



RECEIVED

1407 West North Temple, Suite 330  
Salt Lake City, Utah 84116

2020 OCT 29 PM 12:18

IDAHO PUBLIC  
UTILITIES COMMISSION

October 29, 2020

***VIA ELECTRONIC DELIVERY***

Jan Noriyuki  
Commission Secretary  
Idaho Public Utilities Commission  
11331 W Chinden Blvd  
Building 8 Suite 201A  
Boise, Idaho, 83714

**Re: CASE NO. PAC-E-20-16  
IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER  
TO UPDATE CONTRACTS, LOAD AND GAS FORECASTS USED IN THE  
INTEGRATED RESOURCE PLAN AVOIDED COST MODEL**

Dear Ms. Noriyuki:

Please find for filing Rocky Mountain Power's application in the above referenced matter to update contracts and load and natural gas forecasts used as inputs to the IRP avoided cost model.

Informal inquiries may be directed to Ted Weston, Idaho Regulatory Manager at (801) 220-2963.

Very truly yours,

A handwritten signature in blue ink that reads "Joelle Steward". The signature is fluid and cursive.

Joelle Steward  
Vice President, Regulation

Emily Wegener (pro hac vice)  
1407 West North Temple, Suite 320  
Salt Lake City, Utah 84116  
Telephone No. (801) 220-44526  
E-mail: [emily.wegener@pacificorp.com](mailto:emily.wegener@pacificorp.com)

*Attorney for Rocky Mountain Power*

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION ) CASE NO. PAC-E-20-16**  
**OF ROCKY MOUNTAIN POWER TO )**  
**UPDATE CONTRACTS, LOAD AND GAS ) APPLICATION OF**  
**FORECASTS USED IN THE INTEGRATED )**  
**RESOURCE PLAN AVOIDED COST ) ROCKY MOUNTAIN POWER**  
**MODEL )**

Rocky Mountain Power, a division of PacifiCorp, (“Company”), hereby respectfully submits this Application to the Idaho Public Utilities Commission, (“Commission”), in compliance with Order Nos. 32697 and 32802 to update the load forecast, natural gas forecast, and long-term contract components of the Integrated Resource Plan (“IRP”) avoided cost model. In support of this Application, Rocky Mountain Power states as follows:

1. Rocky Mountain Power provides electric service to retail customers in the states of Idaho, Utah, and Wyoming. Rocky Mountain Power is a public utility in the state of Idaho and is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers pursuant to Idaho Code 61-129. Rocky Mountain Power provides retail electric service to approximately 84,000 customers in the state of Idaho.

**I. BACKGROUND**

2. Order No. 32697 specified that the inputs to the IRP methodology calculation, utilized to determine the avoided cost for all new Public Utility Regulatory Policies Act of 1978 (“PURPA”) qualifying facility (“QF”) projects that exceed the published rate eligibility cap, will

be updated every two years upon acknowledgement of the utility's IRP filing with the exception of the load and the natural gas forecasts which are to be updated annually by June 1<sup>st</sup> of each year.

The Commission ruled:

*“We find that, in order to maintain the most accurate and up to date reflection of a utility's true avoided cost, utilities must update fuel price forecasts and load forecasts annually between IRP filings. For the sake of consistency, these annual updates should occur simultaneously with SAR updates - on June 1 of each year. In addition, it is appropriate to consider long-term contract commitments because of the potential effect that such commitments have on a utility's load and resource balance. We find it reasonable to include long-term contract considerations in an IRP Methodology calculation at such time as the QF and utility have entered into a signed contract for the sale and purchase of QF power. We further find it appropriate to consider PURPA contracts that have terminated or expired in each utility's load and resource balance. We find it reasonable that all other variables and assumptions utilized within the IRP Methodology remain fixed between IRP filings (every two years).”<sup>1</sup>*

3. Order No. 32802 changed the due date of the annual update from June 1<sup>st</sup> to October 15<sup>th</sup> of each year. If approved, the load forecast, natural gas forecast, and contract information presented below will be incorporated into Rocky Mountain Power's IRP avoided cost model. Consistent with the Commission's prior orders, this methodology will be utilized by the Company as the starting point for negotiation of contractual avoided cost rates as of October 15, 2020.

