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February 22, 2023

**VIA ELECTRONIC MAIL**

Public Utility Commission of Oregon  
Filing Center  
P.O. Box 1088  
201 High Street SE, Suite 100  
Salem, Oregon 97308-1088

**Re: UM 2255 – In the Matter of Idaho Power Company, Application for Approval of 2026 All-Source Request for Proposals to Meet 2026 Capacity Resource Need**

Attention Filing Center:

Attached for filing in the above-captioned docket are Idaho Power Company's Workshop Materials for the February 21, 2023 Webinar Workshop.

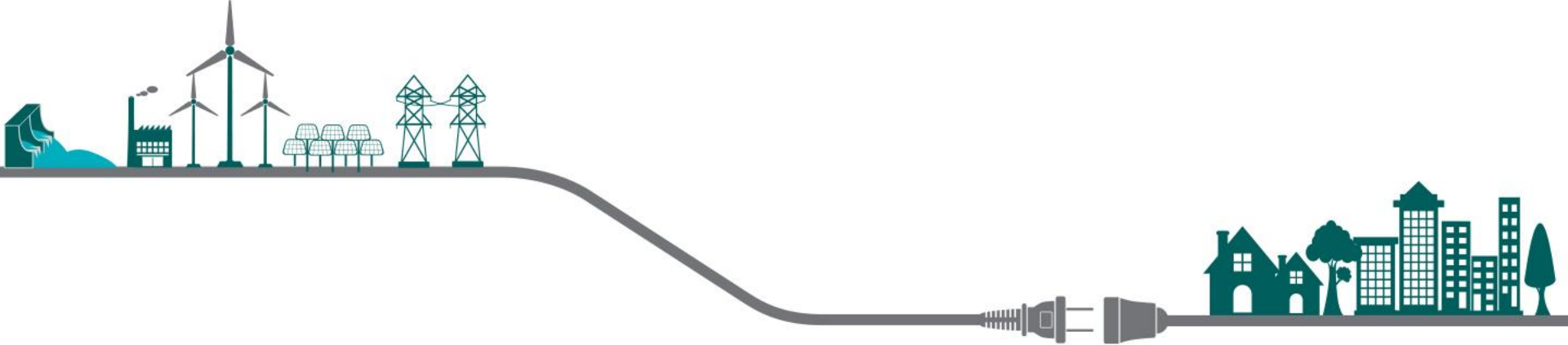
Very truly yours,

A handwritten signature in black ink that reads "Donovan E. Walker".

Donovan Walker

DEW:cld  
Enclosures

# 2026 AS RFP Workshop



February 21, 2023

# Agenda



- Welcome and Introductions
- Independent Evaluator
- RFP Solicitation Overview
- Eligible Products
- Bid Submission Process
- Evaluation Process
- Minimum Requirements
- Scoring and Modeling
- Timeline
- Questions

# Independent Evaluator



- The OPUC has selected London Economics International (LEI) as an independent third-party evaluator.
- In accordance with OAR 860-089-0450(1) “the IE will oversee the competitive bidding process to endure that it is conducted fairly, transparently and properly”
- IE contact information for questions or concerns:
  - Cherrylin (Len) Trinidad ([cherrylin@londoneconomics.com](mailto:cherrylin@londoneconomics.com))

# 2026 AS RFP Overview



- Needs identified in 2021 IRP and additional/current forecasted incremental needs
  - 350 MW of Peak Capacity
  - 1,100 MW of Variable Energy Resources
- Timeframe: Beginning Summer 2026 and beyond
- Resource Based and Market Purchase Products
- Includes IPC Benchmark Bids
  - Separation of Function (Benchmark Team / Evaluation Team)
- Zycus Sourcing Platform (Portal)

# Eligible Products



- Resource Based Products (Solar, Wind, Geothermal, BESS, LDS, G2H, or alternative products that meet the criteria)
  - Structure (Asset Purchase/Build Transfer Agreement, Power Purchase Agreement, Battery Storage Agreement)
  - Ownership (Bidder or IPC)
  - Term (20 years, < 35 years, 35 years)
  - Within or delivered to IPC border (transmission rights/costs included in bid)
- Market Purchase Products
  - Heavy load and light load energy and capacity
  - Point of Delivery
    - Contingent on existing or planned IPC transmission rights (costs not included in bid)
    - Non-contingent delivered to IPC border (transmission rights/costs included in bid)

