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Portland, Oregon 97232

February 11, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

RE: UE 390—PacifiCorp's Motion to Amend Order No. 21-379
Expedited Consideration Requested

PacifiCorp d/b/a Pacific Power encloses for filing PacifiCorp's Motion to Amend Order No. 21-379 with Expedited Consideration Requested in the above-referenced docket.

Informal inquiries may be directed to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

Shelley McCoy
Director, Regulation

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 390

In the Matter of
PACIFICORP d/b/a PACIFIC POWER,
2022 Transition Adjustment Mechanism

Expedited Consideration Requested

**MOTION TO AMEND
ORDER NO. 21-379**

INTRODUCTION

1
2 PacifiCorp d/b/a Pacific Power (PacifiCorp or Company), consistent with ORS
3 756.568, respectfully requests the Public Utility Commission of Oregon (Commission)
4 amend Order No. 21-379. Order No. 21-379 directed PacifiCorp to update the Jim Bridger
5 Long Term Fuel Plan for the 2023 Transition Adjustment Mechanism (TAM) to reflect “the
6 changing future of Jim Bridger.”¹ PacifiCorp now requests that the Commission modify this
7 order to change the deadline of this filing from the 2023 TAM to the 2024 TAM. Recent
8 events have created significant uncertainty around Jim Bridger’s fuel plans. This
9 modification will provide an opportunity for PacifiCorp to provide a robust and useful long-
10 term fuel plan that is relevant to the Commission and thoroughly examines the requested
11 issues. Since the 2023 TAM will be filed on March 1, 2022, PacifiCorp is requesting
12 expedited consideration for this motion.

BACKGROUND

13
14 The TAM is PacifiCorp’s annual filing to update its net power costs in rates and to set
15 the transition adjustments for customers who choose direct access during the open enrollment
16 window in November. On April 1, 2021, PacifiCorp filed its 2022 TAM, which included

¹ *In the Matter of PacifiCorp d/b/a Pacific Power, 2022 Transition Adjustment Mechanism*, Docket No. UE 390, Order No. 21-379 at 14 (Nov. 1, 2021).

1 testimony detailing the level of coal costs included in fuel expense. On November 1, 2021,
2 the Commission issued Order 21-379 resolving this proceeding.² Through this order, the
3 Commission required PacifiCorp “to update and file the Jim Bridger Long Term Fuel Plan
4 document in the 2023 TAM.”³ The Commission went further and requested that PacifiCorp
5 review “scenarios that may involve significant change in its management of the resources,
6 such as, for example, the consequences of fueling Jim Bridger solely from [Bridger Coal
7 Company] or Black Butte.”⁴

8 **PROPOSED MODIFICATION**

9 PacifiCorp respectfully requests that the Commission modify Order No. 21-379 to
10 only change the deadline for filing the Jim Bridger Long Term Fuel Plan. Specifically,
11 PacifiCorp requests that the Commission allow PacifiCorp to file the Jim Bridger Long Term
12 Fuel Plan document in the 2024 TAM.

13 Recent and ongoing events have increased uncertainty around the future of Jim
14 Bridger’s fuel plans in a manner that is going to make filing a robust and informative fuel
15 plan impossible by the March 1st filing date of the 2023 TAM. Specifically, these events
16 include the recent actions by the United States Environmental Protection Agency (EPA)
17 around Jim Bridger’s regional haze obligations and the revised dates for Idaho Power
18 Company to exit the coal units at the Jim Bridger facility in their recently filed 2021
19 Integrated Resource Plan (IRP). These events when combined with the decision to convert
20 units 1 and 2 to natural gas in PacifiCorp’s 2021 IRP make it impossible for PacifiCorp to
21 provide a robust and informative analysis that includes “scenarios on the consequences of

² *Id.*

³ *Id.*

⁴ *Id.*

1 fueling Jim Bridger solely from Bridger Coal Company (BCC) or the Black Butte” as
2 requested by the Commission.⁵

3 Consistent with OAR 860-001-0420, PacifiCorp is requesting expedited treatment of
4 this motion in order to receive an order prior to filing of the 2023 TAM on March 1, 2022.
5 PacifiCorp is authorized to represent that the following parties to the 2022 TAM do not
6 oppose the modifications proposed in this motion, but reserve the right to argue the prudence
7 of any costs proposed in future TAM proceedings: Commission Staff, Citizens’ Utility
8 Board, and the Alliance of Western Energy Consumers. The Small Business Utility
9 Advocates take no position on the motion, and Sierra Club has indicated their opposition to
10 the motion. PacifiCorp did not receive a response from Calpine Solutions.