## **II. LOAD FORECAST**

4. The Company's June 2020 and July 2019 long-term load forecasts are summarized in Table 1 by annual gigawatt-hours (“GWh”). The June 2020 load forecast shows a slight decrease in usage for the first three years, but overall an increase in load compared to the July 2019 load forecast provided in Case No. PAC-E-19-18, which was subsequently approved by Commission Order No. 34535.

---

<sup>1</sup> *In the matter of the Commission's review of PURPA QF contract provisions including the Surrogate Avoided Resources (SAR) and Integrated Resource Planning (IRP) methodologies for calculating avoided cost rates. Case No. GNR-E-11-03, Order No. 32697, p. 22.*

**Table 1**

<b>PacifiCorp's Annual GWh Load Forecast - June 2020</b>								
<b>Year</b>	<b>California</b>	<b>Idaho</b>	<b>Oregon</b>	<b>Utah</b>	<b>Washington</b>	<b>Wyoming</b>	<b>FERC</b>	<b>Total</b>
2020	861	3,878	14,664	25,703	4,444	8,993	302	58,844
2021	862	3,931	15,076	25,943	4,434	9,072	299	59,617
2022	863	3,949	15,295	26,478	4,474	9,342	297	60,697
2023	861	3,944	15,530	26,999	4,487	9,580	295	61,695
2024	860	3,935	15,756	27,329	4,488	9,728	294	62,390
2025	854	3,930	15,781	27,630	4,456	9,662	291	62,603
2026	849	3,927	15,581	27,840	4,435	9,723	289	62,645
2027	843	3,923	15,691	28,092	4,422	9,725	151	62,846
2028	839	3,922	15,879	28,492	4,430	9,757	22	63,340
2029	832	3,909	15,985	28,713	4,420	9,752	22	63,632
2030	828	3,906	16,105	29,077	4,425	9,815	22	64,179
2031	823	3,901	16,235	29,399	4,427	9,838	22	64,646
2032	821	3,907	16,428	29,833	4,454	9,884	23	65,350
2033	815	3,899	16,558	30,159	4,457	9,881	23	65,791
2034	812	3,899	16,726	30,601	4,477	9,915	23	66,453
2035	808	3,900	16,893	31,066	4,496	9,948	23	67,134
2036	808	3,909	17,103	31,630	4,532	10,011	23	68,016
2037	802	3,905	17,246	32,069	4,545	10,028	24	68,618
2038	799	3,911	17,522	32,573	4,574	10,066	24	69,469
2039	796	3,922	17,802	33,091	4,605	10,103	24	70,343
2040	796	3,939	18,123	33,675	4,649	10,167	24	71,373

<b>PacifiCorp's Annual GWh Load Forecast - July 2019</b>								
<b>Year</b>	<b>California</b>	<b>Idaho</b>	<b>Oregon</b>	<b>Utah</b>	<b>Washington</b>	<b>Wyoming</b>	<b>FERC</b>	<b>Total</b>
2020	890	3,980	15,072	26,035	4,584	9,886	298	60,746
2021	882	3,976	15,220	26,133	4,558	9,689	298	60,756
2022	877	3,972	15,425	26,362	4,539	9,816	298	61,289
2023	873	3,952	15,580	26,590	4,512	9,784	298	61,590
2024	871	3,940	15,627	26,934	4,505	9,788	298	61,963
2025	865	3,936	15,609	27,150	4,479	9,745	297	62,082
2026	861	3,940	15,329	27,495	4,472	9,751	297	62,146
2027	855	3,946	15,378	27,888	4,466	9,736	157	62,425
2028	852	3,955	15,474	28,364	4,477	9,748	20	62,890
2029	845	3,950	15,505	28,658	4,468	9,725	20	63,171
2030	839	3,946	15,563	28,865	4,470	9,729	20	63,431
2031	833	3,943	15,626	29,070	4,473	9,739	20	63,703
2032	830	3,948	15,742	29,372	4,493	9,780	20	64,185
2033	823	3,942	15,789	29,519	4,489	9,774	20	64,356
2034	819	3,948	15,873	29,772	4,508	9,810	20	64,750
2035	816	3,954	15,955	30,030	4,525	9,847	20	65,147
2036	816	3,967	16,075	30,383	4,560	9,913	20	65,734
2037	810	3,970	16,123	30,619	4,570	9,933	20	66,044
2038	806	3,982	16,208	30,934	4,596	9,978	20	66,523
2039	803	3,994	16,294	31,255	4,622	10,023	20	67,011
2040	802	4,010	16,418	31,606	4,661	10,091	20	67,609

Loads are net of DSM

### III. NATURAL GAS PRICE FORECAST

5. The Company's most recent Official Forward Price Curve ("OFPC") was prepared on September 30, 2020 ("2009 OFPC"). The official forward price curve used in Case No. PAC-E-19-18 was prepared on September 30, 2019 ("1909 OFPC"). Table 2 provides the 2009 OFPC natural gas prices summarized annually by market hub. The 1909 OFPC is also provided for reference only. Generally gas prices in the 2009 OFPC are up slightly over the next five to ten years, but down slightly thereafter compared to the 1909 OFPC.