# Eligible Products

Resource Type	Solar PV			Wind			Geothermal		
Product #	1	2	3	4	5	6	7	8	9
Product Description	Solar Short-Term PPA	Solar Long-Term PPA	Solar Asset Purchase	Wind Short-Term PPA	Wind Long-Term PPA	Wind Asset Purchase	Geothermal Short-Term PPA	Geothermal Long-Term PPA	Geothermal Asset Purchase
Structure	PPA	PPA	Asset Purchase	PPA	PPA	Asset Purchase	PPA	PPA	Asset Purchase
Ownership	Bidder	Bidder	IPC	Bidder	Bidder	IPC	Bidder	Bidder	IPC
Term	< 35 years	35 years	n/a	< 35 years	35 years	n/a	<35 years	35 years	n/a
Design Life	35 years								
First Delivery	On or before 6/1/2026 OR 6/1/2027								
Resource Status	Existing (not currently delivering to IPC) or proposed new in late-stage development with pending or executed LGIA/SGIA								
Peak Capacity	See Table 2 in Exhibit E								
Energy	See Table 2 in Exhibit E								
Interconnection	IPC Transmission System, or Non-IPC Transmission Systems with all necessary transmission rights to the BA								
Delivery Point	Within the boundary of the IPC Balancing Authority Area (BA), or outside with all necessary transmission rights to the BA								
Other	<p>Products must include all environmental attributes, including Renewable Energy Certificates (RECs). Bidders will be responsible for ensuring RECs are bundled, and that they are established through Western Renewable Energy Generation Information System (WREGIS).</p> <p>Proposed pricing for Asset Purchases shall include Operating and Maintenance (O&amp;M), Long-Term Services Agreement (LTSA) and warranty costs for the proposed term.</p>								

