

November 6, 2025

VIA ELECTRONIC FILING

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

Re: LC 85—PacifiCorp’s Round 2 Reply Comments

PacifiCorp d/b/a Pacific Power respectfully submits the following comments in response to Staff’s and Parties’ Round 2 comments in Docket No. LC 85, 2025 Integrated Resource Plan and Clean Energy Plan.

Highly Confidential information is being provided in accordance with Modified Protective Order No. 25-207.

If you have any questions about this filing, please contact Amira Thompson, State Regulatory Affairs Manager, at (503) 260-4420.

Sincerely,



Robert Meredith
Director, Regulation

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 85

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

2025 Integrated Resource Plan and Clean
Energy Plan

PACIFICORP RESPONSE TO
ROUND 2 COMMENTS

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I. INTRODUCTION AND SUMMARY

PacifiCorp d/b/a Pacific Power filed its 2025 Integrated Resource Plan (IRP) with the Public Utility Commission of Oregon (Commission) on March 31, 2025. Subsequently, PacifiCorp submitted its 2025 Clean Energy Plan (CEP) on June 30, 2025. On October 9, 2025, PacifiCorp received Round 2 Comments on the 2025 IRP and 2025 CEP from Commission Staff (Staff), Renewable Northwest (RNW), the Alliance of Western Energy Consumers (AWEC), the Citizens' Utility Board of Oregon (CUB), the NW Energy Coalition (NVEC), the City of Portland Bureau of Planning & Sustainability (CoP) and the Multnomah County Office of Sustainability (MultCo) and Amazon Data Services, Inc (Amazon). PacifiCorp also received joint comments from Sierra Club (SC), Oregon Just Transition Alliance (OJTA), Verde, Coalition of Communities of Color (CCC), Mobilizing Climate Action Together (MCAT), Green Energy Institute at Lewis & Clark Law School (GEI), and Northwest Energy Coalition (NVEC) (referred to as "Advocates").

The company appreciates the feedback received throughout the IRP and CEP development process and responds to specific Round 2 comments below.

II. RESPONSE TO ROUND 2 COMMENTS

Overall, the company represents that PacifiCorp's IRP and CEP, either together or individually:

- Provides unprecedented insight and feedback opportunities into modeling and outcomes through early data development and assumption lockdown, comprehensive coverage of major inputs and assumptions, and the development of a comprehensive draft filed three months in advance of the final IRP document. Process changes allowed PacifiCorp to improve modeling efficiencies and accommodate accelerated scheduling and increased integration of stakeholder feedback. PacifiCorp's planning emphasized ties between modeling methods and Oregon legislative objectives, and also between modeling methods and stakeholder feedback.

- Involved a stakeholder-driven shift in modeling focus to align Oregon’s resource selections with expressed concerns and objectives, incorporate exogenous modeling process into the endogenous modeling toolset, and adopted iterative modeling methods to discriminate finer alignment between disparate modeling stages.
- Represents reasonably conceived data and assumptions, provided with appropriate transparency.
- Examined a reasonable range of portfolios, effectively constructed, resulting in appropriate portfolio evaluations, including the selection of the preferred portfolio.
- Provides appropriate certainty on the company’s action plan and strategies to achieve emissions reductions, without unnecessarily limiting the company’s compliance strategies based on now-current assumptions and information, complying with House Bill (HB) 2021 and Oregon’s small-scale renewable (SSR) mandate on a least-cost, least-risk basis.
- Consistent with Staff’s recommendation, demonstrates PacifiCorp is making continual progress towards HB 2021’s clean energy targets through a forecasted reduction in annual greenhouse gas emissions, supported by its near-term action plan. Only CoP and MultCo have argued that PacifiCorp’s IRP/CEP does not demonstrate continual progress.¹

The sections below provide additional detail on these and other important stakeholder comments, including: PacifiCorp’s proactive expansion of stakeholder engagement; how the IRP and CEP are consistent with HB 2021; how the IRP and CEP modeling processes, assumptions, and resource selections are reasonable; and how the company’s procurement strategies are properly aligned with PacifiCorp’s planning efforts. In direct response to several Commissioner questions from the October 16, 2025 Special Public Meeting, PacifiCorp also discusses how the planning environment has materially changed since 2021, and identifies Oregon’s state-specific reliability and resource adequacy needs, as well as HB 2021 resource needs in absence of reliability constraints. These comments conclude with several stakeholder recommendations that PacifiCorp fully or partially supports for subsequent planning cycles.

¹ CoP/BoPS Comments at 2.

Together, PacifiCorp represents that the 2025 IRP and CEP demonstrate that Oregon has material and growing (a) reliability needs caused by state-specific initiatives like SB 1547; and (b) capacity and energy needs caused by state-specific initiatives like HB 2021. These Oregon requirements result in the need for Oregon-situs resources and supports the procurement of resources in the current 2025 Oregon-Situs Request for Proposals (2025 OR RFP).

The company appreciates the Commission's, Staff's, and stakeholders' consideration of these responses.

A. The planning environment has materially changed since 2021, and PacifiCorp's 2025 IRP and CEP appropriately balance significant opportunities and challenges across its six-state service area.

During the October 16, 2025 Special Public Meeting on PacifiCorp's 2025 IRP/CEP, Commissioner Power mentioned PacifiCorp's prior support of HB 2021 during the 2021 legislative session and asked if PacifiCorp's position had changed since that time.²

PacifiCorp is dedicated to implementing the letter and the spirit of the law. Yet there are at least three significant developments that have occurred since the 2023 IRP and CEP planning cycles. Each materially impacts PacifiCorp's path to compliance with HB 2021.

First, the 2023 IRP and CEP included effects from the Environmental Protection Agency (EPA) Ozone Transport Rule (OTR).³ The OTR was a significant driver of resource selections in the 2023 IRP and CEP for two reasons. Over the long term, increased OTR compliance costs resulted in the retirement, conversion to natural gas generation, or installation of compliance equipment on almost all of PacifiCorp's coal fleet. This would have resulted in PacifiCorp: (a) retiring Dave Johnston Units 1 and 2 by 2028; (b) retiring Dave Johnston Unit 4 by 2039; (c)

² At 10:22 AM, video archived at https://oregonpuc.granicus.com/player/clip/1557?view_id=2&redirect=true

³ E.g., *In re PacifiCorp's 2023 IRP*, Action Item 1h -Ozone Transport Rule Compliance, at 28 (available here: [lc82haa165115.pdf](#)).

retiring Hunter Unit 1 by 2031; (d) retiring Hunter Units 2 and 3 and Huntington Units 1 and 2 by 2032; (e) retiring Jim Bridger Units 1, 2, 3 and 4 by 2037 (after gas conversion); (f) retiring Naughton Units 1 and 2 by 2036; and (g) retiring Wyodak by 2039, among other indicated actions.⁴ And prior to these early retirements or conversions, OTR also required PacifiCorp's entire coal fleet to sit idle during most of the summer months (June through August) to otherwise comply with the regulation.

This means that OTR left 4,400 MW of dispatchable coal capacity largely unusable during summer peak load months when these resources were most needed, and after retirement or conversion of these coal resources, replacement resources were comprised, in part, of renewable generating resources (i.e., wind and solar) and battery resources. Due to the lower capacity factors associated with wind and solar resources relative to the resources being replaced, the volume of wind and solar resources, on a nameplate capacity basis, was an order of magnitude greater than the nameplate capacity of the coal resources either retired or converted to natural gas. To this point, the 2023 IRP included 33,683 MWs of new renewable, non-emitting, and storage resources.⁵

And because OTR was a federal obligation, not a state-specific requirement under the 2020 PacifiCorp Inter-Jurisdictional Allocation Protocol (2020 Protocol), PacifiCorp's 2023 IRP and CEP accounted for these obligations on a system-wide basis, where each state would share the costs and benefits of these retired or converted coal resources, and replacement renewable, non-emitting, and storage resources.

⁴ *E.g.*, *In re PacifiCorp's 2025 IRP*, at 10, Table 1.2.

⁵ *Id.* at 2 (discussing 9,111 megawatts of new wind resources; 8,095 megawatts of storage resources, including batteries co-located with solar generation, standalone batteries and pumped hydro storage resources; 7,855 megawatts of new solar resources (most paired with battery storage); 4,953 megawatts of capacity saved through energy efficiency programs; 929 megawatts of capacity saved through direct load control programs; 500 megawatts of advanced nuclear in 2030, with an additional 1,000 megawatts of advanced nuclear over the long term; and 1,240 megawatts of non-emitting peaking resources that meet high-demand energy needs)

This is not the case with the 2025 IRP and CEP, as the OTR is no longer the law. As a result, the majority of PacifiCorp’s coal fleet (where not otherwise impacted by other environmental compliance obligations) are selected to operate through the end of the study horizon,⁶ and instead of dramatic amounts of new OTR-compliant resources from the 2023 IRP, the 2025 IRP calls for 17,718 MWs of new renewable, non-emitting, and storage resources over the planning horizon.⁷ Notably, these new resources—especially through 2030—are driven primarily by state-specific policies (HB 2021 and Washington’s Clean Energy Transformation Act (CETA)).⁸

Second, the 2023 IRP/CEP used the medium CO₂ price curve in its baseline modeling, resulting in further preference towards renewable or non-emitting technologies.⁹ This Commission directed PacifiCorp to remove that CO₂ assumption in its 2025 IRP/CEP, and instead, only model known carbon policies.¹⁰ The removal of the assumed carbon price also significantly reduced the need for and selection of new resources or capacity.

