

WUTC Data Request 47

Following up, on Staff Data Request number 9, PacifiCorp's response was:

“PacifiCorp's 2022 All Source Request for Proposals (2022AS RFP) process was terminated in the solicitation of resources step. No resources were “identified” or chosen as short-list resources. However, PacifiCorp's 2023 Integrated Resource Plan (IRP) and the 2023 IRP Update identified battery resources in the preferred portfolio, and the Company has a near-term need for additional capacity resources. Bilateral negotiations of battery resources that can reach a commercial operation date (COD) by mid-year 2026 are actively being pursued.

Battery storage resources have a relatively high capacity contribution and provide large reliability benefits relative to its cost. Battery storage resources also have relatively short lead times and can achieve CODs in mid-year 2026. Contracting other resources could negatively impact credit metrics without providing the same degree of capacity and reliability benefits as battery storage. Similarly, contracting for resources with later CODs, as contemplated in the design of the approved 2022AS RFP, would impact credit metrics without contributing to near-term capacity and reliability requirements.”

- (a) Provide the documentation supporting the negotiation of these battery resources. (e.g. emails, contracts, or more).
- (b) PacifiCorp previously stated in its response to Staff DR 9 that contracting for other resources could negatively impact credit metrics. However, the Company stated it is procuring battery storage. Please explain the current efforts to procure battery storage in the context of PacifiCorp's assertion that resource procurement negatively impacts credit metrics.
- (c) Please explain why the Company chose to pursue battery storage over other types of resources.
- (d) If PacifiCorp asserts that battery storage does not impact credit metrics, or impacts them differently, please explain why.
- (e) Explain how procuring battery storage will help the Company reach CETA obligations in 2030 if battery storage is not considered renewable or non-emitting generating resources.

Response to WUTC Data Request 47

The Company assumes that the reference to “Staff Data Request number 9” is intended to

be reference to the Company's response to WUTC Data Request 9. Based on the foregoing assumption, the Company responds as follows:

- (a) Please refer to the Company's 1st Supplemental response to WUTC Data Request 36, specifically Highly Confidential Attachment WUTC 36 1st Supplemental.
- (b) Capacity resources economically target the specific hours necessary for reliable load service without incurring additional costs associated with intermittent resource production during low-demand hours. The targeted hours of battery discharge during the peak net demand hours reduce the dependence on front-office transactions (FOT) to serve demand. This reduction in FOTs increases reliability and reduces the unnecessary purchased power cost incurred with block transactions.
- (c) Please refer to the Company's response to subpart (b) above.
- (d) Energy storage agreements do affect credit metrics.
- (e) Energy storage agreements reduce dependence on FOTs and their associated unspecified emissions.

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