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Mayor

DEBBIE LYONS
Director

DEPARTMENT OF SUSTAINABILITY

Comments

To: Public Service Commission of Utah
From: Salt Lake City Corporation
Christopher Thomas, Sustainability Project Coordinator
Date: November 7, 2025
Re: Reply Comments in Docket No. 25-035-30: Avoided Cost Input Changes Quarterly Compliance Filing

Salt Lake City Corporation (SLC Corp) is the local governing body for Utah's capital city. SLC Corp has established renewable energy and carbon emission reduction targets and is a member of the Utah Renewable Communities, a coalition of 19 communities working in partnership with Rocky Mountain Power (Company) to launch a new clean energy option for electricity customers within the communities. SLC Corp is also a party to a renewable energy service contract with the Company pursuant to which a Schedule 34 clean energy resource (the Elektron Solar Project) has reached commercial operation, and SLC Corp may seek future Schedule 34 resources. As such, SLC Corp's interests are substantially affected by the Company's update to its Schedule 38 avoided cost prices. SLC Corp appreciates the opportunity to provide these comments on the update to Schedule 38 avoided cost prices and challenge as non-routine some of the Company's methodology.

Background

On May 7, 2025, the Company filed its Q1 2025 quarterly update on Schedule 38 pricing, which proposed to dramatically reduce avoided cost prices for various energy sources under Schedule 38. The proposed changes are reflected below:

Technology	2024 Q3 Pricing ($/MWh)*	2025 Q1 Proposed ($/MWh)*	Difference (%)
Thermal	53.81	30.77	-43%
Wind	29.02	17.27	-40%
Solar Tracking	38.42	23.41	-39%

* Dollar values shown are from RMP Workpapers, 25-035-30 Appendix B.1 *15-Year Levelized Prices (Nominal) @6.69% Discount Rate from 2026-2040*

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On May 27, 2025, SLC Corp filed comments challenging as non-routine the methodology used by the Company and requesting that the Commission suspend the Company's proposed Schedule 38 updates and open an investigation to allow additional review of the Company's assumptions and calculations. On July 17, 2025 the Commission noticed a virtual scheduling conference and subsequently issued an order dated August 1, 2025 creating further process in this docket – namely, an opportunity for comments and reply comments.

On September 30, 2025, PacifiCorp filed its Q2 2025 quarterly compliance filing, this time proposing even larger reductions to indicative avoided cost pricing:

Technology	**2024 Q3 Pricing ($/MWh)**	**2025 Q2 Proposed ($/MWh)****	**Difference (%)**
Thermal	53.81	36.82	-32%
Wind	29.02	5.52	-87%
Solar Tracking	38.42	3.84	-86%

** Dollar values shown are from RMP Workpaper Appendix D.2 reproduced on PDF page 53 of Company's September 30, 2025 filing. *15-Year Levelized Prices (Nominal) @6.38% Discount Rate from 2026-2040*

In a closely related docket (Docket No. 25-035-T03) pertaining to Schedule 37 avoided costs, Western Resource Advocates (WRA) asserted that the Commission "should not update avoided cost prices pursuant to the 2025 IRP until parties have had a full opportunity to provide recommendations on the IRP" and, further, that the Commission "should consider changing the timing of future avoided cost updates to give stakeholders an opportunity to review the filed IRP before avoided cost changes take effect," among other recommendations.[1]

Another party to that docket, Renewable Energy Coalition (REC), filed reply comments on September 3, 2025 endorsing these two WRA requests.[2]

[1] Docket No. 25-035-T03, WRA Comments (July 18, 2025) at 2.
[2] *See* Docket No. 25-035-T03, Renewable Energy Coalition Comments (Sept. 3, 2025) at 6.

In its reply comments in that docket, SLC Corp also endorsed all of WRA's recommendations, stating that "[b]ecause of the unprecedented changes to the Company's 2025 IRP, SLC Corp requests that the Commission make a procedural change that delays updates to the Schedule 37 and 38 avoided cost prices until after full evaluation of the Company's 2025 IRP and leave in place the current Schedule 37 and 38 avoided cost prices and inputs until then."[3] SLC Corp enumerates various determinations the Commission could establish at the time the Company's 2025 IRP is either acknowledged or not acknowledged to update Schedule 37 and 38 avoided cost pricing.