Third, as highlighted in the 2025 CEP, the repeal of federal tax credits greatly reduces the net value of certain new renewable technologies (i.e., wind and solar), further inflating the expected cost to comply with state-specific policies like Senate Bill (SB) 1547 and HB 2021. For example, PacifiCorp estimated that the Oregon-allocated costs to serve customers without HB 2021, amounted to \$11.8 billion with tax credits (driven largely by Oregon’s elimination of coal

⁶ *E.g.*, *In re PacifiCorp’s 2025 IRP*, at 10, Table 1.2.

⁷ *Id.* at 1.

⁸ *Compare* 2025 IRP Tables 9.2 and 9.3 (indicating several thousand MWs of new HB 2021 and CETA-compliant resources for Oregon and Washington), *with* Table 9.4 (indicating only 400 MWs of new wind resources by 2030).

⁹ *E.g.*, 2023 IRP, at 229.

¹⁰ Docket No. LC 82, Order No. 24-073, Appendix B, #17 (“In the 2025 IRP/CEP, PacifiCorp shall calculate and report the costs and GHG emissions associated with each portfolio assuming that GHG prices are not reflected in dispatch decisions but still included in investment and retirement decisions.”).

by 2030). This amount increases by \$5.460 billion after repeal of relevant federal tax credits, and an increase of \$7.127 billion when factoring in HB 2021 compliance costs.¹¹

Given PacifiCorp’s recent Oregon revenue requirement of less than \$2 billion,¹² these forecasted cost increases are sobering.

All told, the planning environment in 2025 is different-in-kind from that experienced in 2021. While the direction is the same (reduce Oregon-allocated greenhouse gas emissions), the path to compliance is not. As a result of the repeal of OTR, the cost of resources needed to comply with SB 1547 and HB 2021 are not system allocated. PacifiCorp’s existing thermal fleet will provide ongoing value, capacity, and reliability benefits for the jurisdictions that still participate in those resources, and there is a significantly reduced need for replacement capacity resources at the system level for jurisdictions without clean energy mandates, which further reduces system resource contributions towards compliance with SB 1547 and HB 2021.

The company is committed to meeting its obligations under SB 1547 and HB 2021, but when affordability for customers is an overarching concern for all parties, it would be unreasonable to ignore these rising compliance cost pressures that will ultimately be borne by Oregon customers.

B. PacifiCorp’s jurisdictional methodology appropriately identified system and jurisdictional reliability needs while simultaneously considering state specific policies.

PacifiCorp’s jurisdictional modeling in the 2025 IRP and CEP is justified and appropriate given significantly divergent state energy policies. Several key operational realities factored into the modeling assumptions of each jurisdictional portfolio, which are discussed in detail below.

¹¹ 2025 CEP, at 94, Table 33.

¹² Docket No. UM 2386, PacifiCorp’s Renewable Portfolio Standard Oregon Compliance Report for 2024, Table 5.

1. The IRP/CEP account for material reliability deficiencies in the west side of PacifiCorp’s system (PACW) and material reliability sufficiency in the east side of PacifiCorp’s system (PACE).

As described in the 2025 IRP,¹³ PacifiCorp modeled resource adequacy requirements for the system based on the Western Resource Adequacy Program (WRAP).¹⁴ Under this approach, PacifiCorp evaluated WRAP capacity requirements on a system basis, including resources across both PACW and PACE balancing areas, planning to a total system coincident peak load plus a planning reserve margin (PRM).

However, operationally, there are significant challenges if PacifiCorp is materially short in one balancing area of its system. For example, today, PacifiCorp operates with a relatively short physical position in PACW. This means that PACW cannot meet its load without importing energy from PACE, and this dependency creates additional exposure to both balancing areas. In some hours, shortages can lead to higher market purchases in the west, leading to power cost impacts, and creating risks to resource availability in PACE.

For example, and in response to Chair Tawney’s questions during the October 16, 2025 Special Public Meeting in docket LC 85, the following figures summarize PacifiCorp’s physical resource needs in PACW and PACE.

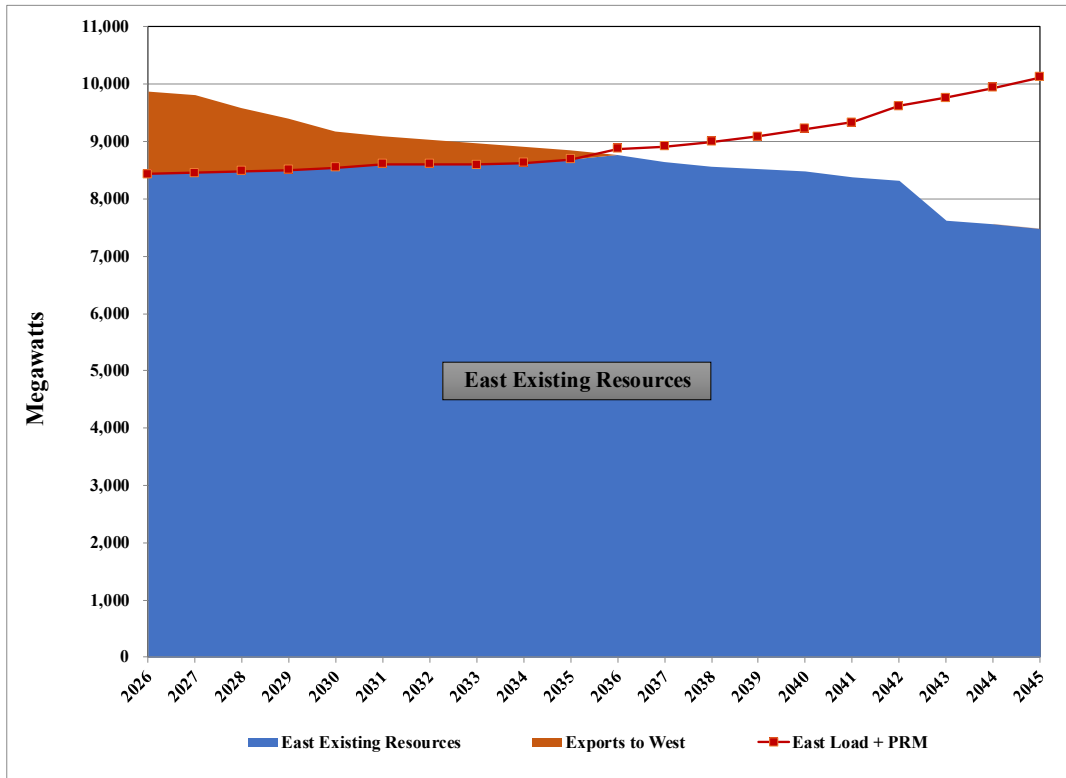
As shown in Figure A, after accounting for the PRM requirement in WRAP and forecasted load (“East Load + PRM”), the existing resource capacity physically located on the east side of PacifiCorp’s system through 2035 exceeds PACE loads inclusive of the PRM. This

¹³ Volume I, Chapter 6, at 128

¹⁴ Although PacifiCorp has notified the Western Power Pool that it has withdrawn from WRAP, PacifiCorp is still subject to the program tariff during the two-year Withdrawal Period, and will continue to engage with WRAP to determine if it is appropriate to reenter the program for future binding program seasons. (available here: [WRAP Withdrawal Letter - Oct 30 2025.pdf](#)).

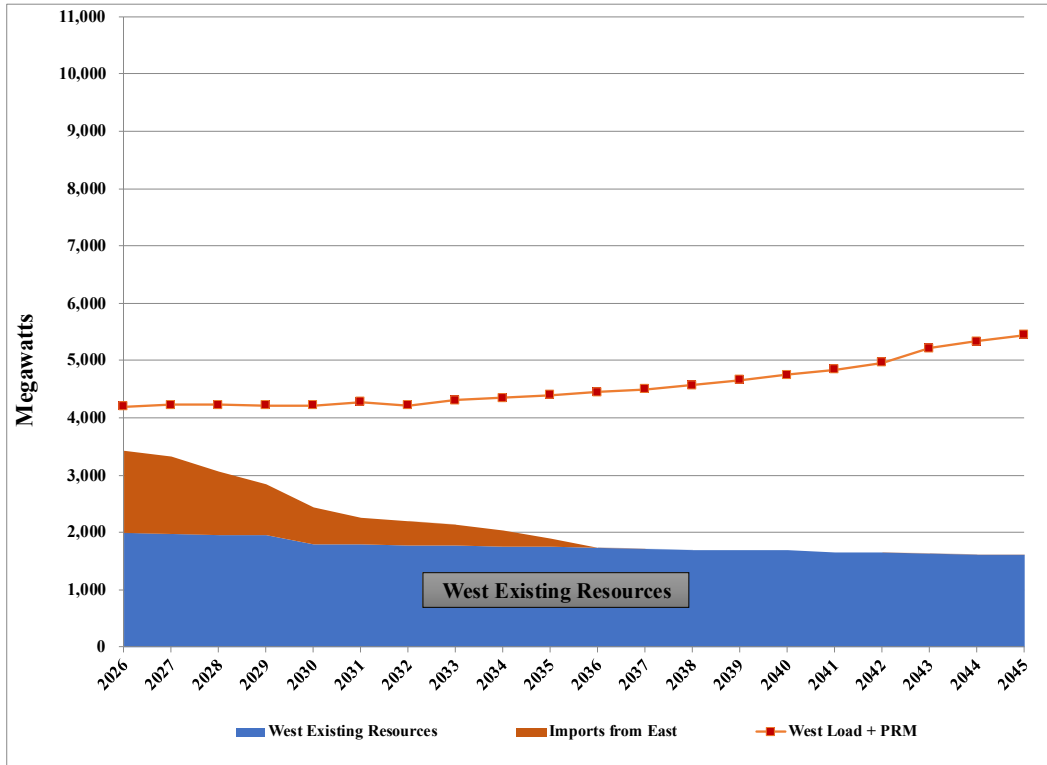
means there is no need for additional resources on the east side of PacifiCorp’s system until 2035.