# Eligible Products

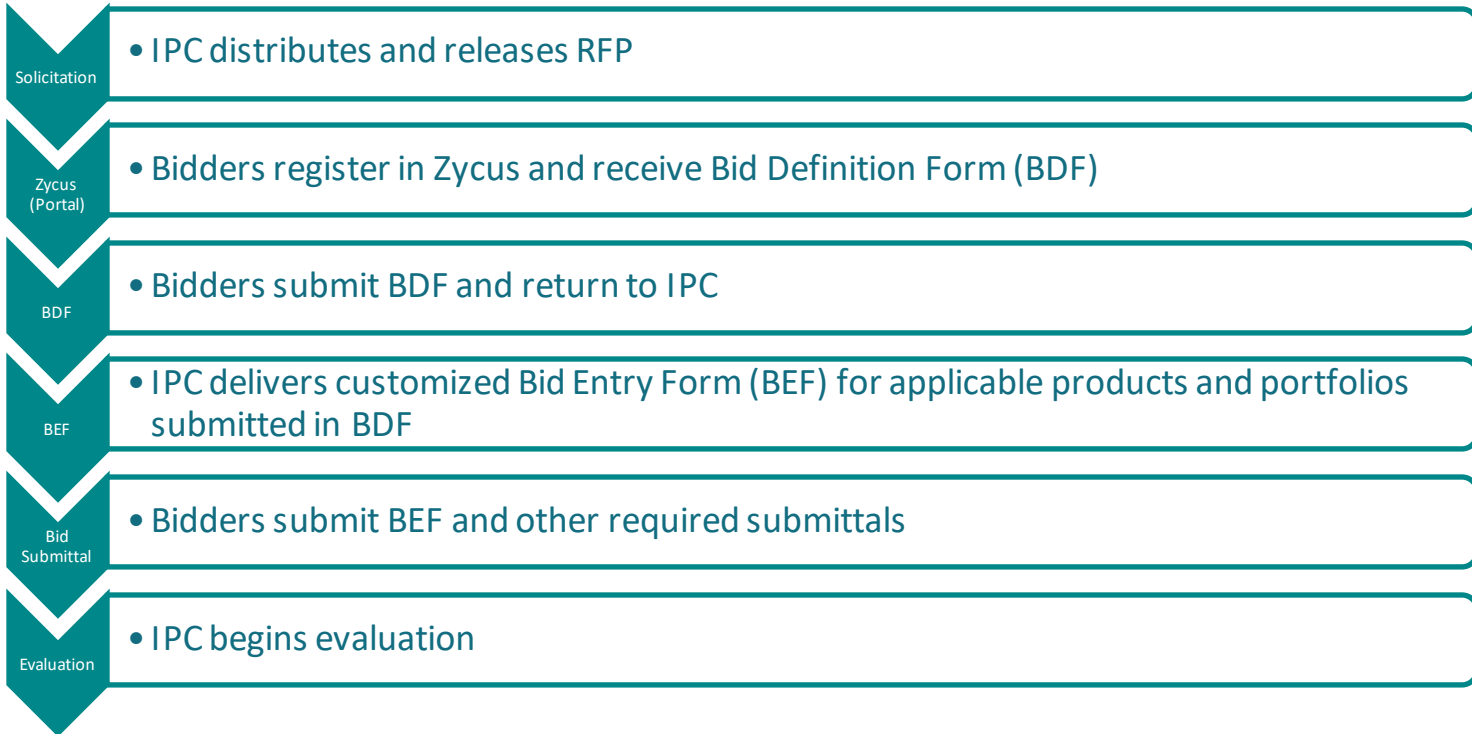
Resource Type	Battery Energy Storage (BESS)		Long Duration Storage (LDS)			Gas-fired Convertible to Hydrogen (G2H)		
Product #	10	11	12	13	14	15	16	17
Product Description	BESS BSA	BESS Asset Purchase	LDS Short-Term BSA	LDS Long-Term BSA	LDS Asset Purchase	G2H Short-Term PPA	G2H Long-Term PPA	G2H Asset Purchase
Structure	BSA <sup>1</sup>	Asset Purchase	BSA	BSA	Asset Purchase	PPA	PPA	Asset Purchase
Ownership	Bidder	IPC	Bidder	Bidder	IPC	Bidder	Bidder	IPC
Term	20 years	n/a	<35 years	35 years	n/a	<35 years	35 years	n/a
Design Life	20 years		35 years					
First Delivery	On or before 6/1/2026 OR 6/1/2027							
Resource Status	Existing (not currently delivering to IPC) or proposed new in late-stage development with pending or executed LGIA/SGIA							
Peak Capacity	See Table 2 in Exhibit E							
Energy	to be dispatched by IPC 0-100% of capacity							
Interconnection	IPC Transmission System, or Non-IPC Transmission Systems with all necessary transmission rights to the BA							
Delivery Point	Within the boundary of the IPC Balancing Authority Area (BA), or outside with all necessary transmission rights to the BA							
Storage Duration	4+ hours		6+ hours			n/a		
Storage Cycles	Minimum 1 cycle per day					n/a		
Other	Storage must be chargeable from the grid by IPC. Proposed pricing for Asset Purchases shall include Operating and Maintenance (O&M), Long-Term Services Agreement (LTSA) and warranty costs for the proposed term.					Proposed pricing for Asset Purchases shall include Operating and Maintenance (O&M), Long-Term Services Agreement (LTSA) and warranty costs for the proposed term.		



# Eligible Products

Resource Type	Market Purchase, Transmission Contingent	Market Purchase, Non-Transmission Contingent (i.e. able to be delivered to IPC's Border by Seller)
Product #	18	19
Product Description	Firm Heavy Load and Light Load Hour Energy and Capacity	
Structure	Agreement for purchase of firm energy and capacity (prefer WSPP Agreement Schedule C or equivalent) meeting Western Resource Adequacy Program (WRAP) eligibility requirements, including resource specificity, transmission, and other requirements. Agreement may take the form of a confirmation under a mutually agreeable master agreement (e.g., WSPP or other), or a mutually agreeable standalone agreement. See Exhibit E.	
Ownership	Bidder	
Term	Prefer 3 years or more	
First Delivery	On or before 6/1/2026	
Resource Status	Any	
Design Life	Any	
Pricing	Index-based preferred, will consider other proposals. Pricing should not include costs of regulatory structures not applicable in Idaho or Oregon, and should be based on product being sunk in Idaho or Oregon.	
Peak Capacity	See table 2 and 3 in Exhibit E	
Energy	See Exhibit E, Tables 2 and 3; and Exhibit E, Requested Attributes	
Interconnection	n/a	
Delivery Point	Delivery to an eligible Point of Delivery as listed in Exhibit E, Table 4 (Contingent on IPC-owned transmission rights as described in Exhibit E Table 4)	Delivery to Idaho Power Border, as described in Exhibit E.
Other	The volumes in Exhibit E Tables 2 and 3 reflect the minimum WRAP Qualified Capacity Contribution requested. Index or index plus adder-based pricing is preferred but other pricing structures will be considered. Pricing should not include costs associated with regulatory structures not applicable in Idaho or Oregon. See Exhibit E.	

