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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE FILING BY)
PACIFICORP DBA ROCKY MOUNTAIN) **CASE NO. PAC-E-07-11**
POWER OF ITS 2007 INTEGRATED)
RESOURCE PLAN (IRP)) **COMMENTS OF THE**
) **COMMISSION STAFF**
)

The Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Neil Price, Deputy Attorney General, submits the following comments in response to Order No. 30362, the Notice of Filing, Notice of Modified Procedure and Notice of Comment Deadline issued on July 2, 2007.

BACKGROUND

On May 30, 2007, PacifiCorp filed its 2007 Integrated Resource Plan (IRP) with the Commission pursuant to the biennial filing requirement mandated in Order No. 22299, as modified in Order No. 30262. PacifiCorp (dba "Rocky Mountain Power") serves approximately 1.6 million retail energy customers over a service area encompassing portions of six western states: Utah, Oregon, Wyoming, Washington, Idaho and California. Rocky Mountain Power serves approximately 68,000 customers in southeastern Idaho. PacifiCorp filed its last IRP with the Commission on January 1, 2005. In 2006, the Company was acquired by Mid American

Energy Holdings Company (“MEHC”), a global energy resource production company and resource supplier.

PacifiCorp states that its purpose in preparing the IRP is to: “(1) determine future long term resource needs and develop an informed and comprehensive assessment of the cost and risk implications of alternatives for meeting those needs, and (2) develop a framework of future actions to ensure PacifiCorp continues to provide reliable, least-cost service with manageable and reasonable risk to its customers.” *Transmittal Letter* at 1-2. PacifiCorp cites the contemporary development of regulatory policies targeted at reducing the “carbon footprint of utilities” and the increased emphasis on the development of renewable energy as specific challenges it is facing. *Id.*

Prior to submitting its IRP, the Company studied 12 separate portfolios in order to identify a portfolio that demonstrated superior performance in terms of estimated cost, customer rate impact, cost versus risk balance across five different CO₂ cost adder levels and supply reliability. *See PacifiCorp 2007 IRP* at 6, 139. Ultimately, the Company settled upon a preferred portfolio that includes the acquisition of the following energy resources:

- 2,000 MW of renewable resources by 2013
- 100 MW of load control beginning in 2010
- West-side combined cycle combustion turbine (“CCCT”) in 2011 (602 MW)
- High-capacity-factor baseload resources to PacifiCorp’s eastern system in 2012 (340 MW) and 2014 (527 MW)
- Eastern system CCCT’s in 2012 (548 MW) and 2016 (357 MW)
- Firm market purchases to meet system needs beginning in 2010
- Transmission additions/upgrades between 2010-2014 to support resources

Id. at 7.

Prior to the 2011-2012 period, PacifiCorp plans to address its projected resource deficits through the procurement of additional renewable resources, demand side programs and market purchases. *Id.* at 3. The Company has made requests for proposal (“RFP”) for additional base load resources, renewable resources and demand side resource programs benefiting the eastern portion of its service area. *Id.*

Faced with the likelihood of energy deficiencies, PacifiCorp has taken recent steps toward increasing its resource production. In June 2006, PacifiCorp converted its Currant Creek facility from a simple cycle combustion turbine to a combined cycle combustion turbine (“CCCT”). *Id.* at 61. It will add its Lake Side CCCT facility this month. *Id.* These additions will be offset by the

expiration of two resource procurement contracts, a 400 MW agreement with TransAlta Energy Marketing and a 575 MW BPA peaking contract, in June 2007 and August 2011, respectively. *Id.*

PacifiCorp estimates that customer loads will grow at an average rate of 2.4% annually from 2007 to 2016. *Id.* at 4 (Figure 1.1) and *Errata to 2007 IRP*. PacifiCorp's eastern system (Idaho, Utah and Wyoming) continues to display a significantly higher rate of energy growth than its western system, with an annual average energy growth rate of 3.2% and 1.2% respectively. The annual growth for the Idaho service area over that same 10-year period is estimated to be 1.3%. *Id.* at 3 (Table 1.1).