Figure A -- PacifiCorp East Existing Load and Resource Position



This is contrasted with Figure B, which indicates that today, PacifiCorp’s existing load and resource position in PACW is more than 2,000 MWs short of serving west-side load and meeting relevant WRAP PRMs without accounting for incremental imports from the east side of the system. This resource deficiency in the west grows to over 3,800 MWs by 2045. Yet even after accounting for east-side imports through 2036, the west will remain resource deficient in 2026 by approximately 750 MWs, increasing to over 2,700 MWs by 2036.

Figure B - PacifiCorp West Existing Load and Resource Position



PacifiCorp’s 2025 IRP/CEP accounts for these realities. In terms of cost-allocation, PacifiCorp represents that jurisdictional load and resource balances should reflect their cost-allocated share of capacity relative to respective peak load. This results in a more fair and balanced jurisdictional portfolio grounded in cost-causation principles. To that end, PacifiCorp’s jurisdictional modeling allocated resource adequacy positions across jurisdictions based on their cost allocation of existing and new resources, and jurisdictional load. There were certain practical restrictions on new resource selections in the 2025 IRP/CEP, particularly the requirement that for new resources to count towards the resource adequacy of the West, resources needed to be located in the West. This requirement was a result of both the physical need on the West (demonstrated above in Figures A and B), and the understanding that near-term reliability and capacity needs would be primarily driven by and borne by Oregon and

Washington customers as a result of those states’ energy policies—particularly those policies that require removal of coal resources from rates.

This approach ensures that system physical reliability needs are met, while also balancing impacts and requirements of state energy policies. As discussed in subsequent sections, there are also reduced risks associated with building resources in PACW to meet Oregon and Washington energy policy needs.

2. The IRP/CEP account for Oregon’s state-specific reliability needs.

Staff argue that PacifiCorp’s jurisdictional methodology “cannot identify realistic energy and capacity procurement needs”¹⁵ and thus compromises “the validity of the results and related decisions and Action Items.”¹⁶ Staff claim that “the Company’s modeling does not separately identify planned resource additions driven by reliability needs and those driven by state policy (e.g., House Bill 2021).”¹⁷ RNW request the Commission “direct PacifiCorp to work collaboratively with Staff and stakeholders to develop a framework that properly separates system reliability costs from state-specific policy costs and ensures WRAP compliance costs are modeled and allocated system-wide.”¹⁸

Stakeholders, in particular RNW, seek to separate system reliability needs from state policies, but state policies directly impact what capacity resources states can and should pay for.¹⁹ This separation is inappropriate for two reasons.

First, Oregon SB 1547 requires the elimination of coal-fired resources from Oregon customers’ allocation of electricity by 2030. To ensure that Oregon customers are appropriately

¹⁵ Staff at 6.

¹⁶ Staff at 7.

¹⁷ Staff at 14.

¹⁸ RNW at 2.

¹⁹ PacifiCorp also notes that stakeholders may be seeking to inappropriately exclude reliability considerations from state policy frameworks for HB 2021 cost cap counterfactual purposes. Because parties have not directly addressed this issue in comments, and have only raised it in informal discussions, PacifiCorp declines to address the issue here.

allocated costs for resources needed to maintain reliability without leaning on system resources that contain coal-fired resources prohibited by SB 1547, this creates an Oregon-specific reliability need, independent of system reliability needs.²⁰ As discussed throughout this proceeding, this means that Oregon customers will no longer participate in the costs and benefits of roughly 900 MW of coal-fired resources, starting in 2030, that are otherwise expected to continue to serve the system. Similarly, coal must be removed from Washington rates by the end of 2025 under CETA. Attempting to create an analytical framework that is based on the premise that state policies have no impact on system reliability (and each state's contribution thereof), ignores these state policies, and is an unreasonable modeling assumption.

Second, in addition to Oregon's no-coal mandate creating an Oregon reliability and capacity need, HB 2021 (as well as Oregon's emissions performance standards and facility siting requirements) constrains the type and timing of resources that can meet that need. Without these state-specific energy policies, it might be more economic to build a new natural gas plant in Oregon to meet system reliability needs. But Oregon laws and regulations make it difficult, if not impossible, to site new gas in Oregon. To focus on one of these policies, HB 2021 emissions reductions targets severely limit allowable dispatch of gas plants, reducing their ability to contribute to Oregon's capacity needs. These policies constrain the resources that can meet Oregon's no-coal reliability and capacity need.

Together, the selection of new resources to meet Oregon's reliability and capacity needs in the IRP/CEP are driven by significant Oregon-specific policies. To illustrate this point, assuming other jurisdictions take Oregon's and Washington's allocation of existing thermal

²⁰ ORS 757.518.

resources in 2030, the following figure shows the relative capacity need by jurisdiction and year, based on cost-allocation assumptions.

Figure C -- Existing Load & Resource Position by Jurisdiction

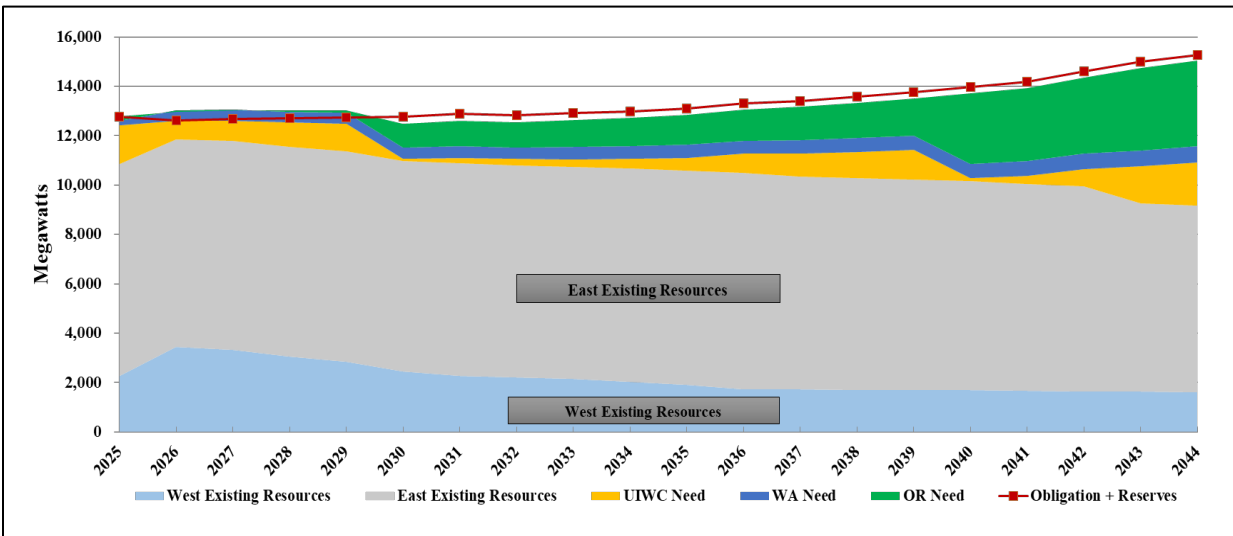


Figure C shows that there is a total system capacity need between 2026 and 2030 of about 1,500 MWs. This need is represented in Figure C as the area between the stacked East and West existing resources and the red line showing the total system need. However, in 2030, when cost allocation of existing thermal resources shifts and Oregon state energy policies become binding, the majority of that need becomes Oregon-specific. The Oregon-specific need grows from approximately 950 MWs by 2030, to well over 3,400 MWs by 2044.

This confirms that PacifiCorp’s 2025 IRP and CEP resource needs appropriately account for system and state-specific reliability needs. Because the relative capacity need for Oregon customers is materially greater than the rest of the system in 2030 due to the impacts of Oregon’s state-specific policies, PacifiCorp’s near-term procurement decisions should reflect that reality. This is especially true given the two pragmatic considerations that (a) if PacifiCorp acquired new system capacity resources prior to 2030, PacifiCorp would face significant disallowance risk from the other non-Oregon jurisdictions that would not have any need for new capacity resources

starting in 2030; and (b) the portion of these assumed system resources that are not allocated to Oregon would not contribute to Oregon’s HB 2021 compliance positions or system capacity contribution, requiring *even more* system resources to satisfy Oregon’s reliability and capacity needs if otherwise met with situs resources, which would only *increase* costs for Oregon customers (i.e., resources with the greatest net benefits are procured first, and consequently, procuring further into the “resource stack” would inherently lead to procurement of higher cost resources as the volume of procurement increases).

Oregon’s policies have created a unique reliability need that must be filled with a portfolio of Oregon-compliant resources that are optimal for Oregon.

3. The IRP/CEP accounts for system resource adequacy.

Staff raise several concerns regarding PacifiCorp’s modeling of WRAP. Staff note that the reserve margins achieved in the preferred portfolio could be attributed to a variety of factors, concealing the specific impact of reliability needs on resource selections. Staff also express concern that the capacity contribution values used in the IRP do not vary based on the composition of the portfolio, raising the possibility that high reserve margins are not accurate. Finally, Staff question if PacifiCorp’s IRP achieves systemwide reliability and how it allocates reliability costs. Staff ask PacifiCorp to “reconcile these inconsistencies in information” and “explain the basis upon which it believes it is planning for systemwide reliability and how it has been able to reasonably determine the drivers of reliability needs”.²¹

To the point, Staff are concerned about saturation effects and propose effective load carrying capability (ELCC) values as a superior modeling approach. In the 2025 IRP, PacifiCorp used ELCC values provided by WRAP for existing resources.

²¹ Staff at 18.

PacifiCorp appreciates Staff’s desire to isolate the impact of reliability on the portfolio. As explained in Appendix K of Volume II of the 2025 IRP, PacifiCorp included a projection of the decline in capacity contribution values over time based on a forecast of regional resource changes included in the September 2024 official forward price curve (OFPC). This is consistent with the WRAP methodology, which is based on the resource mix of the entire WRAP region, not just PacifiCorp’s system.