The Division of Public Utilities (Division) proposed approving the Company's Schedule 37 avoided cost updates but also says in its reply comments dated September 3, 2025 that "[a]lternatively, the Commission might leave the Schedule No. 37 pricing at the last approved levels until such time the 2025 IRP inputs used to inform the PLEXOS model are better understood, at which time direct RMP to refile its Schedule No. 37 updates."[4]

Comments filed in this Schedule 38 docket are consistent with those filed in the Schedule 37 docket. In initial comments in this docket, WRA reiterated its position expressed in docket 25-035-T03 that "[u]ntil the Company establishes appropriate and reasonably accurate avoided cost input assumptions, the Commission should use the 2023 IRP Update as the basis of avoided costs."[5] WRA also reiterated the position that the Commission "should change its current practice and allow renewable qualifying facilities (QFs) to retain RECs when deferring IRP proxy resources of the same type."[6]

[3] Docket No. 25-035-T03, SLC Corp. Reply Comments (Sept. 3, 2025) at 8-9.
[4] Docket No. 25-035-T03, DPU Reply Comments (Sept. 3, 2025) at 4.
[5] WRA Initial Comments at 1.
[6] *Id*.

Utah Clean Energy (UCE) filed initial comments in this docket likewise recommending that the Commission continue to "use the Avoided Costs from Schedule 38, filed in Docket No. 24-035-35 on March 18, 2025 (for 2024 Q4), which is based on the 2023 IRP Update" until such time as the Company's novel jurisdictional modeling approach in the 2025 IRP is acknowledged by the Commission and certain resource cost accounting errors are fixed in the 2025 IRP Update.[7]

In its initial comments in this docket, Vote Solar fundamentally questions whether the Company's approach to the 2025 IRP results in "a portfolio that reflects actual system needs" and proposes that until these questions are answered, recommends "that current avoided cost pricing from Q4 2024 remain in effect."[8]

In its comments in this docket, the Division "concludes that RMP's avoided cost prices are calculated according to the Commission's approved methods"[9] but also that, until such time as the Commission issues its findings for 2025.Q1, the Division recommends the Commission could leave the avoided cost pricing "at the last approved levels while the parties gain a better understanding of the 2025 IRP inputs used to inform the PLEXOS model and direct RMP to refile its avoided cost quarterly updates once the process is complete."[10]

Including comments in the companion Schedule 37 docket, five parties have now aligned on a recommendation to the Commission to retain the previously approved avoided cost rates until the assumptions underlying the 2025 IRP have been carefully examined and/or acknowledged. Adding the fact that DPU seems amenable to this approach means that six of seven parties have now totally or partially aligned around this recommendation.

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[7] UCE Initial Comments at 1.
[8] Vote Solar Initial Comments at 6.
[9] DPU Initial Comments at 6.
[10] *Id*. at 1.

The Company's initial comments in this docket assert that its avoided cost proposals reflect certain IRP modifications, especially including lower resource cost assumptions.

In these reply comments, SLC Corp reiterates its previous recommendation stated in our initial comments and offers additional recommendations and criticisms of the Company's proposed avoided cost rates.

Discussion

Avoided costs are the Commission's last best policy lever to encourage new electricity generation this decade.

The Company forecasted back in April of 2024 that it would not seek to add new generation for the remainder of this decade when it wrote: "[t]he 2023 IRP Update preferred portfolio demonstrates that with limited procurement of battery resources in the near term, which can be achieved outside of a request for proposals process, there is a material benefit to scaling down and delaying resource acquisition until after 2030."[11]

In its recent order in the Rocky Mountain Power general rate case, the Commission wrote "[t]he PSC is supportive of the need for greater generation resources and transmission capacity to benefit Utah customers,"[12] but conceded that, "RMP testified that its owner is apparently unwilling to provide any further equity investment in RMP."[13]

[11] 2023 IRP Update at 14.
[12] Docket No. 24-035-04, Order issued April 25, 2025 at *v*.
[13] *Id*. at *iii*.

