

ORDER NO. 21-051

ENTERED Feb 12 2021

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1911

In the Matter of

IDAHO POWER COMPANY,

Resource Value of Solar and Compliance
Filing in Response to Order No. 19-022.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on February 11, 2021, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



Nolan Moser
Chief Administrative Law Judge



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. RA3

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 11, 2021**

REGULAR X CONSENT _____ EFFECTIVE DATE _____ N/A _____

DATE: January 29, 2021

TO: Public Utility Commission

FROM: Marc Hellman

THROUGH: Bryan Conway and JP Batmale **SIGNED**

SUBJECT: IDAHO POWER:
(Docket No. UM 1911)
Idaho Power Resource Value of Solar and Compliance Filing in Response to Order No. 19-022.

STAFF RECOMMENDATION:

The Public Utility Commission of Oregon (Commission) should accept Idaho Power Company's (Idaho Power) July 18, 2019, Compliance Filing inclusive of responses to Staff's data requests and recent updated information submitted on December 11, 2020; and, direct Idaho Power to Annually post on its OASIS website, by July 1 of each year, Oregon substation-level information with respect to overall loadings on a granularity basis no less than low, medium and high utilization as defined by Idaho Power.

DISCUSSION:

Issue

Whether the Commission should accept Idaho Power's March 18, 2019, July 18, 2019, Compliance Filings and as modified by its December 11, 2020 filing, to Order No. 19-022.

Applicable Rule or Order

In Order No. 19-022, issued January 22, 2019, the Commission stated:

In this order, we complete Phase II of the resource value of solar (RVOS) proceeding, and adopt the final methodologies that Idaho Power Company (Idaho Power) will use to produce its initial set of RVOS values. We direct Idaho

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Power to develop revised RVOS calculations consistent with this order, and file them in this docket by March 18, 2019. We also direct Idaho Power to file additional information regarding avoided transmission and distribution, generation capacity, and line loss values no later than July 18, 2019.¹

Analysis

Executive Summary

Idaho Power revised its 12x24 matrix for generation to remove a flattening of LOLP values as well as solar shaping. Idaho Power also revised its distribution 12x24 matrix to remove solar shaping. These corrections were in response to comments offered by OSEIA to PGE, and in part to Idaho Power.

Staff does replace its prior recommended actions by now recommending just two actions: first to have annual updates filed each July; and, second to have substation loadings publicly available on OASIS with a classification of low, medium and high.

Background

This docket, along with companion dockets UM 1912 for Portland General Electric (PGE) and UM 1910 for PacifiCorp, are designed to analyze the resource value of solar. The Idaho Power specific RVOS Order No. 19-022 provides a useful background for RVOS as well as a discussion on the framework for analysis.

As noted above, Idaho Power was directed to make compliance filings to Order No. 19-022 on March 18 and July 18, 2019. Following the utilities compliance filings on July 18, 2019, Staff held a workshop with the utilities and stakeholders to gather input on the compliance filings.

At the October 29, 2019, Special Public Meeting in docket UM 1930, the Commission requested an informational update on the status of the resource value of solar proceedings. On October 31, 2019, the OPUC Hearings Division Administrative Law Judge, Alison Lackey, issued a memorandum requesting that Staff provide a presentation summarizing the compliance filings, addressing the status of the compliance filings, and outlining any next steps. The presentation was initially scheduled for the January 14, 2020, Public Meeting, but in a communication dated December 23, 2019, was rescheduled to the February 13, 2020, Public Meeting instead.

A subsequent workshop was scheduled November 9, 2020. The purpose of the workshop was to discuss any party's concerns regarding the utility compliance filings with the proviso that decisions/direction reached in prior Commission orders would not be revisited. Also to be discussed was a Staff idea that given the amount of time that

¹ Order No. 190-022, p. 1.

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has passed from the prior compliance filings, that new RVOS estimates should be developed and reviewed and presented to the Commission for purposes of obtaining compliance filing approval. At the workshop, the viewpoint was raised that instead of developing new RVOS estimates, the utilities should instead address any concerns raised in the November 9, 2020, workshop and modify the prior compliance filings only to the extent necessary to address those concerns. The point being that the goal is to obtain first Commission affirmation on the analytical methods used to achieve compliance. That is to obtain a Commission approval of compliance. After that is achieved next steps could be discussed. Staff agreed with that suggestion.

