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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

PacifiCorp’s 2025 Integrated Resource Plan)
) Docket No. 25-035-22
)

**COMMENTS OF THE INTERWEST ENERGY ALLIANCE IN SUPPORT OF UTAH
CLEAN ENERGY’S MOTION TO ENFORCE**

The Interwest Energy Alliance (Interwest) hereby submits these comments in support of Utah Clean Energy’s (UCE) Motion to Enforce the Order of the Public Service Commission (Commission) dated October 17, 2025 (the October Order), filed April 28, 2026, in this docket. Interwest previously filed comments on September 19, 2025, in Docket No. 25-035-52 in support of UCE’s Request for Expedited Investigatory Docket and Agency Action and on September 26, 2025, in the instant docket.

For the reasons set forth below, Interwest supports UCE’s request that the Commission compel PacifiCorp dba Rocky Mountain Power (the Company) to conduct a responsible and prudent evaluation of the market for tax-advantaged renewable energy resources, consistent with the October Order as soon as possible.

I. THE COMMISSION'S OCTOBER ORDER REMAINS UNFULFILLED

In the October Order, the Commission directed the Company to include a detailed explanation in its next IRP Update of the analysis and actions it undertook to evaluate and pursue opportunities to procure needed resources qualifying for expiring tax credits. The Commission was explicit that the reasonableness of the Company's actions in evaluating and acting on any time-sensitive opportunities may be a material factor in future rate proceedings. Despite that clear direction, the Company's 2025 IRP Update, filed March 31, 2026, correctly cited by UCE, contains only a two-page Appendix H that lacks any modeling results, meaningful analysis, or proactive market outreach. This is not the "responsible and prudent evaluation" the Commission required.

Interwest supported the underlying UCE request in Docket No. 25-035-52 precisely because the renewable energy market in Utah is time-sensitive and competitive. The Commission recognized this reality in the October Order. The Company's failure to take the October Order seriously, when the cost consequences are now quantified by UCE as approximately \$10 billion in higher total system costs compared to the 2025 IRP, is deeply troubling and warrants Commission action.

II. TAX-ADVANTAGED PROJECTS ARE AVAILABLE IN THE MARKET TODAY

Interwest's member companies are active participants in renewable energy development across Utah and the broader Rocky Mountain region. Based on Interwest's direct knowledge of market conditions, the premise underlying the Company's statement that there is "no meaningful differentiation between PTC and non-PTC resources currently available in the market," is inconsistent with market reality.

As UCE's Motion explains, numerous developers have taken affirmative steps to "start construction" on renewable energy projects in order to preserve their eligibility for federal tax credits under the U.S. Treasury's guidance implementing H.R. 1. IRS guidance provides that projects that have commenced construction have limited time to be placed in service. This means that for projects that have already commenced construction, there is a functional, imminent hard deadline for the Company to contract, and that opportunity grows more limited with each passing month as developers' project pipelines are committed elsewhere.

The following market conditions, known to Interwest through its member companies, underscore why a genuine market solicitation would reveal a materially different picture than the Company suggests:

- Multiple developers with projects that have commenced construction have indicated to Interwest that they have available projects that could interconnect with the Company's system.
- Tax credit eligibility is an important input into these developers' pricing calculations.
- Developers with national portfolios are actively seeking off-take agreements with utilities that demonstrate a clear and timely procurement pathway. Without proactive

outreach from the Company, these projects may be committed to other utilities or jurisdictions.

- The tax credit benefit associated with these projects, the very benefit the Commission directed the Company to evaluate, represents real, quantifiable value to Utah ratepayers that the Company has not modeled.

The Company's reliance solely on bids from the Washington Situs RFP as the basis for its analysis compounds its failure to comply with the October Order. A Washington Situs RFP is structurally distinct from a system-wide all-source RFP and is subject to Washington compliance requirements and initiatives, distinct capacity valuation, community-benefit scoring, and/or constraints on resource dispatch optimization. These factors systematically differentiate bid prices relative to what would be expected in an unrestricted system RFP for Utah customers. The Company's comparison of these bids to proxy resource costs, rather than to the costs of other real resources available in the market, is not a meaningful analysis.

III. THE COLORADO NEAR-TERM PROCUREMENT PROCESS DEMONSTRATES WHAT IS POSSIBLE

As UCE's Motion describes, the Public Service Company of Colorado's 2025 Near-Term Procurement process provides an instructive example of what a responsible and prudent evaluation of the time-limited tax credit opportunity looks like. That process attracted 41,900 MW of bids, nearly ten times the solicited capacity, with median levelized bid prices of \$46.24/MWh for solar, \$44.20/MWh for wind, and \$58.09/MWh for solar-plus-storage. The analysis in that proceeding showed estimated ratepayer savings of approximately \$4.97 billion on a net present value basis, representing a 39% savings from procuring tax-advantaged resources rather than foregoing the credits.

The Colorado experience is directly relevant here. It demonstrates that competitive, tax-advantaged renewable energy projects are available in the regional marketplace today, and that a utility willing to proactively solicit and model them can expect to achieve substantial savings for its customers. The Company's unwillingness to conduct comparable analysis, despite a direct Commission Order to do so, leaves Utah ratepayers exposed to billions of dollars in unnecessary costs.

Interwest believes that a comparable solicitation directed at projects interconnecting with the Company's system would yield similarly robust results. The renewable energy development pipeline in Utah and the surrounding region is active. Developers are making capital allocation decisions now. Each month the Company delays meaningful evaluation is a month in which the pool of available, tax-credit-eligible projects narrows.

IV. INTERWEST SUPPORTS THE RELIEF UCE HAS REQUESTED

Interwest urges the Commission to grant UCE's Motion and compel the Company to conduct the analysis the October Order required. Specifically, Interwest supports the Commission ordering the Company to:

- Run a model sensitivity using Plexos or a comparable tool that allows for endogenous selection of tax-advantaged wind and solar resources with commercial online dates in the next three to four years, with appropriate proxy build costs reflecting actual market conditions for tax-credit-eligible projects; and
- Proactively solicit bids from project developers with tax-credit-eligible projects capable of interconnecting with the Company's system, and disclose the number, size, location, cost (with and without tax credits), and storage configurations of those projects.

These are precisely the steps a utility exercising "responsible and prudent" judgment would take given the market conditions that now exist. They are not burdensome. The Company has the modeling infrastructure and the regulatory obligation to perform this analysis. The October Order gave the Company clear direction. The 2025 IRP Update demonstrates that the Company has not followed it.

The Commission's authority to direct the Company in this regard is well-established. As the Commission noted in the October Order, the reasonableness of the Company's actions in evaluating and acting on time-sensitive procurement opportunities "may certainly be a material factor in future rate proceedings." That statement was a warning. The 2025 IRP Update, which calculates approximately \$6 billion in additional costs attributable directly to the absence of production tax credits, confirms that the warning was warranted. The Commission should act now to ensure that this analysis is completed while the opportunity to procure tax-advantaged resources remains.

CONCLUSION

For the foregoing reasons, Interwest respectfully supports UCE's Motion to Enforce the Commission's October 17, 2025, Order and urges the Commission to compel PacifiCorp to conduct a responsible and prudent evaluation of the available market for tax-advantaged renewable energy resources, consistent with the analysis described above and the relief UCE has requested.

Respectfully submitted this 13th day of May, 2026.

/s/ Christopher Leger

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CERTIFICATE OF SERVICE

I certify that on May 13, 2026, a true and correct copy of the foregoing was delivered upon the following via e-mail:

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