

**VIA ELECTRONIC FILING**

April 14, 2022

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
P.O. Box 1088  
Salem, Oregon 97301

**RE: UM 2143 — Idaho Power’s Comments Regarding the Investigation into Resource Adequacy in the State – Staff’s Report**

Attention Filing Center:

Idaho Power Company (“Idaho Power” or “Company”) appreciates the opportunity to provide comments to the Public Utility Commission of Oregon (“Commission”) on Staff’s Report, recommendations, and proposed next steps in Docket No. UM 2143 – Investigation into Resource Adequacy in the State.

**BACKGROUND**

On January 12, 2021, the Commission opened UM 2143 with the goal of identifying the following: (1) the need and potential urgency for the Commission to act on resource adequacy (“RA”); (2) areas where a state-level program can fill gaps, ensure reliability, and work cohesively with regional efforts; and (3) the appropriate levels of complexity and structure necessary to address areas of RA concern.

After evaluating potential pathways, Staff sought data from Load Responsible Entities (“LREs”) under Commission jurisdiction to assess the level of RA in the state. On January 25, 2022, LREs, including Idaho Power, confidentially provided the requested information. Staff aggregated and analyzed the data and then issued its report on March 24, 2022.

**COMMENTS ON STAFF’S REPORT**

The most notable conclusion in Staff’s report is that RA is sufficient based on data received. For 2022, generation is adequate to serve load over the entire year, with the report stating: “...for

the year 2022 the resources exceed the load substantially in all hours.”<sup>1</sup> Staff found similar results for the year 2027, with generation also exceeding load in all hours.

Idaho Power’s prior comments in this case addressed the difficulty of conducting a state-specific look at a regional issue such as RA. This concern now extends to the methodology and conclusions of Staff’s report. While the Company has some relatively minor disagreements about how the report treats resources—for example, using average wind speeds to calculate contribution to peak smooths and flattens the variability of wind—a much bigger concern is the nature of the data itself and the way it is being interpreted. As Staff notes, data was collected from parties under Commission authority, thereby not providing a complete data set for the region, including data from a major RA entity – the Bonneville Power Administration. Similarly, generation from resources located in Oregon is not necessarily committed to load service in Oregon. As a result, the report findings may simultaneously overestimate the amount of available generation and underestimate load service while missing some critical information. The lack of comprehensive regional data makes Staff’s conclusions hard to support or refute.

Nevertheless, Idaho Power agrees with Staff’s finding that certain unevaluated factors may influence the RA outlook, including—critically—transmission availability.<sup>2</sup> Staff rightly places transmission and transmission modeling within utility Integrated Resource Planning (“IRP”) processes. Idaho Power agrees and has long included the Boardman to Hemingway (“B2H”) transmission project in its IRP, including its 2021 IRP filed in Docket LC 78, as a vital, necessary, and cost-effective project to support and facilitate regional energy exchange in the Pacific Northwest. Staff’s recognition of the importance of transmission supports the need for and value of regional transmission builds, most notably B2H.

In terms of next steps, Idaho Power agrees with Staff’s conclusion that there is no need for additional analysis. Additionally, the Company agrees with Staff that further Commission action is not warranted at this point.

Staff also recommends that UM 2143 should pivot toward long-term planning and be used to develop RA standards for Oregon, along with annual compliance filings for LREs and every-other-year compliance filings for participants. Idaho Power does not believe either of these recommendations are warranted at this stage, as it is unclear what value such data would bring absent a comprehensive RA picture for the region.

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<sup>1</sup> UM 2143 Staff Report, p. 5.

<sup>2</sup> Id., p. 7.

With respect to long-term planning, each utility’s IRP process is different, often using and based on different modeling tools, assumptions, and load and resource situations, among other important distinctions. A standardized RA modeling approach may improperly create a one-size-fits-all approach for utilities that have necessary foundational differences in their long-term planning processes.

Further, the Company reaffirms its earlier comments that RA is an issue that crosses state and even national borders. While a state-driven solution by the Commission would be well-intended, the development of an RA effort separate from broader geographic context could result in increased administrative cost without commensurate incremental reliability benefits for customers. Oregon is only one part of a whole for any implemented RA effort—and the entire landscape, with state, regional, and international parties at the table, is required to develop a robust and successful RA program.

### **RECOMMENDATION & CONCLUSION**

With this in mind, Idaho Power again recommends leveraging the existing work of the Western Power Pool (“WPP”) (formerly Northwest Power Pool). The WPP effort, launched in 2019, is an industry-led collaborative involving more than 20 entities in the West, representing approximately 57,300 megawatts of load, and spanning nine states and one Canadian province committed to the program's next phase. Additional participants are expected.

The Company, as well as numerous other participants, have devoted considerable resources to develop a comprehensive WPP-driven RA solution, called the Western Resource Adequacy Program (“WRAP”). Retracing these efforts could hamper the ability of WPP to continue to make strides—and delays in the WPP effort amount to real risks for reliability and cost. To date, significant progress has been made in developing both the forward showing and operational components of the WRAP.

Idaho Power certainly appreciates the opportunity to comment on this matter. For the reasons stated above, the Company believes that the Commission and Staff can best support RA by monitoring and participation in the WPP’s WRAP, which offers the most efficient method of developing an Oregon-specific, long-term RA solution by minimizing overlap and duplication of effort.

Public Utility Commission of Oregon  
Idaho Power Comments – UM 2143  
Page 4 of 4

Sincerely,

A handwritten signature in black ink, appearing to read "Alison Williams". The signature is written in a cursive style with a long horizontal stroke at the end.

Alison Williams  
Regulatory Policy and Strategy Advisor  
Idaho Power

Cc: OPUC Filing Center