**Table 2 – 2009 Natural Gas Price Forecast**

<b>Official Forward Price Curve (\$/MMBtu) - (2009) - 09/30/2020</b>							
Year	Opal Gas Index	Sumas Index	Stanfield Index	San Juan Index	Henry Hub Index	AECO Index	SOCALBOR Index
2020(a)	\$3.09	\$4.31	\$2.84	\$2.57	\$2.82	\$2.18	\$3.28
2021	\$2.87	\$3.13	\$2.71	\$2.61	\$2.92	\$2.16	\$3.12
2022	\$2.49	\$2.63	\$2.43	\$2.32	\$2.62	\$1.95	\$2.80
2023	\$2.42	\$2.48	\$2.37	\$2.29	\$2.58	\$1.90	\$2.73
2024	\$2.94	\$2.77	\$2.80	\$2.91	\$3.15	\$2.31	\$3.20
2025	\$3.40	\$3.09	\$3.16	\$3.46	\$3.66	\$2.68	\$3.64
2026	\$3.54	\$3.24	\$3.30	\$3.60	\$3.80	\$2.78	\$3.80
2027	\$3.62	\$3.40	\$3.37	\$3.67	\$3.88	\$2.85	\$3.86
2028	\$3.82	\$3.59	\$3.54	\$3.84	\$4.10	\$3.02	\$4.01
2029	\$4.09	\$3.88	\$3.83	\$4.09	\$4.39	\$3.30	\$4.27
2030	\$4.39	\$4.19	\$4.13	\$4.38	\$4.76	\$3.60	\$4.57
2031	\$4.57	\$4.33	\$4.25	\$4.58	\$4.89	\$3.70	\$4.77
2032	\$4.61	\$4.40	\$4.32	\$4.60	\$4.96	\$3.78	\$4.78
2033	\$4.72	\$4.54	\$4.44	\$4.70	\$5.10	\$3.92	\$4.89
2034	\$4.87	\$4.64	\$4.53	\$4.86	\$5.26	\$4.00	\$5.04
2035	\$4.99	\$4.75	\$4.66	\$4.95	\$5.42	\$4.11	\$5.15
2036	\$5.14	\$4.94	\$4.82	\$5.11	\$5.65	\$4.30	\$5.31
2037	\$5.15	\$4.99	\$4.86	\$5.11	\$5.68	\$4.31	\$5.32
2038	\$5.52	\$5.27	\$5.15	\$5.50	\$5.98	\$4.58	\$5.70
2039	\$6.03	\$5.76	\$5.61	\$6.01	\$6.63	\$5.02	\$6.23

