be used to develop a more detailed, robust set of IRP Guidelines to aid the Commission's IRP analysis and other utility regulatory activities.

Please accept and approve this request for agency action to review and reform the IRP Guidelines, as per your kind offer under 21-035-09 and pursuant to 63G-4-301 and 54-7-15 of the Utah Code.

Thank you.

Sincerely,

/s/ Stanley Holmes
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