Therefore, Staff takes a different approach for this memorandum than used in the prior Public Meeting presentation. At that February 13, 2020, Public Meeting, Staff had revised the Idaho Power values to express them in 2020 dollars. For this public meeting, Staff is not making such adjustments but returning to the Idaho Power originally-filed values as a starting point.

At the November 9, 2020, workshop, minor concerns were voiced concerning Idaho Power's prior compliance filings regarding the 12x24 matrix formulation. As discussed below, Idaho Power has addressed the concerns and as such Staff recommends the Commission adopt its filing, as being compliant to its order.

Given the OSEIA concerns raised at the November 9, 2020, workshop, Idaho Power prepared a filing and submitted it on December 11, 2020. That filing included revisions of some tables and discussions on topics raised by OSEIA.

For the discussion in the following section, this public meeting memo should be treated as an addendum to the February 13, 2020, staff public meeting memo with respect to the discussion and observations. There are some additional insights offered in this memo as well as a change in "next-steps" recommendations. The additional insights and change in recommendations are the result of additional insights gained since publication of the February 13, 2020, Public Meeting memo, as well as the ongoing discussion with other parties, and work and research in Docket UM 2011, the general capacity investigation.

Discussion

With respect to the prior public meeting presentation, Staff had issued several data requests to Idaho Power to both confirm Idaho Power's compliance to Commission Order No. 19-022, as well as better understand the context of Idaho Power's prior March 18 and July 18, 2019 Compliance filings.

Idaho Power submitted a refiling on December 11, 2020. In an email dated December 16, 2020, Angela Crowley-Koch of OSEIA provided three observations/questions

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regarding Idaho Power and PGE's supplemental RVOS filings. A copy of those is provided below:

OSEIA has reviewed the recent PGE and IPCo RVOS filings and has some questions:

1. **25-year levelization period for 8,760 generation capacity and T&D values should start in 2018.** *Please check that the 25-year levelization period for the 8760 generation capacity values in the RVOS work papers is the same as for the annual values. It appears there is a cell reference error in the RVOS worksheets that result in the hourly levelization period starting in 2020 rather than 2018 [e.g., see the formula references in cell J140 on the Dashboard tab to cell D83 (2016) rather than D85 (2018) on the General Inputs tab, which affects the starting year offset]. This correction should reduce the 12x24 numbers slightly, but also should result in a solar weighted average value that is exactly the same as the levelized annual value (e.g. 7.19 per MWh for PGE generation capacity).*
2. **Clarify whether 12x24 tables are in standard or prevailing time.** *Please check whether the hour labels in the RVOS models are for standard time or prevailing time. Some of the solar profiles appear to include generation during HE 5 a.m. in June, which may be reasonable if the tables are intended to be in standard time (or further east). If standard time, however, it will be important not to improperly interpret the table as in being in prevailing time. We would prefer everything be in prevailing time, to more closely reflect conditions on the ground.*
3. **Consider whether the input for generation peak contribution should agree with the solar coincidence based on hourly LOLPs.** *In PGE's model (and prior versions of the IPC model we've seen), the solar capacity coincidence based on hourly LOLPs (i.e. in row 2 of the Hourly Inputs tab) is different than the input contribution to generation peak value (i.e. in column F of the General Inputs tab). We understand that PGE makes use of a marginal ELCC value from its 2016 IRP. Hourly levelized generation capacity prices include scaling by the ratio of the input generation peak contribution and the solar capacity coincidence based on hourly LOLPs (see cell J140 on the Dashboard tab). This may be the correct way to determine hourly values that comport with the input generation peak contribution value, but it would seem to be inconsistent with the capacity coincidence indicated by the hourly LOLPs. (The PAC RVOS model uses a generation peak value that is very same as the solar capacity coincidence resulting from the hourly LOLPs.) Please consider whether the 12x24 generation capacity values for PGE or IPC are technology neutral, given the use of distinct generation peak contribution and solar LOLP coincidence values (i.e. note that prices have been scaled). Please also consider whether appropriate, transparent,*

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and sufficiently up-to-date or Commission-approved values have been used in these calculations, particularly for the generation peak contribution input assumption to the extent that it is distinct from the solar coincidence based on hourly LOLPs.