The Company's unwillingness to add new generation for its Utah customers was underlined earlier this year when, despite producing an Integrated Resource Plan (IRP) jurisdictional portfolio showing a need to add 400 Megawatts (MW) of wind and 28 MW of battery by the end of 2029,[14] it nevertheless declined to host a resource solicitation to procure these resources. The company's refusal to solicit resources stands in stark contrast to the Company's proposed action plan, which says that "PacifiCorp will initiate with individual jurisdictions the process to issue as appropriate by individual jurisdiction need, one or more independent Request for Proposals (RFP) to procure resources aligned with the 2025 IRP preferred portfolio that can achieve commercial operations by the end of December 2029."[15]

Then, in August of this year, UCE filed with the Commission a request for the Company "to open an expedited 'open call' resource procurement process that could lead to the procurement of tax-advantaged energy generation…."[16] In response, the Company again declined to pursue cost effective energy generation for its Utah customers, writing that "the Company believes no further process is necessary in this proceeding and recommends the Commission deny the Request."[17]

In its order ultimately denying UCE's request, the Commission wrote that "[t]o the extent opportunities exist for RMP to capitalize on time-limited opportunities to fill existing resource needs with projects that can be reasonably expected to qualify for expiring, beneficial tax-treatment, the PSC expects RMP to pursue them,"[18] but that its "authority does not extend to dictating the resource solicitation and procurement decisions that properly belong to the utility's management."[19]

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[14] *See* 2025 IRP (Vol. 1) at 222, Table 9.4.
[15] *Id*. at 15, Table 1.3 (Action Item 2b).
[16] Docket No. 25-035-52, UCE Application at 1.
[17] Docket No. 25-035-52, RMP Comments (Sept. 19, 2025) at 1.
[18] Docket No. 25-035-52, Order issued October 17, 2025 at 5.
[19] *Id*. at 6-7.

Importantly, however, in the order the Commission affirmed that "Utah courts have long held the PSC's primary authority resides in its 'rate-regulation function.'"[20] It is precisely this function that SLC Corp asks the Commission to exercise in determining the Schedule 37 and 38 avoided cost rates. Approving an adequate rate that fairly compensates QF developers and Schedule 34 projects at the true avoided cost is the only remaining policy lever that the Commission can exercise to encourage new tax-advantaged electricity generation to serve Rocky Mountain Power's Utah customers by the end of this decade.

The avoided cost methodology makes a presumption that the Company will acquire cost effective resources, but that presumption is no longer warranted.

The avoided cost methodology of compensating QF developers for avoided energy in the period before a proxy resource is deferred, and for avoided capacity in the period after the proxy resources is deferred, is premised on the idea that Rocky Mountain Power would have acquired all of the preferred portfolio resources. However, the Company has not completed a resource solicitation since the 2020 all source RFP, and is not currently soliciting resources despite the 2025 IRP's UIWC jurisdictional shares portfolio showing a need for new resources by 2028. So the presumption that the Company will competitively pursue new resources that are part of a least-cost resource plan is no longer warranted.

The presumption that the Company will acquire preferred portfolio resources devalues the QF avoided energy calculation.

When a QF's avoided energy value is modeled, it is modeled as if it were being added to the suite of other proxy resources selected in the preferred portfolio, with the exception of the

[20] *Id*. at 5.

resource the QF is assumed to defer. So when the Company calculates the avoided energy value of a solar QF added in 2029, for example, that solar resource dispatch is modeled as if it is contributing to a portfolio that also includes the 400 MW of preferred portfolio proxy wind resources and 28 MW of preferred portfolio proxy battery resources that appear in the Company's preferred portfolio.

But the Company has taken no action that would suggest it will acquire these preferred portfolio resources. By presuming that the Company will acquire them, the value of the modeled solar QF resource is different than it would be if it supplied energy in the absence of those 428 MW of preferred portfolio resources.

When an electric utility is financially healthy and incentivized by its owner to pursue cost-effective energy acquisition, it makes sense to presume that the utility will acquire the preferred portfolio resources. However, when a utility is either unable or unwilling to pursue cost-effective resources, then the avoided cost methodology should not presume that preferred portfolio resources are acquired. To do so would allow the Company to receive credit for resources it is unwilling to build or acquire while simultaneously devaluing resources supplied by QFs, Schedule 34 PPA contracts, and others.

Presuming that preferred portfolio resources are acquired when setting avoided costs is an important point of departure from the Company's approach to valuing resources in the context of an RFP. In an RFP, the Company assumes that no preferred portfolio proxy resources are acquired during the period covered by the RFP.

SLC Corp recommends that as long as the Company declines to host an all-source RFP to competitively acquire cost-effective resources, the avoided **energy** costs should be calculated as if preferred portfolio resources are not acquired by the Company for the next five years.

