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- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Request for Expedited Investigatory Docket and Agency Action	**Docket No. _______**

Pursuant to Utah Code Ann. § 63G-4-201(1)(b), Utah Clean Energy (hereinafter "UCE") respectfully submits this Request for Expedited Investigatory Docket and Agency Action. UCE requests that the Public Service Commission ("Commission") open an investigatory docket and direct PacifiCorp (hereinafter "the Company") to open an expedited "open call" resource procurement process that could lead to the procurement of tax-advantaged energy generation, in light of the recent passage of H.R. 1[1] by Congress, as outlined below. Tax advantaged projects would offer significant savings to ratepayers.

I. INTRODUCTION

Time is of the essence. There is a tight window of opportunity for energy resource developers and the Company to develop new energy resources to capture federal tax credits, resulting in significant cost savings for ratepayers. The ratepayer savings could amount to billions

[1] Public Law 119-21, 139 Stat. 72, §§ 70512-13 (July 4, 2025).

of dollars. In order to capture these credits, developers and the Company need rapid project approvals to meet deadlines defined by H.R. 1 and further refined by recently issued U.S. Department of Treasury guidance ("Treasury Guidance")[2]. This Request for an expedited Investigatory Docket and Agency Action 1) provides an overview of recent legislative changes; 2) describes the near-term resource needs from the Company's Integrated Resource Plans; 3) quantifies the potential savings from rapid procurement; 4) explains why currently open resource solicitations are insufficient; 5) provides the Commission's authority; and 6) describes UCE's Request for Expedited Investigatory Docket and Agency Action to facilitate a hybrid resource procurement approach that contains elements of a traditional Request for Proposals (hereinafter "RFP"). Finally, this Request explains how the Company could procure necessary and cost-effective resources by following the process outlined in Utah Code Section 54-17-501 to secure a waiver of energy resource procurement requirements.

II. BACKGROUND

The U.S. Congress recently passed H.R. 1, which established new time-limited windows and requirements to qualify for technology-neutral energy tax credits, Section 45Y Clean Energy Production Tax Credits ("PTC") and Section 48E Clean Electricity Investment Tax Credits ("ITC"). In addition, the U.S. Treasury Department, on August 18, 2025, issued new guidance for projects to qualify for the above tax credits pursuant to H.R. 1. The combination of the passage of H.R. 1 and new U.S. Treasury guidance have created new restrictions and abbreviated timelines for clean energy projects to qualify for tax credits. *See* Table 1 below, illustrating the timelines and requirements for projects to qualify for the tax credits. Utah Clean Energy is requesting a

[2] https://www.irs.gov/pub/irs-drop/n-25-42.pdf

Request for Expedited Investigatory Docket and Request for Agency Action in an effort to capture the savings of tax advantaged projects that provide the greatest economic benefit to ratepayers, before the opportunity disappears.

Table 1. Impacts of H.R. 1 and Updated U.S. Treasury Guidance on Energy Project Tax Credit Eligibility

	Commence Construction Requirement	**Foreign Entities of Concern (FEOC) Requirements**	**4-year Safe Harbor Guarantee for Receipt of Tax Credits**	**Placed in Service Requirements**
Pathway 1 Safe harbor prior to 9/2/2025	5% of project finance or physical work of a significant nature	Exempt from new FEOC guidelines	Yes	4 years after construction commences
Pathway 2 Safe harbor between 9/2/2025-12/31/2025	Physical work of a significant nature commenced by 12/31/2025	Exempt from new FEOC guidelines	Yes	4 years after construction commences
Pathway 3 Safe harbor between 1/1/2026-7/4/2026	Physical work of a significant nature commenced by 7/4/2026	**Not** Exempt from new FEOC guidelines	Yes	4 years after construction commences
Pathway 4 Safe harbor between 7/5/2026-12/31/2027	Physical work of a significant nature and placed in service by 12/31/2027	**Not** Exempt from new FEOC guidelines	No	End of 2027

Note: Tables 2 and Table 3 below illustrate the potential rate payer cost benefits of procuring tax advantaged resources.