# Bid Submission Process



# Bid Definition Form

**Idaho Power Company 2026 All Source RFP**  
 Bid Definition Form

Bidder to fill
Autofill

Bidder: \_\_\_\_\_

Bidder's Product #  
 Bidder's Product Description


**Product Definition**

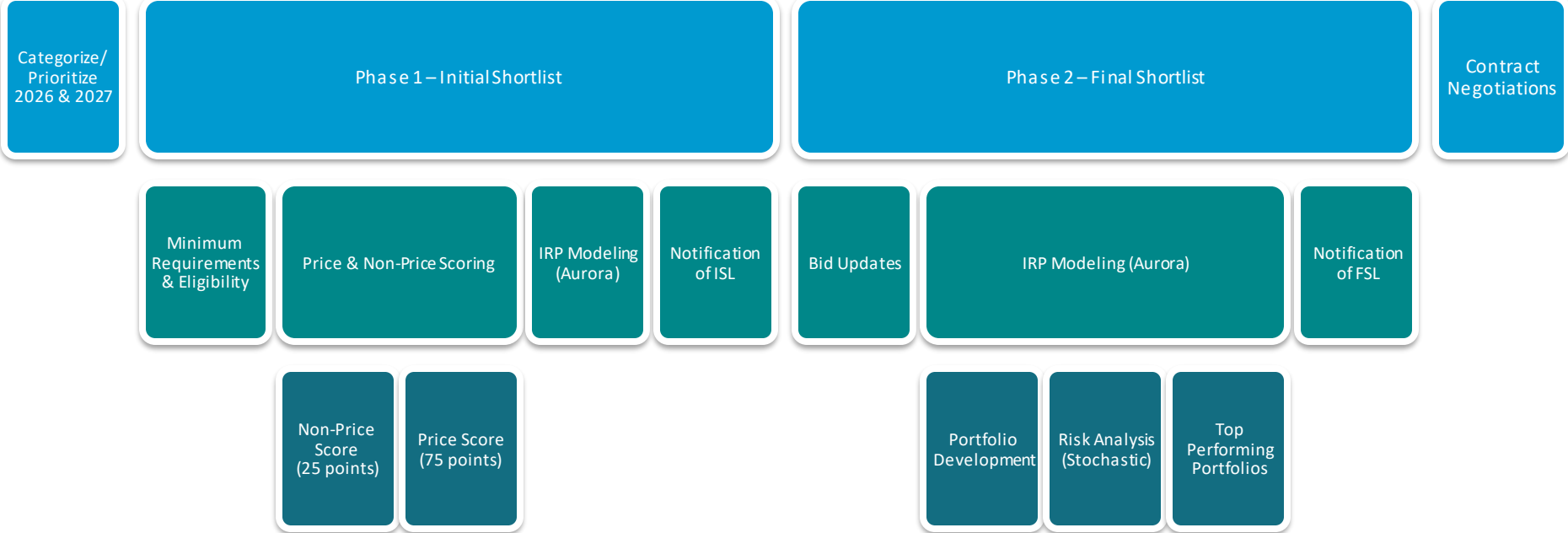
Facility Name				
Resource Type	Please Select	Please Select	Please Select	Please Select
Structure	Please Select	Please Select	Please Select	Please Select
Ownership				
Contract Term (Years)				
Contract Capacity (MWac)				
RFP Eligible Product #				
RFP Eligible Product Description				
COD (m/d/yyyy)				
Point of Delivery				
County, State				
Contingent on B2H or other IPC transmission rights?	Please Select	Please Select	Please Select	Please Select

**Bid Definition**

Please select "Yes" for the product(s) to form your bids. A bid can be formed with one or multiple products at the same facility.