With respect to avoided **capital** costs, SLC Corp recommends that, to the extent that a preferred portfolio resource is deferred, the avoided resource capital cost should be set at a level that is "deliverable." As noted below, the assumed capital costs used for wind and solar resources in the 2025 IRP were well below what could actually be delivered to customers.

The Company's proposed avoided cost prices for wind and solar are an artifact of too-low resource cost assumptions from the 2025 IRP.

As RMP notes in its comments in this docket, resource cost assumptions in the 2023 IRP and 2023 IRP Update "were based on recent offers PacifiCorp had received as of the summer of 2022…."[21] However, the Company introduced a major methodological change for the 2025 IRP, which was to use capital cost estimates from an external resource called the NREL 2024 Annual Technology Baseline. The Company applied an incorrect escalation factor to these numbers in the IRP modeling, an error which it says will be corrected in the 2025 IRP Update.

However, it is important to note that the Company did not believe these resource costs were "deliverable" even when it chose to use them for the 2025 IRP; as quoted in SLC Corp's initial comments in this docket, Company expert Mr. Dan MacNeil said of these resource cost assumptions:

> "And I guess, I will say, I don't know that we could deliver on these costs. What's shown on this slide [slide 71] is the expected case. I don't know that we could even deliver on this, you know these are very low, lower than we have seen for

[21] RMP Initial Comments at 4.

batteries and solar and wind in recent inquiries we've had. But this is what NREL says."[22]

The Company's initial comments in this docket state that: "If PacifiCorp's May 7, 2025, quarterly update to incorporate the 2025 IRP had held capital cost assumptions unchanged at the previous values from the 2023 IRP Update preferred portfolio, avoided costs for solar would have been essentially unchanged, i.e. all other impacts related to the 2025 IRP would have largely cancelled out."[23]

The Company included in its initial comments a table showing what the avoided cost price for solar would have been if the Company had retained its practice from the 2023 IRP Update of basing IRP resource cost assumptions on offers it had actually received rather than using an external resource. A portion of that table is pasted below:[24]

Table 2 – Comparison of Recent Wind and Solar Avoided Costs

	Indicative Solar QF Avoided Cost, $/MWh					
Proposed Term:	**2025 - 2039**		**2026 - 2040**		**2027 - 2041**	
2024.Q4	$32.83	-$0.74	$35.56	+$0.37	$38.42	+$1.02
2025.Q1 (23IRP Capital)	**$33.58**	**+$9.93**	**$35.19**	**+$11.75**	**$37.41**	**+$13.73**

In other words, the 2025.Q1 avoided cost prices would have increased but for the unrealistically low (and erroneously low) proxy resource costs used by the Company.

[22] *See* Dan MacNeil discussion of slide 78 from PacifiCorp's September 25, 2025 IRP meeting: 2025 IRP Public Input Meeting 7 - September 25, Part 2 - YouTube beginning at 2:55:45.
[23] RMP Initial Comments at 6.
[24] *Id*. at 6, Table 2.

The fact that the Company proposed dramatically reducing the avoided cost price based on resource cost assumptions that it did not believe were "deliverable" underscores why the 2025 IRP should not be used to update avoided cost prices at this time and the approved avoided cost prices established using the 2023 IRP Update should be retained for now.

Going forward, the avoided capacity component of avoided costs should be based on a resource cost assumption that is "deliverable."

QFs should retain Renewable Energy Certificates (RECs) when deferring IRP proxy resources of the same type unless the IRP incorporates REC values for supply-side resources.

SLC Corp concurs with WRA that "[t]he Commission should allow Qualifying Facilities (QFs) to retain RECs when deferring IRP proxy resources" on the grounds that the IRP as conducted by the Company places no value on RECs.[25] As WRA notes in its initial comments:

> Current practice, of bestowing RECs on the Company, is based on an assumption that IRP modeling includes a monetary REC value that offsets proxy resource costs: "[T]he value of RECs PacifiCorp assumes for either building or acquiring an IRP renewable resource acts as an offset to the IRP's renewable resource capital costs.[26]

However, because the Company has not attributed any financial value to proxy resource RECs in the 2023 or 2025 IRPs, ratepayers are indifferent to QF RECs because "ratepayers have no expectation of a REC benefit greater than zero based on the IRP modeling that establishes avoided costs."[27]

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[25] WRA Initial Comments at 5.
[26] *Id*.
[27] *Id*. at 6.