**Table 2 – 1909 Natural Gas Price Forecast**

<b>Official Forward Price Curve (\$/MMBtu) - (1909) - 09/30/2019</b>							
<b>Year</b>	<b>Opal Gas Index</b>	<b>Sumas Index</b>	<b>Stanfield Index</b>	<b>San Juan Index</b>	<b>Henry Hub Index</b>	<b>AECO Index</b>	<b>SOCALBOR Index</b>
2020(a)	\$2.23	\$2.77	\$2.02	\$2.07	\$2.52	\$1.46	\$2.73
2021	\$2.03	\$2.07	\$1.90	\$1.91	\$2.45	\$1.42	\$2.38
2022	\$2.14	\$2.12	\$2.03	\$2.04	\$2.54	\$1.56	\$2.47
2023	\$2.40	\$2.40	\$2.28	\$2.35	\$2.88	\$1.82	\$2.63
2024	\$2.69	\$2.73	\$2.57	\$2.68	\$3.23	\$2.10	\$2.85
2025	\$2.95	\$3.05	\$2.84	\$2.88	\$3.52	\$2.40	\$3.10
2026	\$3.12	\$2.97	\$3.00	\$3.10	\$3.69	\$2.56	\$3.29
2027	\$3.34	\$3.25	\$3.19	\$3.31	\$3.96	\$2.82	\$3.50
2028	\$3.66	\$3.62	\$3.50	\$3.62	\$4.29	\$3.15	\$3.85
2029	\$4.00	\$3.92	\$3.86	\$3.94	\$4.57	\$3.44	\$4.17
2030	\$4.27	\$4.20	\$4.13	\$4.20	\$4.80	\$3.66	\$4.42
2031	\$4.58	\$4.50	\$4.40	\$4.49	\$5.08	\$3.91	\$4.72
2032	\$4.85	\$4.66	\$4.73	\$4.76	\$5.36	\$4.16	\$4.97
2033	\$4.93	\$4.71	\$4.81	\$4.82	\$5.35	\$4.15	\$5.05
2034	\$5.20	\$5.06	\$5.08	\$5.04	\$5.59	\$4.35	\$5.31
2035	\$5.41	\$5.17	\$5.30	\$5.29	\$5.80	\$4.42	\$5.53
2036	\$5.49	\$5.13	\$5.37	\$5.35	\$5.88	\$4.48	\$5.60
2037	\$5.88	\$5.51	\$5.77	\$5.73	\$6.29	\$4.82	\$5.99
2038	\$6.17	\$5.76	\$6.05	\$6.01	\$6.58	\$5.10	\$6.29
2039	\$6.29	\$5.87	\$6.18	\$6.13	\$6.72	\$5.18	\$6.42

(a) 2020 Forecast gas prices are for November and December only

**IV. CONTRACT TERMINATIONS, EXPIRATIONS, AND ADDITIONS**

6. Since filing Case No. PAC-E-19-18, the Company has signed 24 long-term contracts, including 13 long-term contracts with qualifying facilities, for a total nameplate capacity of 916.1 megawatts. Ten long-term contracts have expired without renewal and seven long-term qualifying facility contracts were terminated, for a total nameplate capacity of 462.4 megawatts. Table 3 provides a list of signed and expired or terminated contracts since October 8, 2019.

7. Rocky Mountain Power currently has 30 non-PURPA, long-term power purchase agreements with a nameplate capacity of 2,532 megawatts, and 157 PURPA QF project contracts

with a nameplate capacity of 2,348 megawatts. New contracts, terminated or expired contracts, as well as new contract pricing are all updated in the IRP model on a continuous basis.

**Table 3**  
**Rocky Mountain Power - Long-Term Contracts**

Long Term Contracts signed since the October 2019 Filing				
No.	Contract	Nameplate (MW)	Start Date	End Date
1	Cedar Springs III Amendment increasing capacity (increase only)	13.2	11/30/2020	11/29/2040
2	Kennecott Refinery QF Non-firm PPA 2020	7.54	1/01/2020	12/31/2020
3	Kennecott Smelter QF Non-firm PPA 2020	31.8	1/01/2020	12/31/2020
4	Tesoro Refining and Marketing Co QF Non-Firm PPA for 2020	25.0	1/01/2020	12/31/2020
5	Exxon Mobil QF PPA extension	107.4	1/01/2020	12/31/2020
6	Central Oregon Irrigation District QF PPA extension	6.0	1/01/2022	12/31/2022
7	Graphite Solar PPA	80	12/31/2021	12/31/2036
8	Horseshoe Solar PPA	75	6/30/2022	10/30/2047
9	Rocket Solar PPA	80	6/30/2022	10/30/2047
10	Commercial Energy Management Inc. QF PPA extension	0.9	11/21/1991	3/01/2021
11	Skysol Solar QF PPA	55.0	2/28/2023	2/27/2023
12	Birch Creek Hydro QF PPA (pending commission approval)	2.7	4/1/2022	3/31/2042
13	Fall Creek Rural Electric Co-op QF PPA (pending commission approval)	7.5	4/1/2021	3/31/2041
14	OSU Non-Firm QF PPA extension	6.50	7/01/2020	3/31/2022
15	Captain Jack Solar QF PPA	2.7	10/01/2021	12/31/2041
16	Loyd Fery - QF PPA extension	0.07	7/01/2020	6/30/2021
17	Douglas Co. Forest Products - QF PPA Extension	6.25	8/01/2020	7/31/2025
18	Grant PUD - 2021 Meaningful Priority 18.6 MW (EWEB share).	18.6	1/01/2021	12/31/2021
19	Grant PUD - 2021 Meaningful Priority 7.51% slice 150 MW (PAC share)	150.0	1/01/2021	12/31/2021
20	Elektron Solar PPA 1	10.24	12/31/2022	12/30/2042
21	Elektron Solar PPA 2	69.76	12/31/2022	12/30/2047
22	Castle Solar, LLC, PPA	20.0	12/31/2021	12/30/2046
23	Appaloosa Solar I-A, LLC, PPA	120.0	9/30/2023	9/09/2043
24	Appaloosa Solar I-B, LLC, PPA	20.0	9/30/2023	9/09/2043
	Total Signed MW	916.06		