PacifiCorp’s six-state system is not an island, and the capacity contribution of new PacifiCorp resources will depend not on the composition of PacifiCorp’s portfolio but on the composition of the entire region’s portfolio. PacifiCorp’s approach in the 2025 IRP appropriately represents this reality.

[BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

²²

²² Staff at 18.

[REDACTED]

Figure D -- [REDACTED]

[REDACTED]

[END HIGHLY CONFIDENTIAL]

4. The IRP/CEP account for state-specific impacts on thermal selections.

Staff assert that PacifiCorp’s thermal plant selections are not optimal because they are determined in a UIWC jurisdictional portfolio that does not include Oregon or Washington policies. Staff believe that to arrive at an optimal preferred portfolio, PacifiCorp “would need to run a system-wide model that accounts for all state preferences.”²³

PacifiCorp disagrees that a system-wide model is the appropriate method to determine thermal plant selections. Both Oregon and Washington have passed legislation mandating their exit from all coal-fired resources. Thus, the UIWC jurisdiction will be responsible for the costs and benefits of all coal-fired resources after 2030, making them situs resources (on a UIWC basis) rather than system resources. Additionally, gas resources may not be economic or compliant under Oregon and Washington energy policies in the future. It is appropriate to evaluate these UIWC situs resources in a jurisdictional portfolio with UIWC policies, just as

²³ Staff at 6.

Oregon situs resources are optimized in a jurisdictional portfolio with Oregon policies.

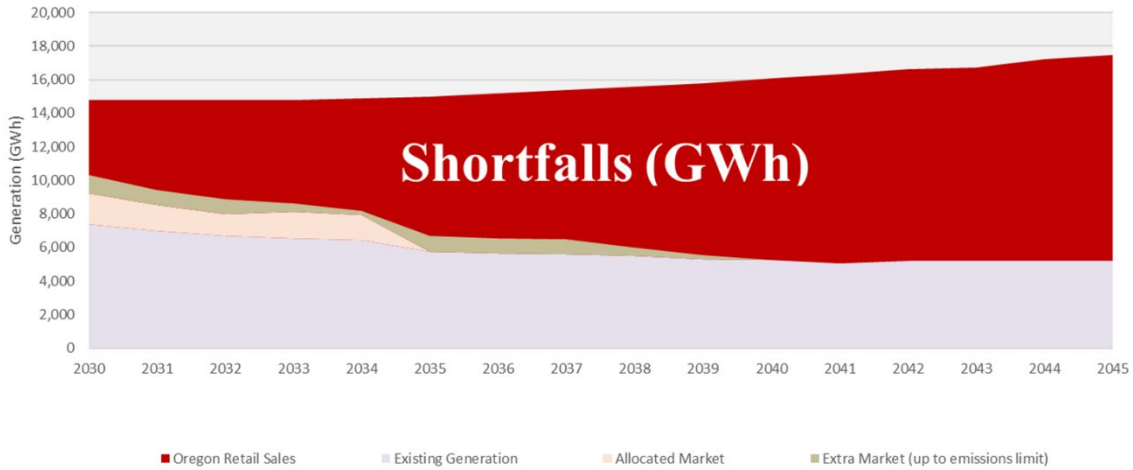
PacifiCorp's approach in the 2025 IRP correctly optimized thermal plant selections as UIWC situs resources.

C. Oregon has a current and growing need for resources that facilitate compliance with HB 2021.

Beyond reliability needs, there is a clear energy need for Oregon customers, primarily driven by HB 2021 emissions reductions goals. As stated above, HB 2021 compliance is assessed based on the emissions allocated to Oregon. To meet at least an 80 percent emissions reduction from baseline emissions by 2030, the majority of Oregon load must be met with non-emitting energy. While storage resources provide valuable capacity to integrate renewables on the system and provide resource adequacy, they do not directly reduce emissions as required by HB 2021. Significant new non-emitting resources (i.e., wind and solar) are required to offset dispatch of natural gas and unspecified market balancing purchases that are allocated to Oregon to reduce Oregon-allocated emissions.

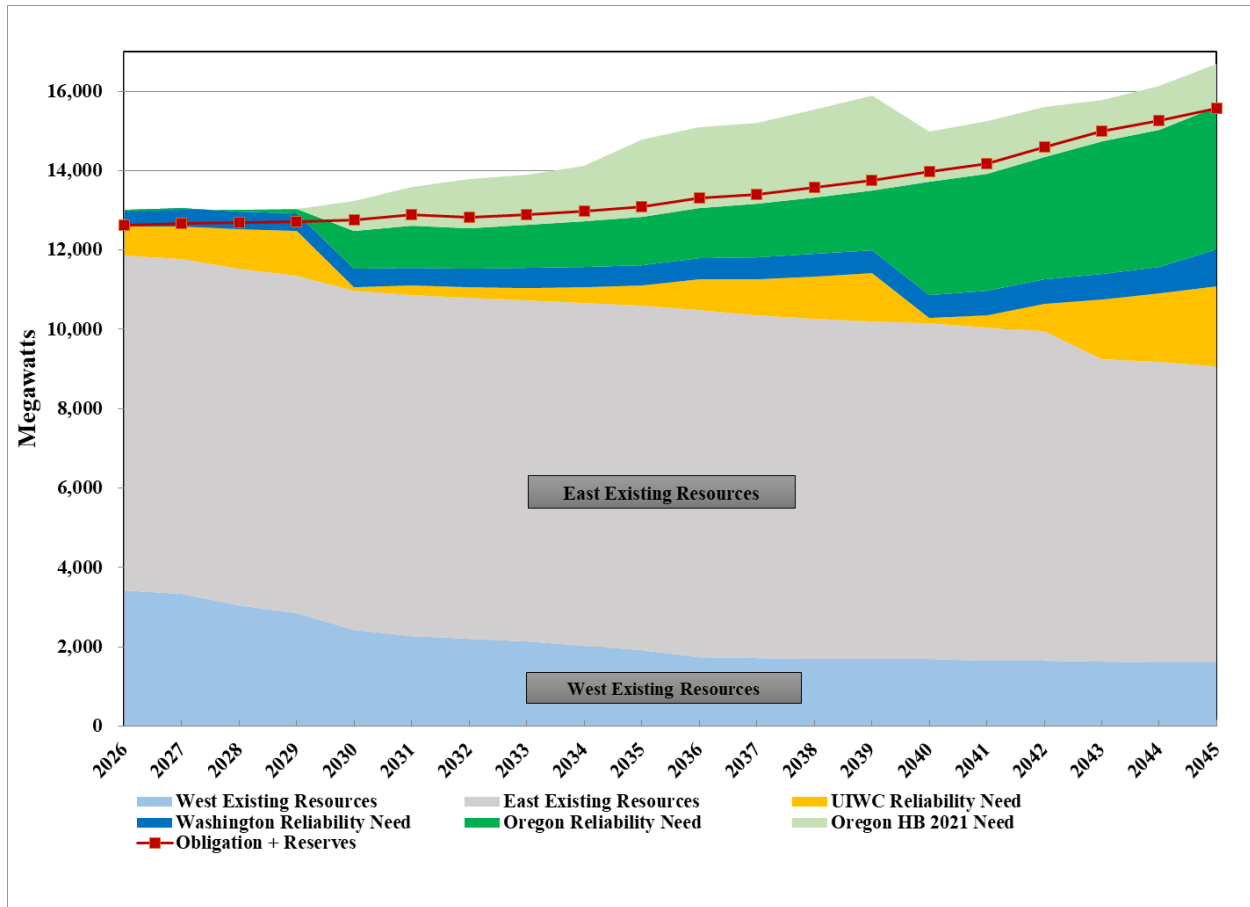
Figure E reinforces that—in the absence of any reliability requirements—HB 2021 creates a significant need for generation from resources that will displace or replace emitting resources and unspecified market purchases. As shown in Figure E, Oregon-allocated existing generation plus unspecified market purchases up to HB 2021 emissions limits are not sufficient to cover the need created by HB 2021 energy requirements. There is a shortfall of over 3,000 GWh beginning in 2030, increasing to well over 10,000 GWh by 2040.

Figure E – Oregon Generation Mix (GWh) – CEP Annual Clean Portfolio



Assuming a 30% capacity factor for new non-emitting resources, Figure F below shows the additional capacity need created by HB 2021 beyond any reliability-related capacity needs. By 2035, PacifiCorp estimates that an additional 1,949 MWs of capacity are needed due to HB 2021 clean energy needs. PacifiCorp must procure or otherwise allocate to Oregon substantial volumes of new non-emitting resources to meet this need. The 2025 OR RFP, proposed following the publication of the 2025 IRP, seeks to identify resources that will begin to meet this need, and come online before 2030.

Figure F – Existing Load & Resource Position by Jurisdiction with HB 2021



Together, these analyses support the conclusion in the 2025 IRP and CEP that Oregon has a material, non-reliability based, additional need for renewable, non-emitting, and storage resources to comply with HB 2021.

D. The IRP/CEP integration methodology does not inherently lead to an overbuild of new resources.

Staff express concern that PacifiCorp’s methodology used to develop the 2025 IRP preferred portfolio makes it impossible to determine optimal resource selections and estimate that the preferred portfolio includes at least 40 percent more new proxy resources than is necessary. Staff and CUB both assert that jurisdictional modeling likely leads to portfolio overbuild, and Staff suggest that PacifiCorp should revise its methodology to include a “system”

run so as to avoid new resource overbuild. Advocates suggest an alternative modeling approach focused on system runs and ask the Commission to require PacifiCorp to convene stakeholder meetings to discuss a revised modeling methodology for the 2025 IRP Update.

