



ALISHA TILL
Direct (503) 290-3628
alisha@mrg-law.com

April 11, 2018

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088

Re: Docket No. UM 1793 - In the Matter of IDAHO POWER COMPANY Application for Approval of Solar Integration Charge.

Attention Filing Center:

Attached for filing in the above-referenced docket is an electronic copy of Idaho Power Company's Motion to Extend the Filing Deadline. Please contact this office with any questions.

Sincerely,

Alisha Till
Legal Assistant

Attachment

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1793

In the Matter of

IDAHO POWER COMPANY

Application for Approval of Solar Integration Charge.

**IDAHO POWER COMPANY'S MOTION TO
EXTEND FILING DEADLINE**

1 Idaho Power Company ("Idaho Power" or "Company") hereby respectfully moves the
2 Public Utility Commission of Oregon ("Commission") for an extension of the April 30, 2018,
3 filing deadline set forth in Order No. 17-075 in the above entitled matter to July 31, 2018 (90
4 days). Commission Staff and Renewable Northwest support this Motion. Oregon Solar
5 Energy Industries Association has not responded to Idaho Power's attempt to confer. Idaho
6 Power's Motion is based upon the following:

I. BACKGROUND

7
8 On March 2, 2017, the Public Utility Commission of Oregon (Commission) issued
9 Order 17-075 (Order), in which it approved Idaho Power Company's application to
10 implement solar integration charges based upon the results of the Company's 2016 Solar
11 Integration Study.¹ The Commission also directed the Company to conduct a new wind
12 integration study and to perform additional analyses including: assessment of the
13 Company's participation in the Energy Imbalance Market (EIM) on the costs of integrating
14 variable resources; evaluation of the feasibility of estimating unified costs of integrating wind
15 and solar; and to update its solar integration study.² The Commission's Order directed

¹ *In the Matter of Idaho Power Company Application for Approval of Solar Integration Charge*, Docket No. UM 1793, Order No. 17-075 at 5, 8 (Mar. 2, 2017).

² *Id.* at 6–8.

1 Idaho Power to make a filing on the above referenced items by April 30, 2018, “in advance
2 of filing its 2019 Integrated Resource Plan.” (“IRP”)³

3 II. CURRENT STATUS OF STUDY

4 Idaho Power initiated formation of the Technical Review Committee (“TRC”) following
5 the Commission’s June 26, 2017, Order on Clarification, Order No. 17-223. The TRC is
6 comprised of the following members: Brittany Andrus, OPUC Staff; Mike Louis, Yao Yin,
7 and Michael Eldred, Idaho Public Utilities Commission Staff; Cameron Yourkowski,
8 Renewable Northwest; Ben Kujala, Northwest Power and Conservation Council; Brian
9 Johnson, University of Idaho; and Kurt Myers, Idaho National Laboratory. Idaho Power has
10 held the following meetings with the TRC: November 15, 2017, kick-off; February 15, 2018,
11 meeting; March 15, 2018, meeting; and April 4, 2018, meeting. The Company has provided
12 web conferencing for the TRC meetings for those unable to attend in person.

13 The Company has shared with the TRC the requirements of the Commission Orders
14 and during the kick-off meeting, Idaho Power presented to the TRC illustrations of observed
15 wind and solar production. The objective of presenting these illustrations was to
16 communicate characteristics of wind and solar production, particularly how their intrinsic
17 variability and uncertainty lead to system balancing challenges. These illustrations and
18 accompanying discussion on the importance of system reliability prompted TRC inquiries
19 regarding Idaho Power’s proposed assumptions for system reliability standards; specifically,
20 the TRC inquired whether Idaho Power planned to simulate compliance with North American
21 Electric Reliability Corporation (NERC) Standard BAL-001-2 (Real Power Balancing Control
22 Performance) in the study of variable resource integration. The TRC’s inquiry related to this
23 standard was valuable and constructive and as a result, Idaho Power has determined that
24 its study will assume compliance with the referenced NERC standard.