  

Long Term Contracts Expired or Terminated since the October 2019 Filing			
No.	Contract	Nameplate	Date
1	Ballard Hog Farms QF PPA	0.05	2019 10 31
2	Mariah Wind, LLC QF PPA (terminated)	10.00	2019 12 06
3	OREM Wind Family Wind, LLC QF PPA (terminated)	10.00	2019 12 06
4	Foote Creek II, LLC QF PPA	1.8	2019 12 16
5	Merrill Solar LLC QF PPA (terminated)	10.00	2019 12 16
6	Boswell Springs I, LLC, 80MW Wyoming QF PPA (terminated)	80.00	2019 12 19
7	Boswell Springs II, LLC, 80MW Wyoming QF PPA (terminated)	80.00	2019 12 19
8	Boswell Springs III, LLC, 80MW Wyoming QF PPA (terminated)	80.00	2019 12 19
9	Boswell Springs IV, LLC, 80MW Wyoming QF PPA (terminated)	80.00	2019 12 19
10	Falls Creek QF PPA	4.10	2019 12 31
11	Kennecott Refinery QF Power Purchase Agreement 2019	7.54	2019 12 31
12	Kennecott Smelter QF Power Purchase Agreement 2019	31.8	2019 12 31
13	Santiam Water Control District QF PPA	0.20	2019 12 31
14	Tesoro Refining and Marketing Co QF Non-Firm PPA for 2019	25.0	2019 12 31
15	Tri-State Generation and Transmission Association, Inc. Long Term PPA	25.0	2020 05 31
16	BPA - Foote Creek IV Exchange Agreement	16.8	2020 10 01
17	J Bar 9 Ranch, Inc. QF PPA	0.10	2020 10 31
	Total Terminated MW	462.4	

## V. COMMUNICATIONS

8. Communications regarding this filing should be addressed to:

Ted Weston  
Idaho Regulatory Affairs Manager  
Rocky Mountain Power  
1407 West North Temple, Suite 330  
Salt Lake City, Utah 84116  
Telephone: (801) 220-2963  
Email: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)

Emily Wegener  
Senior Attorney  
Rocky Mountain Power  
1407 West North Temple, Suite 320  
Salt Lake City, Utah 84116  
Telephone: (801) 220-4526  
Email: [emily.wegener@pacificorp.com](mailto:emily.wegener@pacificorp.com)

In addition, Rocky Mountain Power requests that all data requests regarding this Application be sent in Microsoft Word to the following:

By email (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail: Data Request Response Center  
PacifiCorp  
825 Multnomah, Suite 2000  
Portland, Oregon 97232

Informal questions may be directed to Ted Weston, Idaho Regulatory Affairs Manager at (801) 220-2963.

## VI. MODIFIED PROCEDURE

9. The Company believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure; i.e., by written submissions rather than by hearing. RP 201 et seq.

**VII. REQUEST FOR RELIEF**

WHEREFORE, Rocky Mountain Power hereby respectfully submits its updated load forecast, natural gas forecast, and QF contract information in compliance with the Commission's directives in Order Nos. 32697 and 32802 and requests that the Commission issue an order approving this updated information for inclusion in the Company's IRP avoided cost calculations effective October 15, 2020.

DATED this 29<sup>th</sup> day of October, 2020.

Respectfully submitted,  
ROCKY MOUNTAIN POWER



---

Emily Wegener  
1407 West North Temple, Suite 320  
Salt Lake City, Utah 84116  
Telephone No. (801) 220-4526  
E-mail: [Emily.wegener@pacificorp.com](mailto:Emily.wegener@pacificorp.com)

*Attorney for Rocky Mountain Power*