PacifiCorp believes that its jurisdictional modeling approach is an appropriate methodology to represent distinct state needs. Stakeholders have argued that the jurisdictional approach leads to non-optimized modeling outcomes. While the jurisdictional modeling approach does not simultaneously optimize all state requirements in a single system model run, all state requirements are optimized and integrated in a way that ensures no disparate requirements counteract other requirements, leading to a system optimized preferred portfolio.

Disparate state requirements have made it impossible to develop a single system-optimized portfolio that reflects all state policy constraints. For example, Washington law requires that all integrated resource plans incorporate in their development the social cost of greenhouse gas emissions (SCGHG) as a cost adder.²⁴ No other state has expressed a desire to include an SCGHG cost adder, and OPUC ordered PacifiCorp to “calculate and report the costs and GHG emissions associated with each portfolio assuming that GHG prices are not reflected in dispatch decisions but still included in investment and retirement decisions.”²⁵ The alternative modeling approach proposed by Advocates recognizes this impossibility by proposing four separate system-optimized runs, with the preferred portfolio to be determined “by the full portfolio, with consideration of the Washington Compliance run results to meet that state’s specific policies (if necessary).”²⁶ RNW’s modeling proposal includes jurisdictional models that

²⁴ RCW 19.280.030.

²⁵ OPUC Order No. 24-073 Appendix B at 6.

²⁶ Advocates at 4.

identify state-specific needs in addition to a system-optimized run. Under current state policies, using jurisdictional portfolios is a prudent approach.

As discussed in the October 16, 2025 Oregon Special Public Meeting, any “no state policy” system run would immediately necessitate jurisdictional runs to determine jurisdictional needs based on distinct policies. While a system run is informative, to the extent a state is precluded from participating in system selections based on their environmental policies, the methodology used in the 2025 IRP would be necessary to determine qualifying resource requirements. That said, PacifiCorp commits to working with Staff and stakeholders on this potential overbuild, and potential solutions, in future planning cycles.

Regarding the suggestion that the Commission should require PacifiCorp to convene a meeting to discuss modeling changes for the 2025 IRP Update, this is already a foundational component of PacifiCorp’s 2027 IRP public input meeting series.

To this point, PacifiCorp is in the process of testing the implications of a “no state policy” system run and is looking forward to exploring the results of this testing with stakeholders during the 2027 IRP public input process leading to the distribution of the 2025 IRP Update. For example, included in the meeting agenda for the November 12, 2025 public meeting are the following topics: 2025 IRP Update Assumptions, Modeling and Data Development, and Planning Environment Updates. As shown by the upcoming agendas and Table A, below, PacifiCorp is already discussing modeling assumptions and inputs with stakeholders for the 2025 IRP Update and the 2027 IRP.

In addition, PacifiCorp is open to meetings by request. For example, on October 30, 2025, PacifiCorp met with stakeholders by request regarding specific modeling concerns for the

2025 IRP Update, including participation by Sierra Club, Oregon Citizens’ Utility Board, Current Energy, Renewable Northwest, Staff, and the NW Energy Coalition.

Table A – 2027 IRP Public Meeting Schedule, including 2025 IRP Update Milestones

2027 IRP Public Input Meeting (PIM) Schedule		
	Event	Date
2025	Meeting #1	October 1, 2025
	Meeting #2	November 12, 2025
	Lockdown for 2025 IRP Update	November 30, 2025
	Meeting #3	December 17, 2025
2026	Meeting #4	January 28-29, 2026
	Publish Draft 2025 IRP Update	January 30, 2026
	Meeting #5	March 11-12, 2026
	Distribute 2025 IRP Update	March 31, 2025
	Meeting #6	April 22-23, 2026
	Meeting #7	June 3-4, 2026
	Meeting #8	July 15-16, 2026
	Input Review	July 15, 2026
	Meeting #9	August 26-27, 2026
	Meeting #10	October 14-15, 2026
	Indicative Portfolios^{UT 3.3, 3.4}	October 14, 2026
	Meeting #11	November 18-19, 2026
Draft 2027 IRP^{WA (3)}	November 30, 2026	
2027	Meeting #12	January 28-29, 2027
	Present final evaluations^{UT 3.5}	January 28, 2027
	Meeting #13	February 25-26, 2027
	File 2027 IRP	March 31, 2027

PacifiCorp believes these existing communication and engagement channels are more than adequate to collaborate on alternative integration methodologies.

E. The IRP/CEP allocation assumptions are aligned with current and proposed resource allocation protocols and are driven by state policy requirements.

Staff argue that PacifiCorp’s jurisdictional methodology “cannot identify realistic energy and capacity procurement needs”²⁷ and thus compromises “the validity of the results and related decisions and Action Items.”²⁸ RNW claim that PacifiCorp’s use of jurisdictional portfolios improperly assigns system-wide reliability costs to jurisdictions. Although RNW concede that the IRP is not a cost allocation proceeding, RNW argue that because of the IRP’s link to procurement action, “the IRP creates a cascade of predetermined outcomes that effectively allocate costs before any formal allocation proceeding occurs.”²⁹ Finally, both parties request that stakeholders be engaged earlier in the planning process to settle upon an allocation and modeling methodology.

PacifiCorp appreciates Staff’s concerns about jurisdictional methodology and expects to work with parties on future modeling approaches.

As an initial matter, PacifiCorp’s 2025 IRP jurisdictional modeling and integrated approach are not inherently a cost-allocation exercise or framework. The IRP modeling tools are agnostic about state-specific cost allocation, and the IRP is not a rate-making exercise where cost allocations are determined. However, to assess jurisdictional resource requirements under state-specific policies (like HB 2021 that assess compliance based on allocation of emissions assigned to Oregon), PacifiCorp must impose cost allocation assumptions on resource selections and outcomes. PacifiCorp does so in a way that is consistent with currently approved cost allocation methodology, specifically the 2020 Protocol and the Washington Inter-Jurisdictional Allocation Methodology (WIJAM).

²⁷ Staff at 6.

²⁸ Staff at 7.

²⁹ RNW Round 2 comments at 11.

Next, PacifiCorp disputes RNW’s argument that the methodology in the 2025 IRP constitutes a new allocation framework. The 2025 IRP allocated new and existing resources consistent with the 2020 Protocol. Existing resources are allocated consistently with what is currently approved in rates, and new proxy resources can either be assigned as system or situs (100 percent allocated to the jurisdiction). The 2020 Protocol section 3.1.2.1. defined “state-specific initiatives” as costs and benefits “acquired in accordance with a State-specific initiative” and section 5.8 outlines that the “costs and benefits resulting from a State-specific initiative will continue to be allocated and assigned on a situs basis to the State adopting the initiative”.³⁰ Furthermore, as explained above, while the IRP is not a cost allocation exercise, it must incorporate certain allocation. This is necessary because state policies—such as HB 2021—are based on the allocation of emissions and clean energy to specific jurisdictions and the allocation of these attributes “follow” the allocation of costs.

PacifiCorp also disagrees with RNW’s claim that “the IRP creates a cascade of predetermined outcomes that effectively allocate costs before any formal allocation proceeding occurs.”³¹ As demonstrated by the ongoing proceedings in this docket, there is strong engagement from stakeholders in challenging any conclusions drawn by PacifiCorp in the 2025 IRP. RNW’s own comments include recommendations that the Commission direct PacifiCorp to take additional procurement actions not indicated in the IRP. And in the proceeding to issue PacifiCorp’s 2025 OR RFP, Staff stated that “The RFP is not the venue to decide how costs associated with selected projects will be allocated or recovered. Any cost recovery will necessarily be addressed through the Commission’s normal cost recovery proceedings, where

³⁰ Commission Order No. 20-024 issued in Docket No. UM 2050 on January 23, 2020,, adopting the 2020 Protocol (Appendix B): <https://apps.puc.state.or.us/edockets/orders.asp?OrderNumber=20-024>.

³¹ RNW Round 2 comments at 11.

Staff and parties will evaluate prudence, allocation and customer impacts”.³² It is inaccurate to claim that the IRP inevitably determines costs. Every part of the process is strongly contested by stakeholders and subject to approval from the Commission.

The proposed 2026 PacifiCorp Inter-Jurisdictional Allocation Protocol (2026 Protocol) similarly provides for “flexibility in allocating costs for new resources to allow for state autonomy when procuring such new resources to achieve state-specific policy objectives, by allowing PacifiCorp to identify a specific allocation factor for each new resource.”³³ The selection of proxy resource shares by jurisdiction in the 2025 IRP is consistent with both the 2020 and 2026 Protocols.

In response to RNW’s characterization that the IRP represents a “cascade of predetermined outcomes,” PacifiCorp reiterates that the IRP serves as directional and indicative guidance for proxy resource selections, based on the information available at the time of modeling. The IRP represents a snapshot in time, built on a defined set of assumptions, and is updated annually.

Resources identified in an IRP are conceptual and do not yet exist. For example, a portfolio that includes 500 MWs of wind could represent a single 500 MW project, 500 individual 1 MW projects, or any combination thereof. Additionally, the prices reflected in the IRP are not actual contract prices—they are estimates. Actual pricing is only determined through a procurement process such as a request for proposals (RFP). If market prices differ from IRP forecasts, procurement decisions can and should be adjusted accordingly.

³² Order No. 25-343, August 29, 2025, in Docket No. UM 2383, at 6.

³³ https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificpower/rates-regulation/oregon/filings/docket-no--um-2401/0_Application_2026_Inter-Jurisdictional_Allocation_Protocol.pdf

IRPs are fixed in time. For instance, the 2025 IRP was modeled using assumptions locked in as of September 2024. The IRP does not reflect subsequent changes in federal or state policy, market conditions, or other key factors—except under extreme circumstances and only when feasible. It would be unreasonable to hold a utility to a proxy resource plan, parts of which may be outdated by the time the IRP is filed. Instead, the IRP should be viewed as directional guidance that is refreshed annually.