The Company currently forecasts a summer peak resource deficit beginning in 2008 to 2010 depending on whether a 12% or 15% planning reserve margin is used. *Id.* In 2009, the Company will become energy deficient on an annual basis, using a 12% planning reserve margin. *Id.* Beginning in 2010, its system will operate at a 791 MW deficiency, again based upon a 12% planning reserve margin. *Id.* The energy resource deficit will increase to 2,400 MW by the year 2012 and 3,000 MW by 2016. *Id.*

The following briefly summarizes the modeling and risk analysis conducted by the Company, along with certain influences on the process:

1. IRP Modeling

PacifiCorp employed two distinct modeling tools during its portfolio analysis: 1) Capacity Expansion Module (CEM); and 2) Planning and Risk (PaR) Module. *Id.* at 5. The two analytical models assisted the Company in arriving at the "least-cost optimization [of] resource options" and developing "risk-adjusted portfolio performance measures." *Id.* The Company's modeling approach consisted of "resource screening, risk analysis portfolio development and detailed production cost and stochastic risk analysis." *Id.*

In order to predict the most desirable resource options, PacifiCorp used the CEM to develop and analyze sixteen separate "alternative future scenarios" involving a mixture of several variables, including potential CO₂ regulatory costs, natural gas prices, wholesale electricity prices, retail load growth and the scope of renewable portfolio standards. *Id.* at 6,139. The Company views the preferred resource portfolio as one that manifests itself under a "reasonably wide range of potential future" scenarios. *Id.* Once those resource option portfolios were effectively identified, the PaR Module was then used to simulate the potential risk and cost of each through a random sampling process of the following variables: loads, commodity natural gas prices, wholesale power prices, hydro energy availability and thermal unit availability. *Id.*

2. CO₂ Emissions

PacifiCorp's IRP also addressed the potential costs/effects of CO₂ emission compliance. *Id.* at 6. According to the Company, the costs associated with CO₂ emission compliance are not normally amenable to statistical analysis. *Id.* Thus, rather than attempting to ascertain a specific cost, the Company elected to treat the potential emission costs as "a scenario risk" in its overall IRP analysis. *Id.* The initial risk/analysis portfolios were analyzed under five different CO₂ cost adder levels - \$0/ton, \$8/ton, \$15/ton, \$38/ton, and \$61/ton (adjusted for projected 2008 dollars) – in order to determine which portfolio was most prevalent across a "reasonably wide range of potential futures." *Id.*

3. Integrated Environmental Issues

Continue to study and address contemporary environmental issues. The Company asserts that it has and will continue to assume a leadership role in discussions with stakeholders involving global climate change issues; and continue to investigate the development of carbon reduction technology, specifically clean coal, sequestration and nuclear power.

4. Diversification

Diversification of base load and intermediate load resources. The Company reiterated its desire to add approximately 1,700 MW of base load resources, a mix of thermal resources and market purchases, to its eastern system between 2012 and 2014. Further, it will seek to acquire an additional 200 to 1,300 MW of thermal and market purchase resources to benefit its western system between 2010 and 2014.

5. Transmission

Address existing problems affecting transmission of resources to customers. The Company plans an expansion of its transmission system and an upgrade in its transmission infrastructure and flexible resources, such as natural gas, in order to meet the anticipated customer loads found in the preferred portfolio. Transmission is included as a resource option for modeling purposes in the 2007 IRP, with upgrades included in the preferred portfolio.