³ *Id.* at 8.

1 Idaho Power has communicated to the TRC that an element of the costs to integrate
2 variable resources is the need to carry incremental regulating reserve to ready the system of
3 dispatchable generators to respond bidirectionally to the variability and uncertainty of wind
4 and solar resources, without compromising compliance with the NERC reliability standard.
5 Idaho Power has analyzed observed load, wind, and solar production data at a 1-minute
6 time step for the 12-month period of December 2016 through November 2017 to determine
7 the amount of regulating reserve necessary to comply with the NERC reliability standard.
8 Idaho Power has held informative and constructive discussions with the TRC on netting
9 effects that occur when combining load, wind, and solar variability, and the allocation of
10 regulating reserve obligation between the three elements (i.e., load, wind, and solar) of
11 variability and uncertainty. These techniques are critical in the attribution of reserve costs to
12 wind and solar.

13 Idaho Power has begun to perform production cost simulations using the AURORA
14 model to estimate the costs to carry incremental regulating reserves for wind and solar. The
15 Company has communicated to the TRC the study design for these simulations. This
16 design pairs two simulations of the Idaho Power system-- a simulation that assumes a
17 regulating reserve necessary to integrate wind (or solar), and a comparative case that
18 assumes only a regulating reserve necessary to balance load. The cost difference between
19 the paired simulations is attributable to the incremental reserve for wind (or solar). These
20 production cost simulations are ongoing, and Idaho Power has provided interim results and
21 explanatory illustrations at the April 4, 2018, TRC meeting.

22 Idaho Power views the simulations to determine the costs of incremental variable
23 resource-caused regulating reserve as comprising the majority of the quantitative analysis to
24 comply with the Commission directives. Other tasks and topics necessary to comply with
25 the Commission's orders are more qualitative and will be discussed with the TRC as
26 completion of the production cost simulations nears. These include: increased O&M costs

1 caused by more frequent and severe dispatchable generator cycling; inadequacy of the
2 Idaho Power system to provide regulating reserve with expanding variable resource
3 penetration; western EIM impacts on variable resource integration; and the feasibility of
4 estimating unified costs to integrate wind and solar. The Company will report on these
5 discussions, including effects on integration impacts and costs, in its submittal to the
6 Commission.

7 **III. REQUESTED RELIEF/CONCLUSION**

8 Idaho Power has made considerable progress in working toward compliance with the
9 Commission's directives and with the TRC. The TRC formed to assist the Company in
10 these efforts is providing valuable contributions. However, the Company is concerned that it
11 is not possible to complete the requested directives and filing by the April 30, 2018, deadline
12 without compromising the thoroughness of the investigation and the TRC's opportunity for
13 review and to provide input. Additionally, the Commission's directive to make the filing by
14 April 30, 2018, was intended to ensure that the study was filed in advance of the Company's
15 2019 IRP. The Company's 2019 IRP will not be filed until June of 2019. Granting Idaho
16 Power's request to move the submission deadline to July 31, 2018, will ensure that the
17 report is filed almost one year ahead of the 2019 IRP. Commission Staff, as well as the
18 other members of the TRC, do not oppose the requested extension of time to July 31, 2018.

19 ////
20 ////
21 ////
22 ////
23 ////
24 ////
25 ////
26 ////

1 For these reasons, Idaho Power respectfully requests that the Commission approve
2 the requested three-month extension, with a revised submittal date of July 31, 2018.

DATED: April 11, 2018.

MCDOWELL RACKNER GIBSON PC



Lisa F. Rackner
419 SW 11th Avenue, Suite 400
Portland, Oregon 97205
Telephone: (503) 595-3925
Facsimile: (503) 595-3928
dockets@mrg-law.com

IDAHO POWER COMPANY

Donovan Walker
Lead Counsel
1221 West Idaho Street
P.O. Box 70
Boise, Idaho 83707

Attorneys for Idaho Power Company