

Idaho Public Utilities Commission  
Office of the Secretary  
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JAN 21 2005

Boise, Idaho



PAC-E-05-02

January 20, 2005

Idaho Public Utilities Commission  
472 West Washington  
Boise, ID 83702

Attn: Jean Jewell  
Commission Secretary

Re: Order No. 22299  
Biennial Filing of Electric Integrated Resource Plan

Dear Ms. Jewell:

Enclosed are seven copies of PacifiCorp's 2004 Integrated Resource Plan (IRP). Copies of the report and appendices are available electronically and will be posted on PacifiCorp's web page, at [www.pacificorp.com](http://www.pacificorp.com).

This IRP is submitted to the Idaho Public Utilities Commission as the Resource Management Report on the resource planning status of PacifiCorp. The IRP fully complies with the resource planning requirements in the Commission's rules.

The purpose of PacifiCorp's Integrated Resource Plan (IRP) is to provide a framework of future actions to ensure PacifiCorp continues to provide reliable, least cost service with manageable and reasonable risk to its customers. Integrated resource planning is a primary driver for PacifiCorp being an excellent regulated utility and the 2004 IRP will provide the guidance and rationale for significant resource procurements over the next several years.

PacifiCorp's planning philosophy is that an IRP will be most successful if it is *owned* by both the Company and by its stakeholders. This IRP was developed in a collaborative public process with considerable involvement from customer interest groups, regulatory staff, regulators and other stakeholders. Many suggestions for improvements to the plan were made and incorporated as the planning progressed. Many improvements to the report were also made, in response to comments received from participating stakeholders.

Since the filing of the 2003 IRP in January 2003, PacifiCorp has procured two natural gas resources via the issuance of supply-side solicitations, issued a Request for Proposal (RFP) for renewable resources, and selected three new cost-effective programs from a demand-side management (DSM) RFP. Looking forward, PacifiCorp expects its obligations to provide electricity to its customers will continue to grow, while at the same time its existing resources will diminish. The 2004 IRP proposes a number of diverse actions over the first 10 years of the 20-year study horizon aimed to close the gap. Not taking action to close this gap would expose PacifiCorp and its customers to unacceptable levels of cost, reliability and market risk.

PacifiCorp is filing this IRP and respectfully requests that Idaho Public Utilities Commission acknowledge the IRP in accordance with its rules, and fully support the IRP conclusions, including the proposed Action Plan.

PacifiCorp sincerely appreciates all the time and effort Idaho participants have dedicated to helping in the development of the IRP. Their contributions have helped make the IRP a sound plan for PacifiCorp's customers and stakeholders.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa Seymour", with a long horizontal flourish extending to the right.

Melissa Seymour  
Manager, Planning and Financial Analysis

Enclosure

PAC-E-05-02

SEE CASE FILE FOR  
IRP