Actual resource decisions must be informed by the IRP but ultimately rely on the most current and accurate information available at the time of procurement. This approach is consistent with the Commission’s prudence standard. In a time of rapidly evolving market dynamics, utilities must be able to adapt flexibly.

The IRP’s guidance is intended to inform downstream procurement decisions. However, PacifiCorp emphasizes that procurement must be based on real-world project characteristics and evolving economic and regulatory conditions—not on static and potentially outdated proxy assumptions.

F. Consistent with HB 3546, PacifiCorp appropriately protects PacifiCorp’s other retail customers for the costs that will be incurred to serve new large loads.

AWEC, CUB and Amazon assert that the 2025 IRP load forecast improperly excluded new large load customers. Amazon specifically claims that HB 3546 does not support how new large loads were treated in the 2025 IRP.

PacifiCorp respectfully disagrees. HB 3546 requires that the costs of serving large loads must be directly assigned to a specific retail customer, or that the rates recovered from large loads as a class be equal to or greater than their class cost of service.³⁴ The 2025 IRP was

³⁴ 2025 OR Laws Ch. 323 (HB 3546), § 2(2)(a)(A)-(B).

consistent with the direct assignment option in that it excluded the resource selection (and cost implications) associated with new large loads from PacifiCorp’s load forecast. As a result, these large load customers, and the costs necessary to meet their needs, will not spill over indirectly or otherwise, and impact other Oregon retail customers.

Unlike IRP proxy resource modeling, where all technology types and availabilities compete for optimal resolution to provide indicative recommendations for downstream processes, the fulfillment of large customer loads will not be driven by proxy-based resource selections competing among all technologies and jurisdictions. By isolating large meter load impacts from optimized resource selections, PacifiCorp is directly protecting its other retail customers and the RFP procurement process from the distorting influence of these specific projects. The obvious example is market signaling. It would be inappropriate to signal in an RFP that PacifiCorp has a large volume of speculative large meter loads that may not materialize, and for which an RFP will not be used to select the resources to serve that load, if it ultimately materializes. For this reason, the 2025 IRP was modeled to protect PacifiCorp’s other retail customers and avoid sending this false signal.

G. The 2025 IRP and CEP are founded on reasonably conceived data and assumptions, provided with appropriate transparency.

1. Market Purchases

Staff ask PacifiCorp “to explain why using assumptions that align more closely with actuals included in recent power cost filings is more risky or less informative than using assumptions that appear substantially different.”³⁵

³⁵ Staff at 19.

As an initial matter, PacifiCorp acknowledges that, as shown by Staff in Round 1 comments, the volume of market purchases and the average purchase price are significantly lower in the 2025 IRP than in the 2023 IRP or in recent net power cost filings. The volume of market purchases and the average purchase price observed in the 2025 IRP are a result of reasonable modeling decisions; requiring PacifiCorp to align future market purchase volumes and prices with actuals or net power cost filings would reduce the value of the IRP.

On the merits, PacifiCorp made a few modeling updates for the 2025 IRP that reduced the volume and price of market purchases relative to the 2023 IRP. First, the 2025 IRP did not model compliance with the EPA's OTR. As discussed above, the 2023 IRP modeled compliance with OTR, which required that coal-fired resources either install prohibitively expensive selective catalytic reduction controls or significantly reduce generation. This reduction in coal generation increased the demand for market purchases, and removing OTR compliance in the 2025 IRP therefore reduced the demand for market purchases relative to the 2023 IRP. It was appropriate for PacifiCorp not to model compliance with OTR in the 2025 IRP given the stay of the interstate ozone federal implementation plan (FIP) on June 27, 2024.³⁶ Second, the 2025 IRP included limits on market purchases not modeled in the 2023 IRP. In the 2025 IRP, starting in 2028, no market purchases were available during peak hours on PacifiCorp's highest five load days in each month of the summer and winter seasons. This limit on market purchases accurately reflects the limited market liquidity that occurs during peak conditions.

Additionally, the difference between the IRP and actuals in market purchase volumes and prices is attributable to the specific market product modeled in the IRP. In the IRP, all market purchases are hourly economic transactions, and the model can balance resources and load with

³⁶ *Ohio et al v Environmental Protection Agency et al*, 603 U.S. ____ (2024) (available here: https://www.supremecourt.gov/opinions/23pdf/23a349new_h3ci.pdf).

economic transactions in each hour. Western market purchases typically transact in block product designations that are purchased months in advance and cover a set of hours. PacifiCorp's open position is analyzed well in advance and filled using these block products. This results in a higher volume of economic purchases relative to the IRP.³⁷

It was appropriate for PacifiCorp to only model hourly economic transactions in the 2025 IRP because block products do not count towards compliance with WRAP. Additionally, PacifiCorp anticipates that the Extended Day-Ahead Market administered by the California Independent System Operator will economically optimize day-ahead hourly positions to optimize the EDAM footprint including PacifiCorp's positions.

In summary, PacifiCorp represents that the market purchase volumes and prices forecasted in the 2025 IRP preferred portfolio are attributable to distinct modeling assumptions that appropriately differ from actual market operations.

2. Renewable Shapes

CUB requests that PacifiCorp expand the range of historical weather data used to develop renewable profiles from 25 years to 50 years to increase reliability and precision.

PacifiCorp appreciates CUB's request but does not believe doing so would increase the reliability and precision of the data. While PacifiCorp agrees that increasing the sample size may smooth out mid-term anomalies that could be present in the current 25-year time period and better capture long term climate trends, PacifiCorp does not believe the difference would be significant and may even skew the forecast in the wrong direction. This is because capturing more historical years that are further from the present (an additional 25 years, as CUB requests),

³⁷ *E.g., In re PacifiCorp's 2024 PCAM*, Docket No. UE 453, Reply Test. Daniel J. MacNeil, at 32 (Sept. 29, 2025).

may skew the data so that generation profiles are less representative of recent and future climate environments and more representative of past environments.

Additionally, it is important to note that PacifiCorp's wind and solar generation profiles for the 2025 IRP already greatly expanded its sampled historical data: from one year of historical data in the 2023 IRP, to twenty-five years in the 2025 IRP. This significantly expanded data set provides a reasonable range of historical data for IRP purposes. PacifiCorp is always looking to balance forecasting future conditions and representing historical outcomes, and in this instance, believes twenty-five years of historical weather data is reasonable.

3. Demand-Side Management

CUB discusses the tradeoffs between the benefits of energy efficiency offerings and the costs of these offerings, noting how different customer classes pay for and benefit from energy efficiency in the state of Oregon, suggesting that the statutory caps on large customer contributions inadvertently burden residential customers. They also question whether the energy efficiency portfolio is the optimal size.

The Company acknowledges CUB's comments about funding for demand-side management yet believes they are better directed towards groups that make decisions about energy efficiency in the state of Oregon. As CUB states, energy efficiency in the state of Oregon is planned for and operated by the Energy Trust of Oregon (ETO), not utilities. Similarly, the statutory caps on large customer contributions for energy efficiency are not within PacifiCorp's control. While PacifiCorp has reviewed ETO's multiyear plan (MYP) and provided comments, PacifiCorp does not own, direct, or approve it; it is the OPUC that ultimately approves ETO's MYP.

Finally, the established methodology for "right-sizing" the scope of an energy efficiency portfolio is created by comparing the relative size of its benefits and costs with cost-effectiveness

testing, as opposed to comparing savings to “the relative sizes of [a state’s] contribution to load.” This guidance, though consistent with other states, has been dictated not by the utilities, but by the OPUC.³⁸ Similarly, conducting the cost-effectiveness modeling for Oregon’s energy efficiency portfolio is the responsibility of the ETO, not the utilities.³⁹

While PacifiCorp is sensitive to CUB’s concern, under this current framework of planning for, implementing, and evaluating energy efficiency in the state of Oregon, CUB’s suggestion that data centers subsidize residential energy efficiency cannot be directly addressed by PacifiCorp.

4. Transmission

Staff believe PacifiCorp’s 2025 IRP preferred portfolio presents an inefficient use of PacifiCorp’s east-to-west transfer capability and requests further explanation regarding why Table 9.12 of PacifiCorp’s 2025 IRP (Chapter 9 Load & Resource (L&R) table) shows 0 MW of transfers between the east and west sides of PacifiCorp’s system from 2030 onwards.

PacifiCorp notes that the L&R table shows capacity, not energy, and is produced after the preferred portfolio is optimized. The additional buildout of resources on the west in the 2025 IRP preferred portfolio removed the need for capacity transfers from the east to the west. Separate from the capacity position represented in the L&R, energy was exported from the east side to the west side of the system throughout the modeling horizon. Because of the additional west-side build-out caused by state policies, over the 21-year horizon imports from east to west decrease

³⁸ Order No. 94-590 in Docket No. UM 551 established the use of the TRC and UCT tests for ETO to determine cost-effectiveness of EE measures and programs, in alignment with the provisions of ORS 757.054 that outline the planning and pursuit of all available energy efficiency resources that are cost effective, reliable and feasible. The OPUC Staff Report in Docket ETO 1, which was approved via a Commission Rule Memoranda, affirmed ETO’s use of portfolio-level cost effectiveness as consistent with ORS 757.054.

³⁹ Refer to Docket No. UM 1893.

over time, and exports from the west to the east increase, but the west remains an importer of energy on transmission lines.

H. A contested case is required prior to considering whether to compel PacifiCorp to procure community based renewable energy (CBRE) resource, PACW reliability resources, or HB 2021 resources.