STAFF ANALYSIS

Staff recognizes PacifiCorp prepared this integrated resource plan amid disparate jurisdictional environments, specifically in regard to resource acquisition and greenhouse gas regulation. Throughout the development period for the IRP, there were nearly 40 participants providing input, including Commission representatives from all states within the Company's

jurisdiction except for California. While this is not the first IRP to address constrained resource procurement, the 2007 IRP does represent the first of such plans in which state policies, such as renewable portfolio standards (RPS), have been in place within its service territory. PacifiCorp continues to maintain a portfolio acquisition strategy that highlights fuel source diversity, a balance between cost and risk, and a commitment to renewable energy resources. Staff believes there is still additional work that needs to be done toward reconciling varying state initiatives within the planning process, in conjunction with potential federal carbon legislation. Staff also recognizes additional work in this area by the IRP group and the Multi-State Process (MSP) workgroup.

PacifiCorp continues to expand its analysis of potential portfolios, employing multiple modeling tools, an abundance of in-house, public, and consultant data, and an array of stochastic and deterministic scenarios to identify and to test the robustness of the preferred portfolio. PacifiCorp utilizes an iterative approach to determine the preferred resource acquisition path. An initial round of 12 resource portfolios were assessed under various cost and risk scenarios that highlighted uncertainty in various assumptions, such as fuel prices, load growth and emissions costs. Certain portfolios then went through a secondary screening process based on sensitivity to changes in what the Company terms “secondary variables and other resource selection factors.” *Id.* at 124. These scenarios consist of such conditions as adjusting the planning reserve margin and construction costs. The first two phases were performed in the aforementioned CEM. After developing a generation investment schedule and determining timing and amount of front office transactions (new to the 2007 IRP), the Company then performs stochastic risk analysis using the PaR model, applying Monte Carlo methods to test for risk exposure due to variation in loads, natural gas prices, hydro availability, and thermal unit availability. The Company then evaluated the results based on a set of performance measures that included cost, risk, emissions and reliability.

Staff is satisfied with the breadth of future risks that were incorporated into the Company analysis with the caveat that evolving regulatory environments will require the Company to further expand its analysis prior to the next IRP filing. It is Staff’s opinion that resource acquisition will become further constrained for PacifiCorp, and may expose certain jurisdictions, especially Idaho, to resource decisions based less on economics and more on politics. The avenues the Commission has available to mitigate this concern are through the IRP planning process, the request for proposals (RFP) process for resource procurement, and the MSP and allocations process. Staff is

currently an active participant in developing the IRP, but not the RFP process. Staff believes that it is imperative that the Commission becomes more involved in these areas to assure that the ratepayers of Idaho are well represented.

The resultant preferred portfolio consists of a wide array of supply side resources, DSM, balancing transactions and transmission upgrades. The Company has developed a plan that acknowledges diversity and builds upon prior commitments, such as the Company's pursuit of 1,400 megawatts of cost-effective wind resources. PacifiCorp's preferred resource portfolio is summarized below.

PacifiCorp 2007 Preferred Portfolio

Supply and Demand-side Proxy Resources			Nameplate Capacity, MW									
Resource	Type	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
East	Utah pulverized coal	Supercritical					340					
	Wyoming pulverized coal	Supercritical							527			
	Combined cycle CT	2x1 F class with duct firing					548					
	Combined cycle CT	1x1 G class with duct firing									357	
	Combined Heat and Power	Generic east-wide					25					
	Renewable	Wind, Wyoming		200		200	200		300			
	Class 1 DSM*	Load control, Sch. irrigation					26	25	18			
	Front office transactions**	Heavy Load Hour, 3rd Qtr	-	-	-	393	272	97	3	149	192	165
West	CCCT	2x1 F Type with duct firing					602					
	Combined Heat and Power	Generic west-wide					75					
	Renewable	Wind, SE Washington	300	100								
	Renewable	Wind, NC Oregon			100	100		100				
	Class 1 DSM*	Load control, Sch. irrigation				12	11	12				
	Front office transactions**	Flat annual product	-	-	-	219	64	555	657	247	246	249
	Annual Additions, Long Term Resources		300	300	100	312	839	1,125	318	527	-	357
	Annual Additions, Short Term Resources		-	-	-	612	336	652	660	396	438	414
Total Annual Additions		300	300	100	924	1,175	1,777	978	923	438	771	

* DSM is scaled up by 10% to account for avoided line losses.