III. NEAR-TERM RESOURCE NEED

There is substantial near-term need for resources that qualify for federal tax credits under current federal policies enacted by H.R. 1. These resource needs are described by the Company's 2023 and 2025 Integrated Resource Plans (IRPs). In addition, Governor Cox's Operation Gigawatt[3] initiative to double Utah's energy generation capacity in the next decade with an "all of

[3] https://governor.utah.gov/press/news-release-gov-cox-unveils-operation-gigawatt/

the above" energy strategy supports taking advantage of opportunities to build tax-advantaged energy resources.

The 2025 IRP system-wide preferred portfolio includes 3181 MW of tax-advantaged solar and 2641 MW of tax-advantaged wind that will reach commercial operation by the early 2030s. To meet this deadline, the Company would need to begin an RFP procurement process within the 2025 IRP Action Plan timeframe in the next four years. However, given the updated federal legislation, ratepayers will save an extraordinary amount of money if the Company accelerates procurement to capture the tax credits.

Beyond the system-wide perspective, the Company's 2025 IRP proposes a jurisdictional portfolio approach toward resource allocation. This approach has yet to receive acknowledgment from any state commission and the Company has only recently filed an accompanying cost allocation proposal for this approach in Docket No. 25-035-47. *Nevertheless, the jurisdictional portfolio for the Utah, Idah, Wyoming, and California (UIWC) states project a need of 668 MW of tax-advantaged solar resources and 744 MW of tax-advantaged wind resources within the Action Plan and Implementation time windows.* These jurisdictional portfolio resource needs represent the bare minimum resource need that should be evaluated for the rapid tax-advantaged procurement process that UCE is requesting in this Request.

In addition to the jurisdictional portfolio and the system-wide needs, this Request also compares the total resource needs in the entire planning horizon of the 2025 IRP (4765 MW solar, 3782 MW wind), and the resource needs that the 2023 IRP projected for 2025-2032 (7555 MW solar, 8379 MW wind). These additional comparisons illustrate the potential upper limits of resource needs to evaluate for the rapid tax-advantaged procurement process.

It should also be noted that the Company's 2022 All-Source RFP, based on the resource needs in the 2021 IRP, called for 1345 MW of new tax-advantaged wind and solar resources and 600 MW of co-located energy storage by the end of 2026.[4] Had the Company not unilaterally terminated the 2022 All-Source RFP, a significant portion of the resources needed today would already be under contract, using secured tax credits. Thus, there is an even greater need to rapidly procure resources today using an expedited process to save significant ratepayer costs and control rising electricity prices.

IV. RAPID PROCUREMENT SAVES SIGNIFICANT RATEPAYER COSTS.

Rapid procurement of tax-advantaged resources could save ratepayers up to billions of dollars in energy costs. To quantify the potential for savings in Tables 2 and 3 below, UCE has used the following information as published in the 2025 IRP: the total resource cost for utility scale wind and solar resources in $/MWh; the published resource cost for utility scale wind and solar resources when taking advantage of the ITC/PTC; the capacity factor for either utility scale wind or solar over the six state utility area; the asset lifetime for wind or solar; and the published solar and wind resource needs of the 2025 IRP preferred portfolio. UCE used this information to calculate the cost of resources with and without taking advantage of the ITC/PTC. Based on the 2025 IRP data, the ITC/PTC could save ratepayers 56.8% for solar resources and 55.7% for wind resources over the life of the resource. In dollars, this amounts to over $150 million of savings for every 100 MW of solar built and over $210 million of savings for every 100 MW of wind built.

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[4] https://www.pacificorp.com/suppliers/rfps/2022-all-source-rfp.html

These costs are indicative of significant ratepayers cost savings. This Request for Expedited Agency Action is necessary to determine actual level of savings available for the benefit of ratepayers.