Staff has several concerns with PacifiCorp’s CBRE resource strategies, and recommends the Commission acknowledge the company’s CBRE action items and require firm CBRE acquisition targets.⁴⁰ Relevant here, this would include “ensuring” all 61.37 MWs of community solar program (CSP) resource come online by 2028;⁴¹ “acquiring” a “reasonable target” of 15 MWs of CBRE resilience capacity by 2030; and “acquiring” 20 MWs or other “firm target” of other CBRE resources by 2030.⁴²

PacifiCorp strongly objects to any IRP/CEP requirement to “ensure” CSP resources come online, “acquiring” a “reasonable target” of 15 MWs of CBRE resilience capacity, or “acquiring” a 20 MWs or other “firm target” of other CBRE resources.

First, CBRE acquisition, unlike SSRs, is not required by law. HB 2021 only requires that CEPs must “[e]xamine the costs and opportunities of offsetting energy generated from fossil fuels with community-based renewable energy.”⁴³ PacifiCorp’s initial and current CEPs have implemented this requirement, and have found that although PacifiCorp “remains cautiously optimistic of the potential benefits and costs of CBRE resources,”⁴⁴ CBRES “are likely at least twice as expensive as utility scale renewable alternatives.”⁴⁵

⁴⁰ Staff Draft Recommendation 14.

⁴¹ Staff’s recommendation was issued before the Commission recently decided to increase PacifiCorp’s CSP obligation by an additional 30 MWs.

⁴² *Id.*

⁴³ ORS 469A.415(4)(d).

⁴⁴ 2025 CEP, at 40.

⁴⁵ *Id.* at 52.

This conclusion aligns with the ODOE’s report on CBREs, where ODOE cautioned that the “individualized nature of these types of projects also make it difficult to provide an overarching assessment on the energy, environmental, economic, and social benefits and challenges of small-scale and community-based projects writ large.”⁴⁶ As a result, ODOE acknowledged “the potential for increasing rate pressure on utility customers when discussing the costs of incentivizing small-scale and community-based renewable energy project development and agreed that future policy decisions should be based on a principle of equitable distribution of costs and benefits.”⁴⁷

The Commission should decline to require resource procurement of CBREs where there is no requirement in law to do so, and where the procurement is not supported by least-cost, least-risk planning principles.

Second, PacifiCorp has concerns with Staff’s suggested actions for CSP resources. Staff recommends the Commission direct PacifiCorp to “ensure” that CSP resources come online by 2028.⁴⁸ Yet, PacifiCorp does not have power or control over the development of CSP resources. As a result, the Commission cannot require PacifiCorp to “ensure” these resources come online, when there are any number of factors that could prevent a given CSP resource from coming online that have nothing to do with PacifiCorp-controlled factors. To name a few: a CSP could fail to receive adequate financing; a CSP could fail to procure adequate property rights to develop their facility; a CSP could be unable to secure adequate generation equipment due to current trade instability; a CSP could fail to become operational because of personnel changes; a CSP could fail engineering or safety standard tests.

⁴⁶ *Id.* at 40 (citing ODOE Study, available here: <https://www.oregon.gov/energy/Data-and-Reports/Documents/2022-Small-Scale-CommunityRenewable-Projects-Study.pdf>).

⁴⁷ *Id.* at 40-41.

⁴⁸ Staff Report, at 42.

While the Company will continue to work with CSP developers under existing Commission authorities, the Commission needs to decline requiring PacifiCorp to “ensure” that third-party owned, developed, and operated resources become operational.

Finally, consistent with the Commission’s decision in docket UM 2345,⁴⁹ the Commission’s internal operating guidelines,⁵⁰ and the Commission’s perspective on the issue in the current litigation of PacifiCorp’s 2023 CEP Supplement,⁵¹ IRP and CEP decisions do not result in substantive requirements, and a contested case would be needed before the Commission reached the issue of whether it could require PacifiCorp to engage in resource procurement.

A contested case is the only proper venue to address these significant issues,⁵² including how “a Commission directive to issue an RFP [or procure CBREs, PACW reliability resources, or HB 2021 resources] would eliminate the need for PacifiCorp to defend its actions to do so,” though at the same time PacifiCorp would still be “required to justify other actions and remain responsible for the prudence of its decisions regarding what if any resources to select, and under what terms.”⁵³

⁴⁹ Order No. 25-098, at 11 (“We acknowledge PacifiCorp’s claims that it was not afforded the opportunity to submit alternative evidence or otherwise properly raise factual, legal, and policy concerns with the Staff Report recommending procurement, including any financial implications that could negatively impact PacifiCorp’s customers. To provide sufficient process and PacifiCorp the opportunity to address these matters, we do not order the company to issue an RFP here. . . . We have chosen this procedural approach so that PacifiCorp has the opportunity to present relevant information to us in the context of a contested case before we determine whether to issue a directive.”).

⁵⁰ *In re Commission Internal Operating Guidelines*, Order No. 20-386, Appendix A at 25 (“Commission acknowledgement of an IRP means only that the Commission finds that the utility’s proposed actions are reasonable at the time acknowledgment and does not constitute ratemaking.”); *Id.* (the Commission “does not finally determine the individual rights, duties, or privileges of any party during the IRP process . . .”).

⁵¹ *PacifiCorp v. OPUC*, Case No. 24CV51484, OPUC Response to PacifiCorp’s Motion for Summary Judgment, at 5-6 (Sept. 23, 2025) (Marion County Circuit Court) (arguing that the Commission’s LC 82 decision on requiring PacifiCorp to submit an SSR acquisition strategy did require a contested case proceeding, because those strategies were “merely filings that PacifiCorp would have had to do in any case and does not require PacifiCorp to actually acquire small-scale resources.”) (emphasis added).

⁵² RNW similarly recommends that the Commission direct PacifiCorp to procure sufficient resources needed for compliance with HB 2021, as well as to PACW reliability resources. *E.g.*, RNW Comments, at 25.

⁵³ Order No. 25-098, at 17.

I. PacifiCorp’s community engagement is evolving and valuable.

Staff is critical of how community input and advisory groups contribute to PacifiCorp’s CBIAs and IRP/CEP decision-making and quotes comments made by Energy Justice Advocates in docket UM 2211 that utility advisory groups are “little more than symbolic forums.”

PacifiCorp does not believe this feedback is charitable. PacifiCorp’s Community Benefits Indicators Advisory Group (CBIAG) and Tribal Nations CBIAG are not even three years old, and PacifiCorp remains committed to building relationships and communication with its advisory group members and other interested parties and members of the community. It takes significant effort and time on the part of the utility and the community members to reach shared understanding on complex utility topics and to reach a position to be able to receive and act on feedback. PacifiCorp is committed to improving communication in regard to IRP and CEP topics and will continue early in 2026 to educate and communicate with advisory group members to better solicit input and feedback on the 2027 IRP/CEP.

In response to Advocates comments that PacifiCorp’s stakeholder engagement processes be “transparent, accountable, and adequately resourced for historically marginalized groups to participate meaningfully,”⁵⁴ PacifiCorp provides a number of resources that support historically marginalized groups and community representatives and their participation in PacifiCorp’s stakeholder engagement process. For example, PacifiCorp offers its CBIAG and Tribal Nations CBIAG compensation per company-convened meeting and travel reimbursement (when applicable) to all members that express interest. Members have the option to receive compensation directly or designate it to their affiliated community organization for added

⁵⁴ Advocate Comments, at 20.

impact. PacifiCorp's CBIAG is comprised of members that represent an array of communities / groups and interests including:

- Environmental justice communities / advocates
- Rural-Serving Organizations
- Tribes / Tribal Community-Based Organizations
- Community-Based Organizations
- Community Health / Healthcare

PacifiCorp is mindful of the fact that membership fluctuations are expected and will continue to take note of existing gaps in representatives on its CBIAGs as it plans future recruitment efforts to ensure a wide net of perspectives are reflected that capture the identities and interests of the company's customer base in Oregon.

In addition, PacifiCorp offers robust meeting resources and timely external communications to relay the various engagement opportunities the company plans to hold ahead of their occurrence. These and other similar resources can be located on the company's Integrated Resource Plan [Public Input Process](#), [Oregon Clean Energy Plan](#), [Oregon Community Benefits and Impacts Advisory Group](#), [Tribal Relations](#), and [Oregon Distribution System Planning](#) webpages.

Pertaining to accountability in feedback received through the company's stakeholder engagement process, PacifiCorp has maintained a feedback tracker since June 2023 that captures and helps track follow-up activities or conversations that may result from input captured through its advisory group spaces and clean energy planning series space. The feedback tracker is available online on the company's [Oregon Clean Energy Plan](#) webpage. The team works on providing quarterly updates to ensure that meeting participants, including advisory group members, are kept informed and involved in planning processes and related ongoing activities.⁵⁵

⁵⁵ *E.g.*, PacifiCorp's 2024 Biennial Report, at 16-17.

PacifiCorp also maintains public meeting notes that are translated to Spanish following each engagement and posted online.

Finally, the company starts each CBIAG/Tribal Nations CBIAG session with a “close the loop” segment in which any follow-up or updates from previous meetings are summarized for the next meeting. This process seeks to reaffirm feedback previously provided while offering a second opportunity for participants to surface topics that are important to them and the communities they represent.⁵⁶

J. PacifiCorp generally supports several stakeholder recommendations.

PacifiCorp agrees with several stakeholder recommendations, either in full or in part, for future planning cycles.