** Front office transaction amounts reflect purchases made for the year, and are not additive.

Transmission Proxy Resources*		Transfer Capability, Megawatts									
Resource		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
East	Path C Upgrade: Borah to Path-C South to Utah North				300						
	Utah - Desert Southwest (Includes Mona - Oquirrh)						600				
	Mona - Utah North						400				
	Craig-Hayden to Park City						176				
	Miners - Jim Bridger - Terminal						600				
	Jim Bridger - Terminal									500	
West	Walla Walla - Yakima				400						
	West Main - Walla Walla					630					
Total Annual Additions		-	-	-	700	630	1,776	-	500	-	-

* Transmission resource proxies represent a range of possible procurement strategies, including new wheeling contracts or construction of transmission facilities by PacifiCorp or as a joint project with other parties.

Planning Constraints

Staff has noted that the 2007 IRP planning process has proceeded amid a time of great change for the Company. Foremost is the acquisition of the Company by MEHC. During that process, the Company agreed to a variety of commitments both system-wide and within its six jurisdictions. *See* Final Order No. 29998. Included among these are the commitments to acquire 1,400 MW of cost-effective renewable resources (Commitment 40), increase and upgrade transmission capabilities (Commitments 34 and 35), and investigate clean-coal and emissions reducing technologies (Commitments 41 through 43 and I22).

As of 2007, the Company is slightly behind on its renewables acquisition target of 400 MW, though 335 MW in new wind projects are expected to be online by the end of the year. For the 2007 IRP, the 400 MW of the targeted 1,400 MW has been included as a committed resource, though the timing of procurement for the remaining block was subject to further evaluation. Staff believes that acquisition of these resources conforms to the commitments made, but at a cost much higher than anticipated. This is evident with the three large wind projects expected to be online this year, each of which have capital costs far in excess of those used as assumptions in the IRP. Given the amount of wind already acquired and the fact that the preferred portfolio contains an additional 600 MW of wind resources, there is a potential that the portfolio selected would have been different had modeled costs been more in line with actual costs obtained in the RFP.

PacifiCorp has been active in its investigation of clean coal technologies and emissions compliance issues. The Company is party to a number of initiatives, including those of the Wyoming Infrastructure Authority (WIA) and EPRI, to investigate the potential of integrated gasification combined cycle (IGCC) coal plants. It is in preparation stages for conducting a feasibility study to investigate IGCC technologies at its existing Jim Bridger facility. While IGCC has been a technology of interest for number of years, Staff recognizes that it is still unproven, and is not surprised that IGCC coal was not part of the selected portfolio.

State initiatives have accelerated the Company's investigation into clean coal. For example, the state of Washington has recently passed a bill that limits CO₂ emissions levels to 1,100 lbs. per MWh or less for electric generation, far below the average levels of conventional pulverized coal facilities. *See Washington SB-6001-2007-08*. In addition to state legislation, Washington has recently passed an initiative on establishing a renewable portfolio standard (RPS), joining California and Oregon as having an RPS mandate that affects the Company. For the purpose of modeling the standards, the Company includes a percentage commitment for

renewables in its analysis. PacifiCorp's east side region (Utah, Idaho, and Western Wyoming), show no signs of adopting an RPS in the near future, nor enacting emissions-curbing legislation similar to the Company's west region (California, Oregon and Washington have greenhouse gas mitigation legislation that supplements the RPS). While there has been a commonly held belief that a federal RPS is possible, to date no such legislation is under consideration.

Given these state initiatives and commitments made during the acquisition by MEHC, the IRP planning process has become increasingly more difficult and is receiving much more scrutiny than in the past. Oregon, Washington, and Utah Commissions have enacted recent enhancements to planning guidelines in order for the IRP to be in compliance with Commission requirements in their respective states. Staff believes that the Company has effectively addressed the requirements of the Idaho Commission. Staff points specifically to the inclusion of transmission resources in the 2007 IRP and treatment of demand side management programs as an improvement spurred by Commission directives.

