



Idaho Public Utilities Commission

P.O. Box 83720, Boise, ID 83720-0074

C.L. Butch Otter, Governor

Paul Kjellander, Commissioner

Marsha Smith, Commissioner

Kristine Raper, Commissioner

Case No. PAC-E-15-04, Order No. 33396

Contact: Gene Fadness (208) 334-0339, 890-2712

www.puc.idaho.gov

PUC accepts Rocky Mountain Power long-range plan to reduce reliance on coal-fired generation

BOISE (October 19, 2015) – The Idaho Public Utilities Commission is accepting a long-range planning document filed by Rocky Mountain Power that spells out how the electric utility intends to meet future load growth. Rocky Mountain Power serves customers in eastern Idaho and much of Utah and Wyoming.

Acceptance of the Integrated Resource Plan, required by the commission to be filed every two years, does not mean the commission endorses all components of the plan, but acknowledges the utility meets the requirements for a long-range plan. “It is the ongoing planning process that we acknowledge,” the commission said.

Rocky Mountain Power intends to meet most of its growth in energy demand through an expansion of energy efficiency programs and from short-term wholesale market purchases.

A 59 percent increase in projected energy efficiency savings from the 2013 plan is anticipated to meet 86 percent of the company’s forecasted load growth over the next decade. Rocky Mountain is also projecting a reduction in the rate of load growth from what it anticipated in 2013 due to the continued phase-in of federal lighting standards and increased efficiencies in heating, cooling, water heating, use of appliances and industrial process end-uses.

PacifiCorp’s preferred portfolio of energy sources includes 816 megawatts from power purchase agreements with 36 wind and solar projects, all scheduled to come on line by the end of 2016. While offering “no commentary on the prudence” of the decision for increased reliance on solar resources, the commission suggested Rocky Mountain consider “conducting a reasonable evaluation,” of the costs and benefits associated with the integrating additional solar resources into its system. Commission staff said the company may want to include a solar integration study in its 2017 plan. Rocky Mountain said it will consider a study, but noted that solar energy will comprise only about 2 percent of its projected load by 2017, rather than the 6 percent claimed by commission staff.

The commission commended the company for responding positively to the commission's recommendation in 2013 that the utility expand its energy efficiency programs in response to anticipated increased federal regulation on fossil-fueled generation. This year's IRP is greatly impacted by the Environmental Protection Agency's recently announced Clean Power Plan.

Rocky Mountain plans to convert some coal generation to natural gas by 2018 and install emissions control equipment at its Wyodak and Dave Johnston Unit 3 coal projects in Wyoming and its Cholla Unit 4 project in Arizona. The plan states that about 2,800 MW of existing coal generation will either be retired or converted to natural gas-fired generation over the next decade.

While commending the company for its plan to phase out 2,800 MW of coal generation, the Snake River Alliance said the plan does not go far enough. The environmental organization said the company will still be relying on coal for as much as 30 percent of its generation two decades from now, which exposes customers to undue risk from increased regulation on coal-fired generation.

The Idaho Conservation League believes the company's modeling of future costs related to coal pollution costs is "fundamentally flawed."

In addition to increased reliance on energy efficiency programs, Rocky Mountain is also planning on transmission expansion. The utility plans to have access to more generation, much of it from wind, from three 500-kV transmission projects: Energy Gateway West (from Casper, Wyo. to the Hemingway Substation southwest of Boise), Energy Gateway South (from south-central Wyoming, through southeastern Idaho to central Utah) and Boardman to Hemingway (from Boardman, Oregon to the Hemingway Substation).

The commission's order as well as Rocky Mountain Power's full Integrated Resource Plan and appendices are available on the commission's website at www.puc.idaho.gov by clicking on "Open Cases" under the "Electric" heading and scrolling down Case No. PAC-E-15-04.

###