These questions are primarily targeted at PGE; however, Idaho Power also reviewed these questions and prepared responses.

In an email dated January 6, 2021, Idaho Power responded to each of OSEIA's comments listed above.

1. Idaho Power's RVOS model assumes a start year of 2019 and uses 2019 for both the 25-year and 8760 generation capacity values. The Idaho Power model does not have the OSEIA cell-reference error.
2. Idaho Power's 12x24 tables are in prevailing time and the solar profile does not show any generation until 7 am on any day.
3. The 12x24 matrix was corrected to be technology-neutral. Idaho Power used the most recently available Oregon-specific peak contribution data to develop its generation peak contribution value used in its 3-18-2019 RVOS filing. In terms of whether our CTP and solar LOLP coincidence values are "appropriate, transparent, and sufficiently up-to-date or Commission-approved," the Commission approved Idaho Power's generation capacity approach for the RVOS in Order No. 19-022. Note that the 2017 IRP continues to be Idaho Power's most recently acknowledged IRP.

The last of the OSEIA observation/questions is an interesting one. This issue need not be resolved for purposes of this compliance filing, however it could be addressed in UM 2011.

There are reasons as to why ELCC capacity contribution could be different than the LOLP coincidence and in fact the former be greater than the latter. One potential reason could be if the peak days are in the summer and tend to be clear days, then solar generation would be greater on those days. Meaning there is a correlation between peak loads and solar generation. However, under the 12x24 construct where there is one average profile, the LOLP 12x24 approach would not capture this.

Use of 8760 LOLP hourly approach, along with 8760 solar hourly generation, would align any correlation between peak loads and solar generation much closely. Since the solar peak contribution amounts in the spreadsheets are using the 8760 data and not the 12x24 average LOLP data, I am not sure how large the difference might be and should not be a substantive issue but does warrant further consideration as OSEIA suggests.

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Table 1 provides a summary listing of the element values and provides a third column listing the values staff published for the February 13, 2020, Public Meeting.

Element	March 2019 Compliance Filing (2019\$)	January 2020 Transmission Correction (2019\$)	Staff February 13, 2020, Public Meeting Memo (2020\$)²
	In \$ per MWh		
Energy	\$28.77	\$28.77	\$28.77
Generation Capacity	10.55	10.55	11.42
T&D Capacity Deferral	6.03	7.08	7.23
Line Losses	2.33	2.33	2.33
Integration	-0.57	-0.57	-0.57
Administration	-5.80	-5.80	-5.80
Market Price Response	-0.02	-0.02	-0.02
Hedge Value	1.44	1.44	1.44
Environmental Compliance	0.00	0.00	0.00
RPS Compliance	0.00	0.00	0.00
Grid Services	0.00	0.00	0.00
RVOS Total Value	\$42.73	\$43.78	\$44.80
Utility-Scale Proxy (excludes renewable tax credits)	\$47.16	\$49.85	\$50.51

As explained in footnote 2, there is an error in the expression of what year's dollars the values are expressed in. Since there was minor inflation between 2019 and 2020 of roughly one percent, Staff does not think this error is substantive and has not asked Idaho Power to correct it.³ For purposes of compliance, Staff still recommends approval, with the relevant column being the middle column labeled, "January 2020,

² The table lists the same values for some elements for both 2019 dollars and 2020 dollars. Staff asked Idaho Power to explain this result and Idaho Power's response is as follows: *Our response to DR 21 was in 2020\$. However, as Staff notes many of the numbers didn't change between the 2019\$ column and the 2020\$ column. When we converted the March 18, 2019 compliance filing RVOS model to 2020\$, instead of 2019\$, we did not update the energy value or the integration charge based on what those values were projected to be in 2020. For example, when we changed the start year and levelization year in the RVOS model to 2020, the first year energy price was still based on a forecast Mid-C price for 2019 and did not advance to the forecast price for 2020. Because the losses, hedge value and market price response component are all based on the energy price, they too did not update/advance. The same holds true for the integration charge – when we updated the start year and levelization year, we did not update the integration charge input value. This was an oversight on our end.*

³ [Bls.gov/news.release/cpi.t07.htm](https://www.bls.gov/news.release/cpi.t07.htm)

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Transmission Correction". Staff makes this recommendation as the values are more likely consistently expressed in 2019 dollars.

