

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PACIFICORP d/b/a PACIFIC POWER
& LIGHT COMPANY,

Petitioner,

Regarding 2021 Integrated Resource
Plan Compliance

DOCKET UE-200420

ORDER 02

REQUIRING COMPLIANCE WITH
INTEGRATED RESOURCE PLAN
STATUTES AND RULES

BACKGROUND

- 1 On January 4, 2021, PacifiCorp, d/b/a Pacific Power & Light Company, (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) its draft Integrated Resource Plan (Draft IRP).
- 2 On January 25, 2021, PacifiCorp filed a Petition for Exemption from WAC 480-100-625(3) (Petition). In its Petition, PacifiCorp requested an exemption from certain provisions pertaining to draft IRPs.
- 3 On February 11, 2021, the Commission issued Order 01, Granting Petition for Exemption, allowing PacifiCorp additional time to complete the necessary analysis and modeling to present a preferred portfolio and supporting analysis. The Commission also cancelled the recessed open meeting set for February 22, 2021, and indicated that the Commission would provide a further opportunity for public comment on the Company's final IRP.
- 4 On April 1, 2021, PacifiCorp filed a Final IRP that included an update to its draft IRP, an updated 2021 IRP workplan, and a draft Equity Advisory Group (EAG) participation plan (Final IRP). PacifiCorp also included log run examples from its IRP modeling system.
- 5 In filing its Final IRP by the statutory deadline,¹ PacifiCorp submits that it "has been diligently working on development of its 2021 IRP through a robust, open, transparent

¹ Pursuant to RCW 19.280.030(1), PacifiCorp's last full IRP filed with the Commission was the Company's 2017 IRP filed on April 4, 2017 (*see* UE-160353).

and thorough public-input process.” The Company notes that it has transitioned to Energy Exemplar’s Plexos model for the 2021 IRP development cycle, and that this transition has resulted in unforeseeable, atypical delays. The Company notes that it has trained relevant staff in using the Plexos model and has completed a benchmarking exercise. Further, the Company anticipates that it will file a complete Final IRP with the Commission no later than September 1, 2021.

6 On April 2, 2021, the Commission issued a Notice of Opportunity to File Written Comments. The Commission also noticed a virtual, recessed open meeting for May 25, 2021, for the Company to present its IRP to the Commission.

7 The Commission received written comments from members of the public concerning the Company’s Final IRP, including comments from Northwest Energy Coalition (NVEC), the Public Counsel Unit of the Attorney General (Public Counsel), and the Sierra Club. These comments all express concern about the incomplete nature of Company’s IRP.

8 On May 25, 2021, the Commission held its virtual, recessed open meeting regarding PacifiCorp’s IRP. PacifiCorp presented its IRP to the Commission and responded to questions from the Commissioners and the public.

9 Commission staff (Staff) reviewed the Company’s Final IRP and determined it does not comply with the relevant statute and rules. Staff recommends that the Commission order PacifiCorp to file a complete, Final 2021 IRP in this docket no later than September 1, 2021.

10 Staff states that the Company’s Final IRP does not comply with RCW 19.280.030 because it fails to contain most of the required contents of an IRP. Staff submits that PacifiCorp’s Final IRP lacks the data and supporting analytics to determine an IRP solution (*i.e.*, preferred portfolio) and complete clean energy action plan (CEAP). Staff notes that the delays related to the Plexos modeling are the primary reasons for these deficiencies. Staff emphasizes the need for the Company to file its complete Final IRP by September 1, 2021.

11 Staff therefore recommends that the Commission order PacifiCorp to file its Final IRP subject to specific requirements, set forth in Staff’s Open Meeting Memo Attachment 1. These requirements range from IRP modeling to data disclosure. These requirements are a subset of the full list of IRP requirements set forth in WAC Chapter 480-100. Staff submits, however, that these requirements focus on critical items for the development of the Company’s Final IRP and the later development of the Company’s 2022-2025 Clean Energy Implementation Plan (CEIP).

12 Staff explained that it has conferred with PacifiCorp, and that the Company agrees to address Staff’s recommended requirements in its complete Final IRP filing. Staff also represents that Public Counsel, NWECC, and the Sierra Club support Staff’s recommended requirements.

DISCUSSION

13 By statute, a utility’s IRP must include the “integration of the demand forecasts, resource evaluations, and resource adequacy requirement into a long-range assessment describing the mix of supply side generating resources and conservation and efficiency resources that will meet current and projected needs,” among other requirements.² The IRP must also include a 10-year CEAP.³

14 Pursuant to WAC 480-100-620, IRPs must include a range of forecasts of projected customer demand; assessments of a variety of distributed energy resources; an assessment of supply-side resources; and an assessment of renewable resource integration, among other minimum requirements.⁴ The utility must integrate the demand forecasts and resource evaluations into a long-range integrated resource plan solution,⁵ and it must develop a 10-year CEAP.⁶

15 Unless otherwise ordered by the Commission, each electric utility must file an IRP with the Commission by January 1, 2021, and every four years thereafter.⁷ The Commission has stated that it intends to provide utilities “flexibility” for the first round of IRPs under the new rules.⁸

² RCW 19.280.030(1)(j).