First, RNW raises concerns with the cost assumptions in PacifiCorp’s No HB 2021 counterfactual, and recommends the Commission direct PacifiCorp to provide analyses of fuel costs and market purchase costs in the HB 2021 counterfactual.⁵⁷

PacifiCorp’s initial “No HB 2021” counterfactual portfolio attempts to isolate the incremental impacts from HB 2021 energy needs from other resource needs for Oregon customers. The counterfactual presents a useful benchmark to understand what volume of resources in the preferred portfolio for Oregon are driven by HB 2021 emissions reductions goals. In terms of costs, PacifiCorp’s standard cost summary report is systemwide, not jurisdictional. In future planning cycles and in Section 10 cost cap filings, PacifiCorp can include analysis on Oregon-allocated fuel and market purchase costs and will endeavor to work with stakeholders as appropriate on this analysis.

⁵⁶ *Id.*

⁵⁷ RNW Round 2 Comments, at 10-11.

Second, Staff suggest that PacifiCorp’s action plan fails to: identify least-regret near term actions that perform well across portfolios including ranges and procurement schedules, highlight the greatest risks to customers in the near-term window and identify mitigation strategies, flag major decision points for the commission that will affect long-term strategy, identify enabling strategies to support the near-term or long-term strategies, including changes to system operation practices and identify appropriate models for downstream processes. Additionally, Staff recommends the Commission acknowledge IRP Action Item 5a, after directing PacifiCorp to address access to clean markets, EDAM market participation, and specified reliability purchases in the 2027 IRP.⁵⁸

PacifiCorp believes these are reasonable conditions and commits to implementing these in the 2027 IRP. PacifiCorp also notes that the 2025 CEP discusses how PacifiCorp continues to engage with various parties on development of a greenhouse gas (GHG) accounting and reporting framework for market participants that might help enable PacifiCorp to have access to “cleaner” market purchases in the future.⁵⁹ Beyond future EDAM developments, PacifiCorp is not aware of other clean energy markets it can participate in. PacifiCorp’s 2025 CEP modeling and action plan is based on the current lack of a clean energy market, and each planning cycle will include updated information on the development of clean energy markets which could greatly reduce new resource needs closer to 2035.

Third, Staff suggest that PacifiCorp’s action plan fails to: identify least-regret near term actions that perform well across portfolios including ranges and procurement schedules, highlight the greatest risks to customers in the near-term window and identify mitigation strategies, flag major decision points for the commission that will affect long-term strategy,

⁵⁸ Staff Draft Recommendation 17.

⁵⁹ 2025 CEP, at 103.

identify enabling strategies to support the near-term or long-term strategies, including changes to system operation practices and identify appropriate models for downstream processes.⁶⁰

PacifiCorp does not necessarily agree, as PacifiCorp believes the holistic view of an IRP and CEP materially achieve Staff's purposes discussed above. Further, PacifiCorp is skeptical that more detailed and granular discussion of strategies may not serve IRPs or CEPs well, as parties currently lack consensus on fundamental modeling assumptions. Until those assumptions have broader buy-in, more granular strategies based on those modeling assumptions are likely premature.

That said, PacifiCorp will commit to working with Staff on how it would prefer to see these analyses in future IRP/CEP planning cycles.

Fourth, the Advocates express concerns over PacifiCorp's "just-in-time" compliance strategy favored by modeling. PacifiCorp has explained as part of its public input process and in response to stakeholder comments and feedback, that "just-in-time" modeling outcomes are the appropriate result of the model's view of least-cost least-risk compliance with modeled requirements. The company does not necessarily share Advocate's concern over modeling results, as actual procurement activities based on resource-specific bids and relevant commercial operation deadlines will govern PacifiCorp's compliance position. However, the company appreciates the Advocates general concern and wants to reiterate that in no case will PacifiCorp reject a favorable bid in its procurement processes as a consequence of "just-in-time" model outcomes from the IRP/CEP. The IRP/CEP identify resource needs, while RFPs allow for the procurement of resources to meet that need based on resource-specific commercial operation deadlines.

⁶⁰ Staff Round 2 Comments, at 20.

Fifth, in terms of CBRE costs, Staff expresses concerns with PacifiCorp’s assumptions regarding which CBRE resources will come online, when, and that the cost assumptions are not reflective of ratepayer contributions. CoP and MultCo also argue that PacifiCorp’s CEP does not seek to maximize community benefits or CBREs,⁶¹ while the Advocates express several concerns regarding PacifiCorp’s CBRE strategy, and questions who is receiving the costs and benefits from resilience investments.

On costs, Staff is correct that PacifiCorp’s CBRE sensitivity modeled the addition of CBRE resources that are already in the pipeline and funded by external, non-PacifiCorp sources, and that the impact to the model is to offset some SSR selections but at a higher estimated cost. This does not necessarily represent an increase in cost to PacifiCorp customers. For example, PacifiCorp could in future IRPs endogenously include “CBRE” proxy resources for the model to select that qualify as SSRs, but it is unclear to PacifiCorp what cost estimates would be more appropriate, and if all CBRE’s should or would count as SSR (though in the CBRE sensitivity, PacifiCorp assumed all CBREs count as SSRs, directly offsetting the SSR obligation).

While PacifiCorp is committed to supporting the development of community-driven projects, that work is not easily or meaningfully representable for IRP/CEP modeling purposes. This is because the impact and value from CBREs are difficult to capture in a meaningful way at the level of IRP modeling, given that proxy resources and load bubbles are not as granular as the distribution system, and CBRE resources are highly location- and stakeholder-specific endeavors.

As PacifiCorp gains more information on CBRE resource costs in future planning cycles, the relative costs and benefits of CBREs will determine if the model would actually select these

⁶¹ CoP and MultCo comments pg. 2

resources in a least-cost portfolio result, but the IRP/CEP level modeling is not going to appropriately capture benefits to community resilience, and CBRE projects are unlikely to have impacts to system reliability. The company welcomes input from parties regarding these assumptions, and is open to working with parties regarding how to identify and appropriately value these resources.

Sixth, parties including Staff, Amazon, AWEC and RNW suggest that B2H should not have been removed from PacifiCorp's 2025 IRP preferred portfolio. AWEC and Staff recommend that, at a minimum, B2H be included in a sensitivity analysis while RNW recommends B2H be reincorporated into the base case for the 2025 IRP Update and 2027 IRP. Furthermore, AWEC and RNW request that PacifiCorp actively work with BPA to resolve the status of transmission redirect requests related to B2H and request PacifiCorp to continue to update stakeholders on the Company's progress to secure the redirects.

PacifiCorp would like to clarify that B2H was not fully removed from the 2025 IRP. System benefits associated with B2H such as incremental transfer rights into Central Oregon and eastbound flows on the line were modeled. Details regarding the treatment of B2H in the 2025 IRP were provided in PacifiCorp's Round 1 Comments.⁶² That said, PacifiCorp agrees to include a sensitivity related to B2H in the 2025 IRP Update. PacifiCorp has been actively engaged with BPA over the past five years, working to achieve the desired re-directs, and expects to continue these efforts in the future. The results of these discussions will be incorporated in future planning cycles, in addition to the sensitivity discussed above.

Seventh, AWEC request the Commission open an investigation under ORS 469A.445 to determine whether the anticipated cumulative rate impact of PacifiCorp's HB 2021 compliance

⁶² PacifiCorp at 16.

costs will exceed the statutory cost cap. PacifiCorp generally supports the need for a Section 10 cost cap filing in the near future, however PacifiCorp notes that the timing of this filing should depend on the timing in the Oregon RFP—when PacifiCorp has identified potential situs resources that can help meet Oregon’s HB 2021 needs (or shortly before to begin analyses of relevant counterfactual information), PacifiCorp believes a cost cap filing would be appropriate at that time.

Eighth, regarding community benefit indicators (CBIs), Staff indicates that it is unclear how PacifiCorp uses its CBI framework in long-term planning, procurement and program development, and mention that they expect utilities to “identify a narrower set of CBIs for use in balancing tradeoffs of different resource strategies in the IRP and/or CEP.”⁶³ Advocates indicate there is room for improvement regarding PacifiCorp’s CBIs and make several recommendations to the Commission regarding disaggregation of metrics, minimum thresholds, and additional scenario modeling.

In the 2025 CEP, PacifiCorp greatly improved its CBI framework from the interim CBIs presented in the 2023 CEP. Notably, PacifiCorp established baseline metrics for the CBIs and committed to developing an “environmental justice community framework” to better disaggregate, track and understand CBIs and the impacts of utility decisions on its most vulnerable customers. Where appropriate, the company is committed to better integrating CBIs into resource planning and procurement decisions. PacifiCorp already has incorporated CBIs into both its 2025 Oregon Situs RFP and its 2025 Small-Scale RFP through the development of a non-price scoring questionnaire, and is open to further refinements of this approach in future procurement activities.

⁶³ Staff comments on page 29.

PacifiCorp is also open to committing to development of a narrow set of CBIs that can be applied to proxy resource decisions in the 2027 IRP and CEP, similarly to what was applied in the 2025 RFPs, and would welcome input from stakeholders regarding the appropriate valuation of benefits from CBIs to be generated from proxy resource selections. However, the utility continues to be wary of any targets or minimum thresholds of benefits where the impact or outcome of a CBI is not directly controllable by the company or is not discernable at the level of IRP/CEP modeling. For example, energy burden of a household is a function of both utility rates and household income. While the company does control certain factors that can contribute to rate increases, it does not control household income and therefore cannot fully control or reduce energy burden for its customers. Additionally, energy burden is not measurable in an IRP model, as load forecasts are not disaggregated at the individual customer level.

III. CONCLUSION

PacifiCorp appreciates the opportunity to respond to stakeholder comments and looks forward to continuing the discussion on these issues.

Respectfully submitted this 6th day of November, 2025.



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Director, Regulation
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CERTIFICATE OF SERVICE

I certify that I delivered a true and correct copy of **PacifiCorp's Round 2 Reply Comments** on the parties listed below via electronic mail in compliance with OAR 860-001-0180.

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Dated this 6th day of November, 2025.

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