	Facility					
Portfolio 1		Please Select				
Portfolio 2		Please Select				
Portfolio 3		Please Select				
Portfolio 4		Please Select				
Portfolio 5		Please Select				
Portfolio 6		Please Select				
Portfolio 7		Please Select				
Portfolio 8		Please Select				
Portfolio 9		Please Select				
Portfolio 10		Please Select				
Portfolio 11		Please Select				
Portfolio 12		Please Select				
Portfolio 13		Please Select				
Portfolio 14		Please Select				
Portfolio 15		Please Select				
Portfolio 16		Please Select				
Portfolio 17		Please Select				

# Evaluation Process



# Minimum Requirements

	Resource Based	Market Purchase
Bid is submitted on or before the submittal deadline and all applicable forms have been completed and submitted.	Y	Y
Documentation submitted indicates the viability of a Commercial Operation Date (resource based proposals) or Contract Effective Date (market purchase proposals) on or before June 1, 2027 AND matches the COD s submitted.	Y	Y
No portion of the resource supporting the offer has also been offered to another entity.	Y	Y
The Resource Based Product will be delivered to a Point of Delivery on IPC's transmission system OR if the product will be interconnected to a third-party transmission system, Bidder has provided appropriate transmission rights to deliver to IPC point of delivery.	Y	N
Evidence of wire transfer provided prior to bid deadline in the correct amount for the correct number of bids.	Y	N
Resource Based Product Non-Pricing and Pricing sheets have been completed by Bidder.	Y	N
Bidder provided redlines or confirmed no redlines to Draft Form Agreements for the Resource Based Product (Exhibit H).	Y	N
Bidder has completed Counterparty Financial Questionnaire (Exhibit O).	Y	Y
Bid of firm energy and capacity (prefer WSPP Agreement Schedule C or equivalent) meeting Western Resource Adequacy Program (WRAP) resource specificity, transmission and other requirements.	N	Y
The minimum WRAP Qualified Capacity Contribution (Exhibit E) requirement is met.	N	Y
Market Purchase Information sheet has been completed by Bidder.	N	Y

# Resource Based Non-Price Scoring (25 Points)



- Contracting Progress and Viability (5 points)
  - Form Agreements have been reviewed and response provided
  - Characteristics and Price submitted is consistent with the bid definition form and the proposed project or offer
- Project Readiness and Deliverability (20 points)
  - Demonstrated ability to achieve COD
    - Site control
    - Interconnection studies
    - Environmental studies
    - EPC progress
  - Experience and Safety
  - Financing plan is established

# Resource Based Price Scoring (75 points)



- Proprietary Price Scoring Model (available to IE and OPUC)
  - \$ Revenue Requirement per kWh delivered for each bid
    - Revenue requirement includes carrying costs, tax credit benefits, etc.
      - Assumptions about:
        - » Inflation rates
        - » Discount rates
        - » Marginal tax rate
        - » Asset life
- Bid scores ranked relative to each other within same technology where feasible
  - Max = 75, Min = 0 - remaining bids scored from 0 to 75 based on relative relationship to high and low bids

# IRP Modeling – Initial Shortlist



- Portfolio of projects into Aurora
  - Highest scoring bids from Resource Based Price and Non-Price Scoring
  - Include Market Purchase Products
- Run Aurora to select Initial Shortlist and screen uneconomic bids
  - Bid cost
  - Performance data
  - ELCC



# Final Shortlist



- Updates from Bidders on Initial Shortlist
- Re-run Aurora to confirm economic bids
  - Cost, performance, ELCC
- Update model and re-run to select least cost, least-risk portfolio
  - Risk analysis
  - Reliability assessment

# Milestones



Milestone	Date
Introduction Stakeholder Workshop on AS RFP and SMM	2/21/2023
Draft AS RFP Filed	2/22/23
Commission Workshop	4/3/23
RFP Distributed to Market	4/5/2023
Bid Definition Forms Due	4/13/2023
Bid Entry Forms Distributed to Bidders	4/21/2023
Approval of AS RFP	5/16/2023
Bidder Workshop and Last Day for AS RFP Questions	5/22/2023
Benchmark Bids Due	5/31/2023
<b>AS RFP Bids Due</b>	<b>6/2/2023</b>

# Wrap Up



Questions and Discussion