Renewable Resources

As stated earlier, the 2007 IRP indicates that the Company's preferred portfolio contains additional renewable resources beyond those identified in the 2004 IRP. The Company states that it will continue to acquire additional renewable resources on its way toward procuring a total of 1,400 MW of renewable resources by the year 2010 and 2,000 MW by the year 2013. The 2007 IRP expedites the acquisition of the 1,400 MW, which initially was targeted to be online by 2015. A contributing factor to this new schedule is the projected capacity deficits beginning in 2012 using a 12% planning reserve margin, a 15% planning reserve margin accelerates this deficiency to 2008). 1,100 MW of renewable resources has been acquired or is currently being pursued through the RFP process (RFP 2003B, amended in March 2006). Currently, the Company has acquired four large-scale wind projects, including a purchase power agreement with the Wolverine Creek project in Idaho prior to the development of the 2007 IRP, along with a geothermal facility in Utah.

PacifiCorp utilizes a proxy resource in its portfolio analysis to represent renewable resources. Staff acknowledges that the 2,000 MW of renewables may not solely entail wind facilities, though it is assumed that the majority will be wind. Staff has historically been and continues to be supportive of cost effective wind generation to serve Idaho customers. The absence of fuel costs and carbon emissions are as important now as they ever have been with

ongoing fuel price volatility and likely emissions mitigation requirements. However, Staff wants to be assured that wind characteristics are properly modeled in the IRP and that wind resources can realistically be obtained at prices assumed when portfolios are compared.

Thermal Resources

Thermal resources figure heavily into PacifiCorp's future resource mix as it becomes increasingly capacity and energy constrained. The preferred portfolio contains both combined cycle combustion turbine (CCCT) gas units and supercritical pulverized coal facilities. The portfolio recognizes two east side CCCTs totaling 905 MW as viable resources, along with a 602 MW west side CCCT. The coal resources total 867 MW, and are proposed to be located in the east side of the system (Utah and Wyoming). Due to greater efficiencies and lower emissions, supercritical pulverized coal was selected rather than subcritical pulverized coal.

As a consequence of the filed update to the 2004 IRP, the Company suspended its 2009 RFP, but recently issued a new RFP (RFP 2012) to acquire the east side baseload resources. RFP 2012 utilizes the Intermountain Power Plant Unit 3 (340 MW) as a benchmark resource for 2012, and Bridger 5 (575 MW) as a benchmark for a 2014 resource. The Oregon PUC denied approval of the draft RFP, citing that the Company did not adequately justify the need for the amount of thermal resources it is seeking. *See OPUC Docket No. UM 1208*. While the preferred portfolio in the 2007 IRP still supports the decision, it is unclear how the Oregon ruling will affect the acquisition and cost recovery of the projects. Should the Company modify the resource acquisition strategy proposed in the 2007 IRP based on the various competing position of state jurisdictions, Staff recommends that the Company address these modifications and potential impacts on a state-by-state basis in its next IRP, if not sooner in an update to the 2007 IRP.

Staff finds that the inclusion of CCCTs in the preferred portfolio is a suitable means for the Company to address both energy and capacity needs efficiently. As was the case in the 2004 IRP, no simple cycle combustion turbines (SCCTs), commonly used for peaking needs, were included in the preferred portfolio. CCCTs provide greater operational flexibility, lower heat rates, and enjoy economies of scale over SCCTs. The obvious drawback of gas-fired resources is the reliance on volatile natural gas supplies as a fuel source. Staff is actively evaluating the Company's gas procurement and risk management policies and will provide input into Company strategies. For modeling purposes, PacifiCorp looked at a number of natural gas forecasts from multiple sources, representing a wide range of possible future prices. Recent history has proven

that predicting commodity prices for natural gas is exceedingly difficult. Staff acknowledges that the Company took an earnest approach at capturing gas price volatility when analyzing potential portfolios.