- With respect to transmission and distribution, Idaho Power provided a summary table in its July 18, 2019, Compliance Filing identifying the transformer and substation with high, medium, and low projected distribution costs. In the January 7, 2020, response to OPUC Data Request, No. 23, Idaho Power provided greater detail and fuller explanation of its grading criteria. The classification levels are as follows:
 - High: Less than three years to reach planning capacity.
 - Medium: Between three and ten years to reach planning capacity.
 - Low: More than ten years to reach planning capacity.
- Planning capacity is defined as 80 percent of capacity. In looking over Idaho Power's response to OPUC Data Request No. 23, the company has several transformers that are well over the 80 percent capacity value, with several exceeding 90 percent.

Revised Tables

The table below shows the \$/MWH values assuming a levelized cost of generation capacity of \$52.51 per kW-year as determined by the RVOS model. The values are corrected to not reflect the solar shape as well as remove any flattening. This represents a substantive difference from that previously filed by Idaho Power and therefore represents a correction. The values are generic in nature that any generation shape could be overlaid to obtain an approximate valuation.

Table 2 – Generation Capacity Value pricing (in dollars per MWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	3.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	11.47	9.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	21.30	48.98	0.00	0.00	3.28	0.00	0.00	0.00	0.00	0.00	0.00	1.64
8	40.96	65.31	0.00	3.39	3.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	24.58	47.16	0.00	1.69	0.00	0.00	0.00	0.00	1.69	0.00	0.00	0.00
10	14.75	0.00	0.00	6.77	3.28	0.00	0.00	0.00	1.69	0.00	0.00	0.00
11	13.11	0.00	0.00	6.77	0.00	0.00	6.55	0.00	1.69	0.00	0.00	1.64
12	4.92	0.00	0.00	6.77	6.55	3.39	11.47	0.00	0.00	0.00	0.00	0.00
13	1.64	0.00	0.00	1.69	3.28	1.69	27.85	0.00	1.69	0.00	0.00	0.00

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14	1.64	0.00	0.00	3.39	6.55	8.47	47.52	3.28	0.00	0.00	0.00	0.00
15	0.00	0.00	0.00	5.08	3.28	16.93	90.12	11.47	10.16	0.00	0.00	0.00
16	1.64	0.00	0.00	8.47	3.28	18.62	98.31	22.94	13.54	0.00	0.00	0.00
17	9.83	1.81	0.00	5.08	8.19	44.02	147.46	19.66	23.70	0.00	0.00	1.64
18	34.41	41.72	0.00	8.47	8.19	18.62	127.80	16.38	16.93	0.00	0.00	1.64
19	27.85	59.86	0.00	6.77	4.92	27.09	55.71	8.19	16.93	0.00	0.00	1.64
20	14.75	23.58	0.00	1.69	3.28	15.24	37.68	3.28	13.54	0.00	0.00	3.28
21	6.55	25.40	1.64	3.39	4.92	8.47	13.11	3.28	3.39	0.00	0.00	0.00
22	0.00	10.88	0.00	3.39	0.00	3.39	1.64	0.00	0.00	0.00	0.00	0.00
23	0.00	0.00	0.00	0.00	1.64	1.69	0.00	0.00	0.00	0.00	0.00	0.00

The tables below display distribution values in a 12x24 matrix format and are corrections from previous filings that reflected solar shaping.