11 **A. Recent events have created significant uncertainty around the fueling of**
12 **future operations at the Jim Bridger plant.**

13 In February of 2019, PacifiCorp submitted an application to Wyoming Department of
14 Environmental Quality (DEQ) and proposed that the agency implement more stringent plant-
15 wide NOx and SO2 emission limits in lieu of the requirement to install selective catalytic
16 reduction (SCR) systems on Jim Bridger Units 1 and 2 as part of its state implementation
17 plan (SIP) for compliance with regional haze requirements. Wyoming DEQ granted final
18 approval of the application and issued an enforceable state air permit in May of 2020, and
19 submitted the SIP to the EPA Region 8 for federal review and approval. When the EPA
20 failed to complete its review of the state’s proposed SIP within the timelines required by
21 administrative rules, the Wyoming Attorney General’s office issued a notice of intent to file a
22 lawsuit against EPA and the Wyoming Governor granted a 4-month emergency extension to

⁵ *Id.*

1 allow for continued operation of Jim Bridger Unit 2 without SCR until the end of April of
2 2022. Jim Bridger Unit 1 is allowed to operate without SCR until the end of December 2022.
3 On January 18, 2021 the EPA filed a pre-publication notice of a rule to disapprove
4 PacifiCorp’s proposed SIP.⁶ This proposed action by EPA creates a disconnect between state
5 and federal regional haze requirements for Jim Bridger and results in significant uncertainty
6 for long term planning. PacifiCorp continues to work with the EPA and Wyoming state
7 authorities to achieve a resolution, but there remains considerable uncertainty regarding the
8 continued operation of Jim Bridger Unit 2 in 2022, and Jim Bridger Unit 1 in 2023.

9 As has been noted in numerous past proceedings, the Jim Bridger plant and Bridger
10 Coal Company are jointly owned assets of PacifiCorp and Idaho Power. On December 30,
11 2021, Idaho Power filed their 2021 IRP. Idaho Power’s preferred portfolio and action plan
12 calls for exiting all of the Jim Bridger coal units by 2028.⁷ The combination of the Idaho
13 Power IRP, along with the regional haze issues discussed above create significant uncertainty
14 around the future levels of fuel that will be required for the Jim Bridger facility. As a result, a
15 Jim Bridger Long Term Fuel Plan would not have sufficient certainty to provide useful
16 information for the Commission.

17 **B. PacifiCorp will be able to provide a greater level of information in next**
18 **year’s TAM filing.**

19 PacifiCorp proposes the 2022 TAM order be amended so that PacifiCorp would
20 provide the Long Term Fuel Plan in the 2024 TAM. As identified above, these recent events,

⁶ *Pre-Publication Notice, Disapproval of Air Quality Implementation Plans; Wyoming; Proposed Revisions to Regional Haze State Implementation Plan*, Docket No. EPA-R08-OAR-2020-0441, U.S. ENVIRONMENTAL PROTECTION AGENCY (Jan. 11, 2022).

⁷ *In the Matter of Idaho Power Company, 2021 Integrated Resource Plan*, Docket No. LC 78, Idaho Power Company’s 2021 Integrated Resource Plan at 173 (Dec. 30, 2021).

1 combined with PacifiCorp’s own IRP preferred portfolio identifying Bridger Units 1 and 2
2 for natural gas conversion in 2024 have combined to create a situation where there is
3 significant uncertainty around future fueling arrangements at the Jim Bridger facility.⁸ The
4 Commission has specifically requested that PacifiCorp provide a look at “scenarios that may
5 involve significant change in its management of the resources, such as, for example, the
6 consequences of fueling Jim Bridger solely from BCC or solely from Black Butte.”⁹ If
7 PacifiCorp were required to file a fuel plan on March 1, it would not be able to incorporate
8 the possible changes that have occurred from recent events.

9 Analysis of “scenarios that may involve a significant change” in the management
10 resources for Jim Bridger could additionally have significant operational consequences for
11 PacifiCorp and the Jim Bridger plant. Therefore, PacifiCorp wants to be able to incorporate
12 recent events and ensure that there is a thorough, robust, and useful analysis of these issues to
13 provide to the Commission. While PacifiCorp is still evaluating impacts, any analysis is
14 speculative and would be uninformed by recent events. An additional year will provide
15 additional certainty around the EPA’s actions, and allow PacifiCorp to thoroughly analyze
16 the requested scenarios in a comprehensive Long Term Fuel Plan that takes into account the
17 latest developments. This proposal will allow PacifiCorp to provide the Commission with
18 more complete information related to the concerns expressed in the 2022 TAM order.

⁸ *In the Matter of PacifiCorp d/b/a Pacific Power, 2021 Integrate Resource Plan*, Docket No. LC 77, PacifiCorp’s 2021 Integrated Resource Plan at 15 (Sep. 1, 2021).

⁹ Order No. 21-379 at 14.

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CONCLUSION

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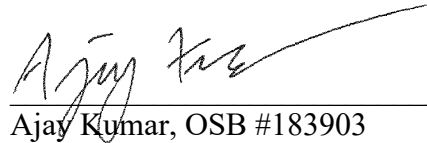
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For the reasons described in this motion, PacifiCorp respectfully requests the Commission adopt the modifications to Order No. 21-379 proposed in this filing to provide the Commission with a Jim Bridger Long Term Fuel Plan in the 2024 TAM.

Respectfully submitted this 11th day of February, 2022.

By:



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