

**DPU Data Request 3.5**

**CONFIDENTIAL REQUEST** - What are the major factors and modeling assumptions that, if significantly different than assumed in the calculations in Excel file “CONFIDENTIAL RMP Workpapers 3 - Cost Summary Base.2503 MN (LT. 155264 – 186051)” could result in [REDACTED] displaced (as compared to the scenario without Natrium)?

(1) For example, the Division assumes that if the actual generation mix in 2032 is weighted more heavily towards wind and solar than the generation mix as assumed in the modeling (i.e. the actual amount of generation from wind and solar in 2032 is much higher than assumed in the model for 2032) and in Table 12 of the “Cost Summary DELTA” tab (discussed in DR **Error! Reference source not found.** above), that it is likely the amount [REDACTED] would increase. Is this correct? Please explain. [REDACTED] or other categories of displacement?

**Confidential Response to DPU Data Request 3.5**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(1) The Company assumes that the reference to “DR 1.2” is intended to be a reference to the Company’s response to DPU Data Request 3.2. Based on the foregoing assumption, the Company responds as follows:

Yes. Absent other changes to the portfolio or system needs like those described above, an increase in the amount of wind and solar in the resource mix would result in more frequent curtailment of wind and solar as a result of the addition of Natrium. Note: it is not the total quantity of wind and solar in the resource mix that is relevant, but rather the number of hours in which wind and solar are the marginal source of supply. In general, when starting at a low quantity of wind and solar, those resource types would be on the margin infrequently, but each increase in wind and solar quantities would result in those resources being on the margin in more hours, with the increase in hours on the margin growing faster than the increase in wind and solar volumes in a non-linear manner.

The expectation that the Natrium facility will be part of PacifiCorp's resource mix could reduce the projected cost-effectiveness of wind and solar resources, so fewer wind and solar resources might be procured. That change in the resource portfolio could be considered displacement, but PacifiCorp did not analyze potential portfolio changes associated with the Natrium resource for the purpose of this analysis. Once wind and solar resources are procured and reach commercial operation, curtailment would be the only option to balance supply and demand when those resources are the marginal source of supply.

Confidential information is provided subject to Public Service Commission of Utah (UPSC) Rules R746-1-601–606.