Table 5 – Distribution Capacity Summer-peaking resources-pricing (in dollars per MWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0	1.45	1.66	1.29	1.16	1.35	1.56	1.79	1.70	1.23	1.17	1.47	1.51
1	1.46	1.63	1.28	1.14	1.29	1.48	1.71	1.64	1.19	1.16	1.47	1.50
2	1.45	1.62	1.26	1.13	1.27	1.46	1.66	1.60	1.18	1.16	1.46	1.48
3	1.46	1.62	1.29	1.13	1.26	1.44	1.63	1.55	1.17	1.15	1.48	1.48
4	1.50	1.66	1.32	1.16	1.27	1.45	1.61	1.56	1.19	1.18	1.50	1.52
5	1.56	1.73	1.40	1.23	1.33	1.47	1.61	1.57	1.21	1.24	1.56	1.57
6	1.69	1.86	1.53	1.35	1.41	1.51	1.65	1.63	1.33	1.36	1.68	1.69
7	1.77	1.96	1.64	1.44	1.47	1.57	1.74	1.67	1.39	1.45	1.77	1.75
8	1.80	1.97	1.66	1.45	1.52	1.62	1.82	1.73	1.42	1.46	1.81	1.78
9	1.78	1.97	1.60	1.43	1.54	1.68	1.90	1.78	1.44	1.46	1.78	1.77
10	1.75	1.94	1.56	1.41	1.57	1.75	1.97	1.85	1.47	1.45	1.75	1.76
11	1.70	1.91	1.50	1.39	1.57	1.79	2.07	1.94	1.48	1.42	1.69	1.73
12	1.65	1.86	1.46	1.37	1.62	1.84	2.17	2.00	1.51	1.40	1.65	1.68
13	1.60	1.83	1.42	1.37	1.64	1.87	2.21	2.04	1.52	1.39	1.61	1.66
14	1.58	1.80	1.39	1.35	1.63	1.90	2.28	2.09	1.53	1.37	1.58	1.63
15	1.55	1.76	1.36	1.33	1.65	1.92	2.33	2.16	1.56	1.35	1.55	1.62
16	1.56	1.77	1.35	1.34	1.67	1.96	2.36	2.19	1.58	1.35	1.57	1.67
17	1.64	1.81	1.34	1.33	1.67	1.97	2.36	2.20	1.60	1.35	1.66	1.73
18	1.68	1.89	1.35	1.33	1.66	1.95	2.37	2.18	1.59	1.36	1.70	1.74
19	1.70	1.90	1.35	1.34	1.63	1.92	2.32	2.13	1.56	1.40	1.68	1.72
20	1.67	1.87	1.40	1.36	1.59	1.88	2.28	2.09	1.56	1.41	1.66	1.70
21	1.64	1.82	1.40	1.35	1.60	1.84	2.19	2.02	1.49	1.33	1.61	1.68
22	1.56	1.75	1.34	1.29	1.52	1.77	2.10	1.92	1.39	1.27	1.58	1.62
23	1.48	1.69	1.30	1.22	1.42	1.67	1.95	1.79	1.31	1.21	1.51	1.56

Table 6: Distribution Capacity-Winter-peaking resources-pricing (in dollars per MWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0	1.77	1.89	1.46	1.21	1.11	1.23	1.36	1.34	1.17	1.35	1.73	1.78
1	1.75	1.87	1.45	1.18	1.07	1.17	1.28	1.28	1.12	1.33	1.70	1.77
2	1.74	1.87	1.48	1.18	1.05	1.15	1.24	1.24	1.10	1.33	1.70	1.76
3	1.75	1.87	1.51	1.20	1.04	1.13	1.20	1.21	1.09	1.33	1.71	1.76
4	1.78	1.90	1.54	1.23	1.05	1.12	1.19	1.21	1.12	1.37	1.74	1.79
5	1.85	1.95	1.61	1.30	1.10	1.16	1.21	1.24	1.17	1.43	1.82	1.84