³ RCW 19.280.030(1)(l).

⁴ See generally WAC 480-100-620.

⁵ WAC 480-100-620(11).

⁶ WAC 480-100-620(12).

⁷ WAC 480-100-625(1).

⁸ *In the Matter of Adopting Rules Relating to Clean Energy Implementation Plans and Compliance with the Clean Energy Transformation Act; In the Matter of Amending or Adopting rules to WAC 480-100-238, Relating to Integrated Resource Planning*, Docket Nos. UE-191023 and UE-190698 (cons.), General Order 601 Adopting Rules Permanently ¶ 168 (December 28, 2020).

- 16 As we have recognized, the 2021 IRP cycle is the first to put into practice the requirements under the Clean Energy Implementation Act (CETA),⁹ and the Commission’s rules implementing CETA. PacifiCorp credibly faces challenges with meeting the new, detailed requirements for IRP modeling following the passage of CETA, specifically with its transition to the new Plexos modeling software.
- 17 In Order 01, we granted the Company exemptions from the requirements for its draft IRP to provide this flexibility. Several months have passed, however, and the Company continues to experience delays and difficulties with its transition to the PLEXOS modeling software. Due to these delays, the Company’s Final IRP did not include the analysis and modeling that would be included in a complete final IRP.
- 18 We note that PacifiCorp relies on the same team of individuals to develop both the Company’s IRP and CEIP, which diverges from the approaches Avista Corporation and Puget Sound Energy have taken assigning separate core teams to develop each of these deliverables. PacifiCorp explained at the May 25, 2021, recessed open meeting that other Company employees contribute to this work as subject matter experts and that the Company also relies on third-party support. The Company noted as well that it is unlikely that it will need a “plan B,” in the event it is unable to meet the September 1, 2021, deadline for the complete Final IRP supported by sufficient modeling. While we are hopeful that this is the case, we continue to have concerns that the Company may not be devoting sufficient resources to these various tasks, particularly given the delays we have observed to date.
- 19 We therefore agree with Staff that it is appropriate to require the Company to file its complete Final IRP on or before September 1, 2021. To the extent that Staff recommends the Final IRP be filed subject to certain requirements set forth in Staff’s Open Meeting Memo Attachment 1 (adopted in this Order as Attachment A), these requirements are consistent with the provisions of both RCW 19.280.030 and WAC 480-100-620.

FINDINGS AND CONCLUSIONS

- 20 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.

⁹ See Laws of 2019, ch. 288.

- 21 (2) PacifiCorp is an electric company and a public service company subject to
Commission jurisdiction.
- 22 (3) RCW 19.280.030 and WAC 480-100-620 prescribe the required contents of a
final IRP.
- 23 (4) On April 1, 2021, PacifiCorp filed an incomplete Final IRP.
- 24 (5) PacifiCorp anticipates filing its complete Final IRP on or before September 1,
2021.
- 25 (6) This matter came before the Commission at a recessed open meeting scheduled on
May 25, 2021.
- 26 (7) After reviewing PacifiCorp's Final IRP, Staff's recommendation, and giving due
consideration to all relevant matters and for good cause shown, the Commission
agrees that PacifiCorp should file its complete Final IRP on or before September
1, 2021. The complete Final IRP should be filed consistent with the requirements
of statutes and Commission rules, particularly addressing the requirements
identified in paragraph 11 and adopted as Attachment A to this Order.

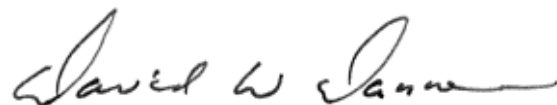
ORDER

THE COMMISSION ORDERS:

- 27 (1) PacifiCorp d/b/a Pacific Power & Light Company shall file its complete Final IRP
on or before September 1, 2021, particularly addressing the requirements
identified in paragraph 11 and Attachment A to this Order.
- 28 (2) The Commission retains jurisdiction over the subject matter and PacifiCorp d/b/a
Pacific Power & Light Company to effectuate the provisions of this Order.

Dated at Lacey, Washington, and effective June 10, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



DAVID W. DANNER, Chair

A handwritten signature in blue ink that reads "Ann E Rendahl". The letters are cursive and connected.

ANN E. RENDAHL, Commissioner

A handwritten signature in blue ink that reads "Jay Balasbas". The signature is highly stylized and cursive.

JAY BALASBAS, Commissioner