Exh. JNS-12 Docket UE-210829

Witness: Jaclynn N. Simmons

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKET UE-210829

Complainant,

v.

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

Respondent.

EXHIBIT TO TESTIMONY OF

JACLYNN N. SIMMONS

ON BEHALF OF STAFF OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PacifiCorp Response to UTC Staff Data Request No. 29

August 21, 2024

WUTC Data Request 29

Additionally, in the ROM on 3/22/24 at 12:30:00- 12:31:07, Matt McVee states that "the Company runs into complications meeting resource adequacy, concern is ...getting the technology isn't there [sic] to meet resource adequacy, would have to have a ton of batteries and how do we charge those, with clean energy or system energy? The idea is that by 2030 we will be reasonably close".

- (a) Please identify where the Company is seeing the resource adequacy shortfall, supply the docket number or the documents that show this issue clearly.
- (b) If the Company knows there is a problem of resource adequacy and can already see that as an issue, then why is the Company not procuring resources?
- (c) How can the Company ensure resource adequacy to the Commission and the public if one of the avenues to procure resources has been terminated?
- (d) How is not filling an identified resource need in the public interest?

Response to WUTC Data Request 29

(a) The most recent calculation of the Company's load and resource balance was prepared as part of its 2023 Integrated Resource Plan (IRP) Update, specifically Chapter 4 (Load-and-Resource Balance), Table 4.2 (Summer Peak - System Capacity Load and Resource Balance without Resource Additions, 2023 IRP Update (2024-2033) (Megawatts)) for summer and Table 4.3 (Winter Peak – System Capacity Load and Resource Balance without Resource Additions, 2023 IRP Update (2034-2042) (Megawatts)) for winter. PacifiCorp's 2023 IRP Update is publicly available and can be accessed by using the following website link:

Integrated Resource Plan (pacificorp.com)

As shown by the "System Position" at the bottom of Table 4.2, in the near term, PacifiCorp has a significant capacity need, that shrinks somewhat with committed resource additions in 2025 and 2026 and then grows thereafter. In the past, PacifiCorp has met a portion of its capacity requirements with front office transactions (FOT), which are intended to encompass a variety of possible short-term transaction structures, but which are often quarterly or monthly firm heavy load hour (HLH) block products. Under the Western Resource Adequacy Program (WRAP) rules, HLH block products would not count toward forward showing requirements to enable participation and risk sharing, unless they are tied to a specific generator or a commitment by another participant to transfer capacity for the purpose of the WRAP. It is unclear what the supply will be for such WRAP-eligible products. WRAP

participants have indicated that binding operations (which would require forward showing of eligible capacity), will not start until at least 2027, so existing products are likely to be transacted in the market until that time. For details, please refer to the following website link:

https://www.westernpowerpool.org/privatemedia/documents/WRAP RAPC Participant Letter 4 22 24 final.pdf

- (b) The Company disagrees with the assumption that the Company is not procuring resources. The Company is working to procure short-term resources within its normal hedging requirements. The Company is also working to procure long-term resources with a focus on dispatchable resources with large reliability benefits that can be available for the summer of 2026.
- (c) The Company assumes that the reference that "one of the avenues to procure resources has been terminated" is related to the termination of the 2022 All-Source Request For Proposals (2022AS RFP). As noted, an RFP is just one of the avenues by which the Company meets its capacity requirements. Other avenues which remain open include:
 - Bilateral negotiations for long-term resources, typically resources that are not yet under construction;
 - Bilateral negotiations for intermediate-term resources, typically for resources that are already operating;
 - Contracting for qualifying facilities;
 - Procuring energy efficiency (EE) and demand response (DR); and,
 - Short-term resource procurement.
- (d) The Company is procuring sufficient resources to provide reliable service to its customers, even if it is not following previous resource plans. The portfolio identified in any long-term plan is an indication of the resources that might be cost-effective, given the assumptions on which it is based. The actual costs, availability, and operational characteristics of real resources necessarily vary. As a result, a cost-effective portfolio of real projects may vary significantly from any plan. This is particularly true to the extent that other key assumptions have changed.

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