If the IRP is to remain a basis upon which to derive QF avoided costs, RECs should not be accounted for in the avoided cost methodology until they are first accounted for in the IRP. Addressing REC values in the IRP process would allow stakeholders to provide input on what, if any, value is to be assigned to RECs. It may be that REC values are not quantifiable because of uncertainties regarding the market for RECs during the IRP planning horizon. In such an event, there is no basis for QF developers to be required to deliver RECs to the Company for free.

If forecasted REC values are sufficiently quantifiable, then they should be included as part of the resource cost assumption for REC-producing resources. Inclusion of a REC value would likely drive down the price of such resources and may result in additional wind and solar resources being included in the preferred portfolio and earlier in the planning horizon.

However this process turns out, it would have a material impact on the avoided cost prices and/or the disposition of RECS for wind and solar resources and would also improve upon the current approach that places zero value on RECs but assigns them to the Company for free.

The Company's proposed avoided cost calculations inaccurately count the cost of Production Tax Credits for a deferred 2031 solar resource.

Federal budget and tax legislation adopted in July of this year enacted an early phase out of clean energy tax credits such that they will not be available to projects reaching commercial operation in 2031.

Nevertheless, the Company's September 30, 2025 avoided cost proposal (2025.Q2) for solar shows large negative energy values for ten years beginning in 2032, corresponding to the ten-year period when a preferred portfolio proxy resource is displaced and when tax credits would presumably have been harvested by this deferred proxy resource:

Year	Capacity Price $/kW-yr	Energy Only Price $/MWh (2)	30.2% Capacity Factor $/MWh
2025	$0.00	$21.55	$21.55
2026	$0.00	$20.65	$20.65
2027	$0.00	$22.61	$22.61
2028	$0.00	$25.61	$25.61
2029	$0.00	$29.10	$29.10
2030	$0.00	$25.98	$25.98
2031	$0.00	$24.92	$24.92
2032	$118.94	($16.28)	$30.32
2033	$121.53	($18.36)	$29.53
2034	$124.18	($19.75)	$29.37
2035	$126.89	($22.79)	$27.71
2036	$129.65	($22.97)	$28.91
2037	$132.48	($26.60)	$26.62
2038	$135.37	($32.85)	$21.86
2039	$138.32	($35.62)	$20.54
2040	$141.33	($38.65)	$18.96
2041	$144.42	($38.12)	$21.11
2042	$147.56	$9.91	$70.68
2043	$150.78	$9.34	$71.76
2044	$154.07	$6.89	$71.06
2045	$157.43	$7.04	$72.60

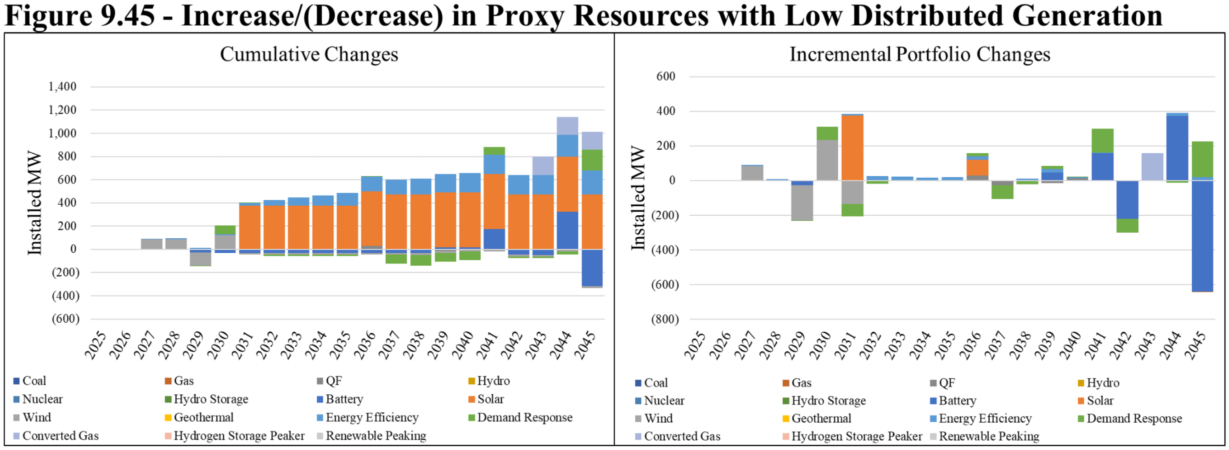
But these tax credits are no longer available and cannot be received by a proxy resource reaching commercial operation in 2031, so should not be included in the avoided cost calculation.