Table 2. Comparison of Resource Costs With and Without ITC/PTC for Solar

Utility Scale Solar	Total Resource Cost	Resource Cost with ITC/PTC	Ratepayer Savings by Capturing Tax Credits	Percent Cost Savings for Ratepayers
System Cost ($/MWh)[1]	$44.24	$19.09		
hours/yr	8760	8760		
Capacity Factor[2]	27.33%	27.33%		
Asset Life (years)[3]	25	25		
Size of built resource (MW)	100	100		
Energy cost over asset lifetime ($)	$264,788,345	$114,258,804	$150,529,541	56.8%
2025 IRP UIWC solar resource by 2032 (MW)[4]	668	668		
Energy cost over asset lifetime ($)	$1,768,786,143	$763,248,813	$1,005,537,331	56.8%
2025 IRP PacifiCorp system solar resource need by 2032 (MW)[4]	3181	3181		
Energy cost over asset lifetime ($)	$8,422,917,248	$3,634,572,565	$4,788,344,683	56.8%
2025 IRP PacifiCorp system solar resource need by 2044 (MW)[4]	4765	4765		
Energy cost over asset lifetime ($)	$12,617,164,630	$5,444,432,025	$7,172,732,605	56.8%
2023 IRP PacifiCorp system solar resource need by 2032 (MW)[5]	7555	7555		
Energy cost over asset lifetime ($)	$20,004,759,450	$8,632,252,665	$11,372,506,785	56.8%

Notes:

Energy cost over asset lifetime = System Cost ($/MWh) x hours/yr x Capacity Factor x Asset Life (yrs) x Size of Resource (MW)

Percent Cost Savings for Ratepayers = (Ratepayer Savings by Capturing Tax Credits)/(Total Resource Cost)

[1] 2025 PacifiCorp IRP, Table 7.10
[2] 2025 PacifiCorp IRP, Table 7.7 Average across PacifiCorp territory
[3] 2025 PacifiCorp IRP, Table 7.3
[4] 2025 PacifiCorp IRP, Table 9.11
[5] May 31, 2023 PacifiCorp IRP, Table 9.31

Table 3. Comparison of Resource Costs With and Without ITC/PTC for Wind

Utility Scale Wind	Total Resource Cost	Resource Cost with ITC/PTC	Ratepayer Savings by Capturing Tax Credits	Percent Cost Savings for Ratepayers
System Cost ($/MWh)[1]	$42.12	$18.66		
hours/yr	8760	8760		
Capacity Factor[2]	34.37%	34.37%		
Asset Life (years)[3]	30	30		
Size of built resource (MW)	100	100		
Energy cost over asset lifetime ($)	$380,446,204	$168,545,256	$211,900,949	55.7%
2025 IRP UIWC wind resource by 2034 (MW)[4]	744	744		
Energy cost over asset lifetime ($)	$2,830,519,760	$1,253,976,703	$1,576,543,057	55.7%
2025 IRP PacifiCorp system wind resource need by 2034 (MW)[4]	2641	$2,641		
Energy cost over asset lifetime ($)	$10,047,584,256	$4,451,280,205	$5,596,304,051	55.7%
2025 IRP PacifiCorp system wind resource need by 2044 (MW)[4]	3782	3782		
Energy cost over asset lifetime ($)	$14,388,475,447	$6,374,381,573	$8,014,093,875	55.7%
2023 IRP PacifiCorp system wind resource need by 2032 (MW)[5]	8379	8379		
Energy cost over asset lifetime ($)	$31,877,587,460	$14,122,406,980	$17,755,180,480	55.7%

Notes:

Energy cost over asset lifetime = System Cost ($/MWh) x hours/yr x Capacity Factor x Asset Life (yrs) x Size of Resource (MW)

Percent Cost Savings for Ratepayers = (Ratepayer Savings by Capturing Tax Credits)/(Total Resource Cost)

[1] 2025 PacifiCorp IRP, Table 7.10

[2] 2025 PacifiCorp IRP, Table 7.7 Average across PacifiCorp territory

[3] 2025 PacifiCorp IRP, Table 7.3

[4] 2025 PacifiCorp IRP, Table 9.11

[5] May 31, 2023 PacifiCorp IRP, Table 9.31

V. CURRENT RESOURCE SOLICITATIONS WILL NOT MEET THE NEED.

The Company currently has several active Requests for Proposals,[5] but none of them are sufficient to meet this time-limited opportunity. The 2025 Situs RFPs for Washington and Oregon resources do not cover resources needed for UIWC jurisdictions, and may also fail to meet system-wide resource needs. Additionally, there is a 2025 Oregon Small-Scale Renewable RFP, but this also would not serve UIWC jurisdictions or system-wide resource needs. Finally, there is an RFP for the Utah Renewable Communities program, but the Company is not responsible for that RFP and that program is not intended to meet UIWC or system resource needs. Therefore, there is currently not a mechanism to procure resources for this time-limited opportunity.

