

IDAHO PUBLIC UTILITIES COMMISSION

Case No. PAC-E-05-2

July 1, 2005

Contact: Gene Fadness (208) 334-0339

Website: www.puc.idaho.gov

Commission taking comments on PacifiCorp long-range plan

Boise – PacifiCorp plans to meet projected electrical demands in the next ten years by adding three natural gas power plants and two coal plants in its six-state territory and increasing its capacity through conservation programs.

The Idaho Public Utilities Commission is seeking comment on PacifiCorp's Integrated Resource Plan (IRP), which it is required to file every two years with the commission. The document provides a framework for future actions required to ensure that PacifiCorp's customers receive reliable service at the most reasonable cost available. PacifiCorp, which operates as Utah Power to its 60,000 customers in southeastern Idaho, sought input on the plan from customer interest groups, regulators and other stakeholders.

In addition to the new coal and natural gas plants, PacifiCorp is continuing to pursue a commitment it made two years ago to procure 1,400 megawatts in renewable resources, such as wind. (A megawatt is one million watts, enough electricity to light 10,000 100-watt light bulbs or to energize approximately 750 homes.)

PacifiCorp projects an annual growth in electrical demand of 3.8 percent in its three eastern states (Utah, Wyoming and Idaho) and 1.5 percent in its western states (Oregon, Washington and California). Without the development of further resources, the utility would face a shortfall in electric supply by 2009 and be 2800 MW short by 2015.

The company is proposing to add 2,629 MW from two coal and two natural gas plants in its eastern territory and one natural gas plant in its western territory. Specific sites for all the plants have not yet been determined and none are proposed for construction in Idaho. These plants will be in addition to two natural gas plants already approved, one a 525-MW plant near Mona, Utah, that will begin operating this year and the other a 534-MW plant near Lakeside in northern Utah scheduled to be on-line in 2007.

PacifiCorp also proposes to add 1,200 MW in purchased power from other suppliers and 100 MW in contracts from small-power producers through federal PURPA requirements. It also proposes the addition of 177 MW from load-control programs involving residential and commercial air conditioners, irrigation and commercial and industrial lighting. PacifiCorp hopes to produce 250 average megawatts in energy and capacity savings achieved through technological improvements in appliances, equipment and buildings.

Two major issues impacting PacifiCorp's resource choices are the future costs of natural gas and the future cost of or constraints on air emissions – carbon dioxide emissions in particular – that may be imposed on the company by government regulation.

As of March 31, 2004, PacifiCorp, with 1.6 million customers, generated from 54 hydroelectric plants producing 1,164 MW; 11 coal plants (6,107 MW), five natural gas plants (683 MW) and a wind plant, generating 32.6 megawatts.

Acceptance of the plan does not mean the commission will approve all the projects proposed in the plan.

Those wanting to comment on PacifiCorp's plan can do so through July 29. Comments are accepted via e-mail by accessing the commission's homepage at www.puc.idaho.gov and clicking on "Comments & Questions." Fill in the case number (PAC-E-05-2) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.