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Table 6: Distribution Capacity-Winter-peaking resources-pricing (in dollars per MWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
6	1.98	2.11	1.75	1.43	1.21	1.25	1.27	1.31	1.27	1.57	1.96	1.94
7	2.11	2.24	1.90	1.56	1.28	1.31	1.34	1.35	1.37	1.68	2.09	2.05
8	2.16	2.30	1.95	1.55	1.33	1.37	1.41	1.44	1.42	1.74	2.13	2.12
9	2.15	2.27	1.84	1.54	1.35	1.41	1.49	1.49	1.44	1.73	2.08	2.10
10	2.07	2.18	1.72	1.50	1.36	1.45	1.56	1.54	1.43	1.68	2.03	2.07
11	1.98	2.12	1.66	1.45	1.36	1.47	1.64	1.59	1.44	1.64	1.97	2.01
12	1.84	2.02	1.54	1.39	1.35	1.49	1.69	1.64	1.44	1.58	1.88	1.97
13	1.77	1.95	1.48	1.38	1.36	1.51	1.73	1.68	1.46	1.55	1.85	1.90
14	1.71	1.92	1.44	1.36	1.36	1.53	1.79	1.72	1.47	1.51	1.81	1.84
15	1.70	1.90	1.39	1.34	1.35	1.55	1.83	1.76	1.44	1.49	1.80	1.86
16	1.72	1.96	1.40	1.33	1.36	1.58	1.88	1.81	1.46	1.50	1.83	1.91
17	1.83	2.01	1.41	1.34	1.36	1.59	1.92	1.82	1.47	1.51	1.92	2.02
18	1.99	2.10	1.44	1.39	1.37	1.61	1.92	1.83	1.49	1.55	2.01	2.08
19	2.00	2.10	1.45	1.39	1.33	1.56	1.86	1.78	1.46	1.59	1.97	2.05
20	1.99	2.11	1.52	1.40	1.33	1.52	1.80	1.72	1.49	1.59	1.95	2.02
21	1.96	2.08	1.51	1.43	1.35	1.48	1.73	1.66	1.45	1.55	1.90	1.98
22	1.89	2.01	1.48	1.35	1.29	1.45	1.65	1.56	1.35	1.47	1.84	1.92
23	1.82	1.95	1.47	1.26	1.20	1.33	1.50	1.42	1.24	1.40	1.77	1.84

The generation and distribution \$/MWh tables have now been correctly computed by no longer including a solar shape. Therefore, Staff has no issues and recommends the Commission accept Idaho Power's revised tables as being in compliance with the Commission's direction.

Other non-compliance matters

There is one other recommendation Staff offers for Commission consideration. This recommendation is:

- Annually post on its website, by July 1, 2020, Oregon substation-level information with respect to overall loadings on a granularity basis no less than low, medium and high utilization as defined by Idaho Power.

This recommendation is to consider directing the utilities to provide information on the notional locational cost differences the RVOS studies have illustrated. The RVOS study for Idaho Power shows that transmission and distribution capacity deferral costs are a large component of overall costs of 7.08 \$/MWh. Presumably, areas with surplus substation capacity, along with transmission, would have costs close to 0\$/MWh. Therefore there are substantive cost differences. Consideration should be made on this recommendation with regards to the administrative costs of handling locational prices, but clearly this should be a forward looking goal that will improve economic efficiency.

For Future Consideration by the Commission: An Annual Update to RVOS

It would be useful to have the RVOS estimates updated each year. All elements of RVOS could be updated to reflect the most recent information the company has

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available. For some element estimates, like administration, the update could simply be to restate the value for inflation if there is no improvement in precision that the company can identify as useful to incorporate. The July 1 date recommendation reflects comments from another PUC-regulated utility--PacifiCorp that the RVOS filing be coordinated with the standard avoided cost filing. PacifiCorp noted that the QF filing typically occurs around April 30, with rates effective 30 days later. PacifiCorp also noted that it updates its avoided costs 30 days after an IRP is acknowledged. Updating would inform the Commission whether and to what extent RVOS has changed.

Staff plans to host a workshop on this topic. Unless directed otherwise by the Commission, Staff will seek to discuss this prospect of annual RVOS filings with Stakeholders in July or August 2021 after this year's annual PURPA avoided cost updates are completed.

Conclusion

The Idaho Power second amended compliance filing, inclusive of Staff's additional language and revisions based on OSEIA's input, complies with the Commission Order No. 19-022.

PROPOSED COMMISSION MOTION:

Approve Idaho Power Company's July 18, 2019, Compliance Filing inclusive of revisions responding to Staff's data requests and recently updated information submitted on December 11, 2020; and, direct Idaho Power to annually post on its OASIS website, by July 1 of each year, Oregon substation-level information with respect to overall loadings on a granularity basis no less than low, medium and high utilization as defined by Idaho Power.