Unfortunately, the 2025 IRP did not evaluate which proxy resources would have been selected and when they would have been selected in the face of an early phase out of tax credits. In the absence of carefully constructing and running a scenario specifically designed to answer this question, SLC Corp recommends that the Commission simply remove the effect of clean energy tax credits from the avoided cost calculation if such tax credits are no longer available under Federal law for that proxy resource.

__The early expiration of distributed solar tax credits will likely result in the need for an additional 400 MW of solar__.

PacifiCorp's 2025 Integrated Resource Plan (IRP) counts on large amounts of new distributed customer generation to reduce peak load. For example, PacifiCorp forecasts that distributed generation reduces its East side peak demand by 341 MW, up from 157 MW in 2025. This "base case" forecast relies on the assumption that Federal tax credits for distributed solar will continue. This assumption is made despite the fact that Federal legislation phases those credits out at the end of this year. For this reason, the distributed generation is more likely to resemble the "low forecast" produced for the 2025 IRP. Using this [low distributed generation forecast in a sensitivity]() results in the selection of almost 400 MW of additional utility-scale solar that is operational in 2030 and online for the first full year in 2031:

Figure 9.45 - Increase/(Decrease) in Proxy Resources with Low Distributed Generation



Without a competitive solicitation planned, it is unlikely the Company can competitively acquire this additional solar energy by 2030.

Fair and accurate avoided cost rates are essential to mitigate against market risks.

The Company's resource mix is becoming increasingly reliant on market purchases and energy production from natural gas resources at a time when prices for both are volatile, placing customers at risk. If the Company is unwilling or unable to invest in new generation resources, fair and accurate avoided cost rates can mitigate these market risks.

A. *The 2025 IRP preferred portfolio exposes customers to much greater volumetric market risk.*

In its initial comments, the Company asserts that for the 2025 IRP, "summer market purchases are restricted to zero, but only between 4:00 p.m. and 12:00 a.m. on PacifiCorp's top five load days in each month. During other periods, PacifiCorp expects plentiful market supply will be available."[28]

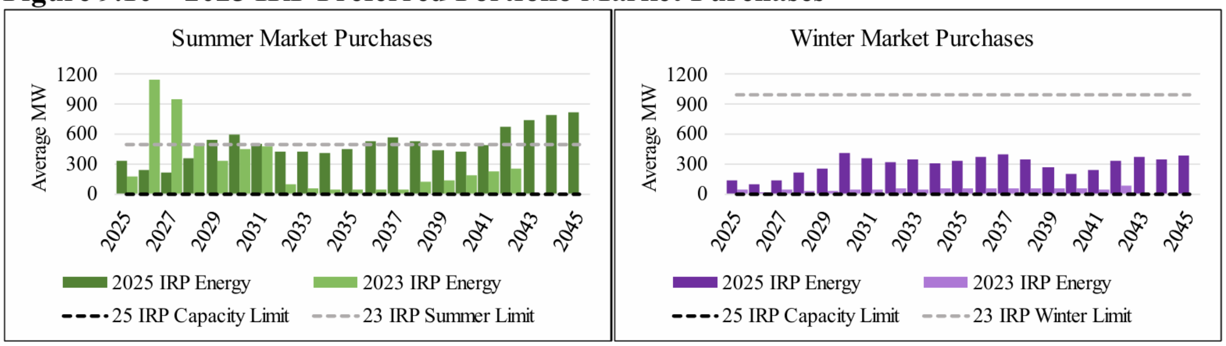
While this may accurately reflect the way the 2025 IRP model was designed and operated, this approach suffers from a significant flaw. As detailed by other parties in comments related to the IRP, the Company's 2025 IRP did not model system peak with a reserve margin.[29] Consequently, the "top five load days in each month" during the summer season may be understated in the model, meaning that in practice the Company may experience higher peak loads and may need to rely on market purchases in excess of five days each month during the summer peaking season.

[28] RMP Initial Comments at 2.

[29] *See, e.g.*, Docket No. 25-035-22, WRA Comments (Sept. 25, 2025) at 39-42 (noting that none of the jurisdictional portfolios in the 2025 IRP incorporates a reserve margin).