VI. INDUSTRY PROJECTS ARE AVAILABLE.

UCE has contacted several energy project developers to informally inquire whether they have shovel-ready projects that could take advantage of the tax credits. Multiple companies responded that they have projects that could qualify for the tax credits. Interwest Energy Alliance, a regional renewable energy industry trade association that represents independent developers in this region, also indicated they have member developers with projects that could qualify for this opportunity with an expedited procurement process. Therefore, this Request would likely result in real project development opportunities with the potential to save substantial ratepayer costs.

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[5] https://www.pacificorp.com/suppliers/rfps.html

VII. REQUEST FOR EXPEDITED INVESTIGATORY DOCKET AND FOR EXPEDITED AGENCY ACTION

The Utah Legislature has vested the Commission "with power and jurisdiction to supervise and regulate every public utility in this state, and to supervise all of the business of every such public utility in this state, and to do all things, whether herein specifically designated or in addition thereto, which are necessary or convenient in the exercise of such power and jurisdiction." *See*, Utah Code Section 54-4-1. Pursuant to this broad legal authority and the need for rapid action to secure the available tax credits, UCE requests the Commission direct the Company to initiate an expedited hybrid resource procurement process. UCE requests that the process contain elements of a traditional RFP, to provide transparency, and if the resources are necessary and cost effective, for the Company to pursue them by securing a Section 54-17-501 Waiver of Energy Resource Procurement Requirements, as follows:

- Given the accelerated timeline, in particular to preserve the ability to utilize the tax credits that are only available until the end of 2025 (See Pathway 2, Table 1), UCE requests that the Commission convene Utah parties, industry, and the Company to establish an accelerated procedural timeline for this investigatory docket and Agency Action.
- The Commission should work with the Company to issue an expedited "open call" RFP to identify potential projects with development and interconnection timelines aligned with the tax credit pathways identified in Table 1. For this RFP, the Company should specify that project bids should identify the tax benefits that their projects qualify for and timelines necessary to receive these tax credits. Developers should submit their bids **with** and **without** the tax credits applied to clearly identify ratepayer savings from tax credits.

- Concurrently, the Commission should direct the Company to file analysis that identifies the costs and benefits of tax-advantaged resources to meet the resource needs identified in the 2025 IRP. The Company should be encouraged to creatively examine financial mechanisms and contract structures for resource procurement that maximize ratepayer benefits, given the updated federal legislation timelines.
- If there are bids that meet resource needs and have demonstrated economic benefits to ratepayers, the Company should utilize Utah Code Section 54-17-501 to allow an electric utility to obtain a waiver of the requirement for solicitation approval. This waiver is explicitly designed to meet the public interest where there exists "a time-limited commercial or technical opportunity that provides value to the customers of the affected electrical utility." This waiver mechanism allows for rapid Commission oversight and approvals not be possible in a typical RFP process, as is necessary to meet federal legislative timelines.
- If there are no viable projects that can meet the tax credit pathways, or if the proposed projects do not provide value to customers of the electrical utility, then the Company should not be obligated to pursue those bids. However, prudence requires the Company to choose projects that reduce costs for ratepayers and are in the public interest. *See,* Utah Code Section 54-4-4.

VIII. CONCLUSION

WHEREFORE, UCE asks the Commission to grant this request to respond to the needs of an extraordinary time and capture significant cost benefits for electricity ratepayers. Speed is essential in this case. Specifically, UCE requests that the Commission open an investigatory docket and therein direct the Company to initiate an expedited hybrid resource procurement process that contains elements of a traditional RFP to provide a transparent process, and, if resources are found to be necessary and cost effective, order the Company to pursue them by securing a Section 54-17-501 Waiver of Energy Resource Procurement Requirements or other mechanism. Interwest Energy Alliance and DESRI Renewables are supportive of this action.

DATED this 29th day of August, 2025.

Respectfully submitted,

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