Demand Side Measures

Demand side measures (“DSM”) are an important piece of the Company’s preferred portfolio. The Company anticipates further expansion of its existing 150 MW of irrigation and air conditioning load control program in Utah and Idaho. In 2010, a 100 MW irrigation load control program will be added and will be split between its eastern and western systems. The Company will continue to run programs to acquire 250 aMW of cost-effective energy efficiency and an additional 200 aMW if cost-effective initiatives can be identified. The Company identified that DSM is an important resource to meet short-term energy needs.

PacifiCorp classifies its DSM programs as dispatchable (Class 1), energy efficiency (Class 2), or price response (Class 3). Only Classes 1 and 3 are modeled through the CEM. Class 2 was evaluated outside of the CEM as a load decrement. The CEM is a new tool for the Company, and could not sufficiently include Class 2 DSM in the model. The Company has indicated that the next IRP will include Class 2 DSM in the model. Nevertheless, Staff finds that the methods employed by the Company properly incorporates energy efficiency measures in the planning process. The 2007 IRP includes continued pursuit of potentially 450 aMW of these measures.

It should be noted that the preferred portfolio acquires Class 1 DSM as of 2010. Staff encourages the Company to closely monitor demand side opportunities with the intent to expedite expansion of DSM prior to its 2010-2011 timeframe should the possibility arise. Staff maintains that DSM can be an effective, cost-efficient means at the Company’s disposal to meet its load obligations. As an example, the Company has had great success with the Irrigation Load Control program in Idaho, and has enacted a pilot curtailable option this year. The Company will provide a report later this year with the potential for program expansion. Staff also recommends that the Company investigate critical peak pricing programs to augment its existing time-of-use schedule. The deployment of advanced metering, a necessity for peak pricing programs, should be part of that investigation.

Action Plan

PacifiCorp's Action Plan is summarized in the attachment to Staff's comments. The Action Plan details the steps that the Company intends to take in order to acquire the identified resources and further improve the IRP process. Staff believes that the identified course of action is appropriate given the analysis and conclusions reached in the 2007 IRP.

Acknowledgement

In Idaho, as in most states, the Commission "acknowledges" rather than "approves" a utility's IRP. Other states where PacifiCorp serves have similar IRP requirements and provisions for acknowledgement; however, "acknowledgement" may be viewed differently in some states than in others. Staff believes it may be helpful to explain what it believes is meant by acknowledgement in Idaho. The following policy on integrated resource planning, adopted by the Commission in Order No. 25260, Case No. GNR-E-93-3 is provided in the way of explanation:

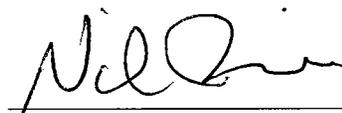
POLICIES ADDRESSING INTEGRATED RESOURCE PLANNING. Each electric utility regulated by the Idaho Public Utilities Commission with retail sales exceeding 500,000 kilowatt hours in a calendar year shall employ integrated resource planning. Each electric utility's integrated resource plan must be updated on a regular basis (no later than biennially), must provide an opportunity for public participation and comment, and must be implemented. This plan constitutes the base line against which the utility's performance will ordinarily be measured. The requirement for implementation of a plan does not mean that the plan must be followed without deviation. The requirement of implementation of a plan means that an electric utility, having made an integrated resource plan to provide adequate and reliable service to its electric customers at the lowest system cost, may and should deviate from that plan when presented with responsible, reliable opportunities to further lower its planned system cost not anticipated or identified in new existing or earlier plans and not undermining the utility's reliability. In order to encourage prudent planning and prudent deviation from past planning when presented with opportunities for improving upon a plan, an electric utility's plan must be on file with the Commission and available for public inspection, but the filing of the plan does not constitute approval or disapproval of the plan having the force and effect of law, and the deviation from the plan would not constitute violation of the Commission's orders or rules. The prudence of a utility's plan and the utility's prudence in following or not following a plan are matters that may be considered in a general rate proceeding or other proceeding in which those issues have been noticed.

