

WUTC Data Request 54

CONFIDENTIAL REQUEST - In her testimony, witness Ware states: “PacifiCorp assumes renewable resource costs substantially higher than what can be found in any comparable data source” (Exh. KW-1T (R) 6:17-18) and “...PacifiCorp is artificially inflating the cost of renewable resources in its modeling.” (Exh. KW-1T (R) 8:20-22)

Please identify and explain:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Response to WUTC Data Request 54

- (a) Resource costs modeled in PacifiCorp’s 2023 Integrated Resource Plan (IRP) Update were unchanged from the assumptions used in the 2023 IRP. Assumptions for the 2023 IRP were developed during summer 2022. At that time, PacifiCorp was negotiating with resources that were selected to the final shortlist (FSL) in the 2020 All-Source Request for Proposals (2020AS RFP) and was unable to move forward with any counterparties at the originally offered prices. Counterparties were demanding price increases, or alternatively, withdrawing from the solicitation altogether due to challenges in securing equipment needed to construct their generating facilities. This was in part due to impacts from the COVID-19 pandemic, including supply chain issues and worldwide inflation, and uncertainty from changing tariff rules, as discussed in the October 13, 2022 IRP public input meeting leading up

Despite PacifiCorp's diligent efforts, certain information protected from disclosure by the attorney-client privilege or other applicable privileges or law may have been included in its responses to these data requests. PacifiCorp did not intend to waive any applicable privileges or rights by the inadvertent disclosure of protected information, and PacifiCorp reserves its right to request the return or destruction of any privileged or protected materials that may have been inadvertently disclosed. Please inform PacifiCorp immediately if you become aware of any inadvertently disclosed information.

to the filing of the 2023 IRP, and also in the published 2023 IRP, specifically Volume I, Chapter 7 (Resource Options), pages 175-178. The wind, solar and storage costs through 2028 are based on estimates received during the 2020AS RFP negotiations (i.e., actual market data). The National Renewable Energy Laboratory (NREL) Annual Technology Baseline was published in June 2022 based on information available approximately one year in advance of the 2023 IRP filing, so it could not reflect all of the relevant supply conditions at that time as were being manifested in PacifiCorp's real-world and contemporaneous conversations with a large pool of project developers.

The cost adders based on the 2020AS RFP negotiations in summer 2022 were as follows, and were listed at the top of the referenced confidential work paper "Docket 200420-IRP2023DevelopEscalation(NRELhardcoded)Update2020ASRFP (C)", in cells T1:W1 of tab "Summary":

Solar: 34.47 percent

Wind: 27.31 percent

Battery storage: 5.06 percent

For the calculation of these cost adders, please refer to Attachment WUTC 54-1 (for solar) and Confidential Attachment WUTC 54-2 (for wind and storage).

- (b) Please refer to the Company's response to subpart (a) above.
- (c) In the absence of other information indicating the costs were likely to return to previous expectations developed by NREL, costs were held at levels identified in summer 2022 through the latest commercial operation date (COD) allowed for these resource types in the 2022AS RFP, before beginning to transition the NREL forecast.

Confidential information provided subject to WAC 480-07-160 and the Commission's Protective Order, Order 02, issued on May 18, 2023, that governs the protection and access of confidential information in this docket.

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