Additionally, the Company's comments do not mention that its approach in the 2025 IRP entails greater volumetric market exposure beginning this decade. The 2025 IRP includes a chart that compares winter and summer market purchases between the 2023 and 2025 IRPs, and it shows larger market purchases in the 2025 IRP beginning in 2025 (winter) and 2029 (summer):[30]

Figure 9.10 – 2025 IRP Preferred Portfolio Market Purchases



B. The PacifiCorp system is also becoming increasingly reliant on natural gas generation, which is subject to increasing price pressure from Liquefied Natural Gas export facilities and data center expansion.

The PacifiCorp system is becoming increasingly reliant on natural gas as the Company converts 562 MW of coal units to natural gas.

At the same time, the U.S. Energy Information Administration (EIA) recently projected that US LNG exporters have announced plans to "more than double U.S. liquefaction capacity, adding an estimated 13.9 billion cubic feet per day (Bcf/d) between 2025 and 2029."[31] And S&P Global recently projected that "U.S. data centers' increasing energy demands will lead to additional

[30] *See* 2025 IRP (Vol. 1) at 232, Figure 9.10.
[31] *See* https://www.eia.gov/todayinenergy/detail.php?id=66384

gas demand of between 3 billion cubic feet per day (bcf/d) and 6 gcf/d by 2030, from a starting point of almost none today."[32]

These additional demands on natural gas could lead to extreme price increases in both the Company's own natural gas generation and market purchases supplied by natural gas generation before the end of this decade. New wind, solar, and battery generation could help mitigate this risk, but the Company has said it will not make new generation a priority until after 2030.

At a time when the electric utility is either unwilling or unable to invest in new energy resources for its Utah customers, it is critical to have a fair avoided cost rate that will motivate the cost-effective build-out of energy resources to help mitigate this kind of price risk.

Recommendations

Because of the unprecedented changes to Company's 2025 IRP, SLC Corp recommends that the Commission make a procedural change that delays updates to the Schedule 37 and 38 avoided cost prices until after full evaluation of the Company's 2025 IRP and leave in place the current Schedule 37 and 38 avoided cost prices and inputs until then.

SLC Corp further recommends that, after the Commission issues its order on the 2025 IRP in Docket No. 25-035-22, then—in this docket and the separate docket to address Schedule 37—the Commission issue specific findings related to the choice of portfolio and cost assumptions used as inputs in the avoided cost methodology, including:

- whether the portfolio used as an input for avoided cost price calculations should be based on the IRP planning period, as required in the Commission's guidelines;

[32] *See* https://www.spglobal.com/ratings/en/regulatory/article/241022-data-centers-more-gas-will-be-needed-to-feed-u-s-growth-s13290987

- whether the portfolio used as an input for avoided cost price calculations should include resources that have been modeled as "zero cost" resources, which appears to be prohibited by the Commission's requirement that resources be evaluated on a "comparable and consistent basis";
- whether the cost for resources included in the portfolio should be "deliverable," in other words, set at a level that the Company could reasonably expect to acquire such resources, and whether these costs should be assumed to de-escalate in the first five years;
- if the Company bases its cost assumptions on a third-party resource like the NREL ATB, whether the publication of new cost assumptions should be automatically incorporated as routine updates in avoided cost updates;
- whether the portfolio used as an input for avoided cost price calculations should reflect cost-effective resource selections for Utah customers, free from the influence of other states' energy policies and requirements for RECs;
- whether the IRP models Renewable Energy Certificates (RECs) as having financial value, and if not, ordering that RECs should be retained by QFs to maintain customer indifference; and
- whether IRP assumptions match current Federal policy with regard to energy-related tax credits and, if not, whether the avoided cost calculation should assume that a future deferrable proxy resource should model energy tax credits as lost customer revenue, if such tax credits are not actually available based on proxy resource timing;
- whether avoided energy costs should be calculated in a way that does not presume the Company will acquire preferred portfolio resources in the next five years, if the Company has failed to initiate a competitive resource solicitation.

At a time of unprecedented electrical demand growth, artificially low avoided cost prices could jeopardize the State of Utah's economic growth opportunities for the foreseeable future.

DATED November 7, 2025

Respectfully submitted,

/s/ Christopher Thomas

Christopher Thomas

Sustainability Project Coordinator

CERTIFICATE OF SERVICE
Docket No. 25-035-30

I hereby certify that a true and correct copy of the foregoing was served by email this 7th day of November 2025, on the following:

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