The 2007 IRP represents PacifiCorp's best effort to plan according to what is known at this point in time. Staff fully expects that as conditions change and as new and better information becomes available, future IRPs will change accordingly. For PacifiCorp, the environment for resource planning is certainly in a state of flux. Not only is the Company at a point of significant resource procurement, it has to do so under increasingly stringent conditions in order to accommodate various state jurisdictional requirements. The IRP can no longer be looked upon as choosing resources based solely on cost/risk metrics. Political initiatives are now an important part of the planning process. Due to the nature of IRP acknowledgement, states such as Idaho have a more diminutive role in resource evaluation than ever before. Staff plans to look closely at all utility IRPs, chosen portfolios, action plans and RFPs to assure that the most economical resources are acquired.

RECOMMENDATION

Staff believes that the Company has adequately met the Commission's requirements in regard to the 2007 IRP. While not endorsing the proposed action plan, Staff believes that PacifiCorp has performed extensive analyses, provided sufficient opportunities for public input, and that the end result is representative of the best information available to the Company at the time of preparation. Staff therefore recommends that the Commission acknowledge the 2007 Integrated Resource Plan. Given the increasing role of jurisdictional resource mandates in the planning process, Staff further recommends that future IRPs incorporate a section devoted to the impacts, if any, of state policies on the selection of preferred portfolios. Such a section would enable the Commission to view the IRP from a system-wide standpoint, and from an Idaho jurisdictional perspective.

Respectfully submitted this 21st day of August 2007.



Neil Price
Deputy Attorney General

Technical Staff: Bryan Lanspery

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2007 IRP Action Plan

Action Item	Category	Action Type	Calendar-Year Timing	Size (rounded to the nearest 50 MW for generation resources)	Location	IRP Proxy Resource Modeled	Action
1	Renewables	New Renewables	2007 - 2013	2,000	System	Wind	Acquire 2,000 MW of renewables by 2013, including the 1,400 MW outlined in the Renewable Plan. Seek to add transmission infrastructure and flexible generating resources, such as natural gas, to integrate new wind resources.
2	DSM	Existing and New Class 2 programs	2007 - 2014	450 MWa	System	100 MW decrements at various load shapes	Use decrement values to assess cost-effectiveness of new program proposals. Acquire the base DSM (PacifiCorp and ETO combined) of 250 MWa and up to an additional 200 MWa if cost-effective initiatives can be identified. Will reassess Class 2 objectives upon completion of system-wide DSM potential study to be completed by June 2007. Will incorporate potentials study findings into the 2007 update and 2008 integrated resource planning processes.
3	DSM	New Class 1 programs	2007 - 2014	100	East - 50 West - 50	East and West irrigation load control, East summer loads	Targets were established through potential study work performed for the 2007 IRP. A new potential study is expected to be completed by June 2007, and associated findings will be incorporated into the 2007 update and the 2008 integrated resource planning processes.

