

WRA EXHIBIT____(KB-3)

Selected Data Request Response from Docket No. 25-035-T03

WRA Data Request 2.14

In IRP modeling, what is the \$ value of renewable energy credits/certificates (RECs) PacifiCorp assumes as an offset to renewable resource capital costs?

- (a) Does the assumed REC value change over the planning horizon? If so, please explain.

Response to WRA Data Request 2.14

PacifiCorp does not assume a specific dollar value for renewable energy credits (REC) in Integrated Resource Plan (IRP) modeling. While renewable energy targets in Washington and Oregon involve cost drivers based on renewable energy output required for compliance, those drivers are not intended to represent a cost savings associated with renewable output.

Note: as part of Schedule 37 and Schedule 38, qualifying facilities (QF) only deliver RECs to the utility during that portion of their contract term in which they are compensated based on the cost of a renewable resource. For example, under the proposed rates, wind QFs seeking fixed price contracts would retain their RECs until 2027 and would deliver their RECs to the utility from 2028 until the end of their contract. Because avoided cost pricing for wind QFs in 2028 is based on a proxy wind resource that would otherwise have generated RECs for customers, the REC from the QF in that timeframe does not result in incremental benefits for customers.

- (a) There is no assumed value for RECs relevant to Utah customers. Please refer to the Company's response above.