Action Item	Category	Action Type	Calendar-Year Timing	Size (rounded to the nearest 50 MW for generation resources)	Location	IRP Proxy Resource Modeled	Action
4	DSM	Existing and New Class 3 programs	2007 - 2014	To be determined	System	Class 3: demand buy-back, hourly pricing, seasonal pricing, etc. Class 4: system messaging and education	Although not currently in the base resource stack, the company will seek to leverage Class 3 and 4 resources to improve system reliability during peak load hours. Will incorporate potential study findings into the 2007 update and/or 2008 integrated resource planning processes.
5	Distributed Generation	Combined Heat and Power (CHP)	2007-2014	100	System	25 MW steam topping cycle CHP; 5 MW gas combustion turbine CHP	Pursue at least 75 MW of CHP generation for the west-side and 25 MW for the east-side, to include purchase of CHP output pursuant to PURPA regulations and from supply-side RFP outcomes. The potential study results will be incorporated into the 2007 update and 2008 integrated resource planning processes
6	Distributed Generation	Standby Generators	2007-2014	To be determined	System	60 MW of diesel engine capacity on the west side	Will incorporate potential study findings into the 2007 update and 2008 integrated resource planning processes
7	Supply-Side	Base Load / Intermediate Load	2012	550	East	CCCT (Wet "F" 2X1) with duct firing	Procure a base load / intermediate load resource in the east by the summer of 2012. This is part of the requirement included in the Base Load RFP
8	Supply-Side	Base Load / Intermediate Load	2012	350	East	Supercritical pulverized coal (340 MW Utah unit)	Procure a base load / intermediate load resource in the east by the summer of 2012. This is part of the requirement included in the Base Load RFP
9	Supply-Side	Base Load / Intermediate Load	2014	550	East	Supercritical pulverized coal (527 MW Wyoming unit)	Procure a base load / intermediate load resource in the east by the summer of 2014. This is part of the requirement included in the Base Load RFP

Action Item	Category	Action Type	Calendar-Year Timing	Size (rounded to the nearest 50 MW for generation resources)	Location	IRP Proxy Resource Modeled	Action
10	Supply-Side	Base Load / Intermediate Load	2016	350	East	CCCT (Wet "G" 1X1) with duct firing	Investigate a base load / intermediate load resource in the east by the summer of 2016. This is not part of the requirement included in the Base Load RFP
11	Supply-Side	Base Load / Intermediate Load	2011	600	West	CCCT (Wet "F" 2X1) with duct firing	Procure a base load / intermediate load resource in the west by the summer of 2011 - 2012
12	Supply-Side	Base Load / Intermediate Load	2010-2014	350-650	East / West	Front office transactions: West - flat annual products East - 3 rd quarter products	Procure base load / intermediate load resource beginning in the summer of 2010, use the Base Load RFP as appropriate to fill the need in the east
13	Transmission	Transmission	2010 and beyond	Various	System	Path C Upgrade Utah - Desert Southwest Mona - Utah North Craig Hayden - Utah North Miners - Utah North Jim Bridger - Utah North Walla Walla - Yakima Walla Walla - West Main	Pursue the addition of transmission facilities or wheeling contracts as identified in the IRP to cost-effectively meet retail load requirements, integrate wind and provide system reliability. Work with other transmission providers to facilitate joint projects where appropriate
14	Climate Change	Strategy and Policy	Ongoing	Not applicable	System	Not applicable	Continue to have dialogue with stakeholders on Global Climate Change issues
15	Carbon-Reducing Technology	Strategy and Policy	Ongoing	Not applicable	System	Not applicable	Evaluate technologies that can reduce the carbon dioxide emissions of the company's resource portfolio in a cost-effective manner, including but not limited to, clean coal, sequestration, and nuclear power

Action Item	Category	Action Type	Calendar-Year Timing	Size (rounded to the nearest 50 MW for generation resources)	Location	IRP Proxy Resource Modeled	Action
16	IRP Planning	Modeling and Analysis	2007-2008	Not applicable	System	Not applicable	Continue to investigate implications of integrating at least 2,000 MW of wind to PacifiCorp's system
17	IRP Planning	Modeling and Analysis	2007-2008	Not applicable	System	Not applicable	Update modeling tools and assumptions to reflect policy changes in the area of renewable portfolio standards and carbon dioxide emissions
18	IRP Acknowledgement	Policy and cost recovery	2007	Not applicable	System	Not applicable	Work with states to gain acknowledgement or acceptance of the 2007 integrated resource plan and action plan. To the extent state policies result in different acknowledged plans, work with states to achieve state policy goals in a manner that results in full cost recovery of prudently incurred costs

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 21ST DAY OF AUGUST 2007, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. PAC-E-07-11, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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