

March 14, 2023

VIA ELECTRONIC MAIL

Public Utility Commission of Oregon
Attention: Filing Center
201 High St. SE, Suite 100
Salem, Oregon 97301-3398

Re: LC 62 and LC 67 – PacifiCorp’s Written Report on DSM IRP Acquisition Goals, Environmental Compliance and Transmission Investments – 2022 Second Update

PacifiCorp d/b/a Pacific Power provides the attached report in compliance with the following provision included in Order No. 14-252, as modified in Order No. 14-288, streamlined in Order No. 16-071, and clarified by the Public Utility Commission of Oregon (Commission) at the December 20, 2016, Public Meeting:

Beginning in the fourth quarter of 2014, PacifiCorp will appear before the Commission to provide quarterly updates on coal plant compliance requirements, legal proceedings, pollution control investments, and other major capital expenditures on its coal plants or transmission projects. PacifiCorp may provide a written report and need not appear if there are no significant changes between the quarterly updates.¹

We highlight the reporting requirement that the company continue to provide twice yearly updates on the status of DSM IRP acquisition goals at regular public meetings. Include in these updates information on future plant and transmission investment decisions, as a streamlined continuation of Order No. 14-288.²

If there’s not a lot of change from quarter to quarter you can submit a report rather than come in.³

PacifiCorp is providing the attached written report for the period of July 1, 2022, through December 31, 2022. PacifiCorp can also provide a presentation of its update if the Commission has any questions or concerns with the information provided.

The report consists of two updated PowerPoint slide decks: the Semi-Annual DSM Update and the Environmental Compliance and Transmission Investment Update. The Semi-Annual DSM Update slide deck provides an update on the 2022 targeted energy savings forecast by state. The

¹ LC 57, Order No. 14-288.

² LC 62, Order No. 16-071.

³ Public Utility Commission of Oregon, December 20, 2016 Public Meeting, Archived Video at 1:44:26.

Public Utility Commission of Oregon

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Environmental Compliance and Transmission Investment Update slide deck includes updates throughout, building upon information provided in PacifiCorp's last update.

Please direct any questions regarding this report to Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matthew McVee', written in a cursive style.

Matthew McVee
Vice President, Regulatory Policy and Operations

Enclosures



PacifiCorp Semi-Annual Demand Side Management Update

Second Update for 2022



Class 2 Energy Resource Acquisitions

State Wide Energy Savings Results (aMW)			
State	1/1/2022 - 12/31/2022		
	Actuals	Target	% of Target Achieved
CA	0.27	0.30	90%
ID	1.2	1.46	82%
OR	16.4	18.56	88%
UT	23.29	29.39	79%
WA	4.42	3.97	111%
WY	5.51	5.08	108%
Total	51.09	58.76	87%

Note: The reported savings in the table above are preliminary for January – December 2022. The estimated savings results are at generation and are gross. The source of the 2022 targets is the energy efficiency and home energy report selections from the 2021 IRP preferred portfolio, converted from MWh to aMW.



Additional Information

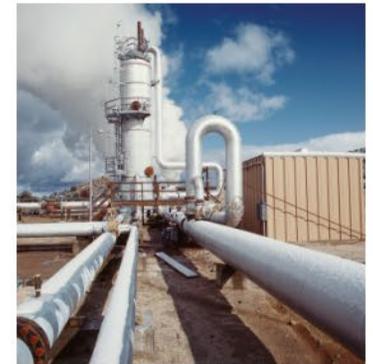
Additional information on Class 2 energy resource acquisitions can be found on PacifiCorp's website under the "Reports and Program Evaluations by State" section at:

<https://www.pacificorp.com/environment/demand-side-management.html>



PacifiCorp Semi-Annual Environmental Compliance and Transmission Investment Update

Second Update for 2022



Transmission Updates



- EIM Update
- Transmission Project Development

EIM – Calculated Benefits

2022



BAA	Jan-Mar 2022	Apr-Jun 2022	Jul-Sep 2022	Oct-Dec 2022	Total 2022
ISO	\$63.56 M	\$71.75 M	\$65.99 M	\$88.53 M	\$289.83 M
PacifiCorp	\$26.4 M	\$35.21 M	\$84.54 M	\$53.87 M	\$200.02 M
NV Energy	\$4.41 M	\$8.44 M	\$62.38 M	\$42.33 M	\$117.75 M
Arizona Public Service	\$7.41 M	\$10.14 M	\$36.42 M	\$34.87 M	\$88.84 M
Puget Sound Energy	\$3.85 M	\$4.90 M	\$7.59 M	\$14.81 M	\$31.15 M
Portland General Electric	\$8.59 M	\$11.92 M	\$19.64 M	\$21.11 M	\$61.26 M
Idaho Power	\$6.29 M	\$8.44 M	\$12.04 M	\$17.18 M	\$43.95 M
Powerex	\$1.54 M	\$4.66 M	\$2.76 M	\$3.45 M	\$12.41 M
BANC/SMUD	\$18.58 M	\$68.09 M	\$111.54 M	\$83.44 M	\$281.65 M
Seattle City Light	\$3.60 M	\$2.90 M	\$3.67 M	\$4.71 M	\$14.88 M
Salt River Project	\$5.50 M	\$21.26 M	\$19.28 M	\$31.04 M	\$77.08 M
Turlock Irrigation District	\$1.29 M	\$2.85 M	\$4.37 M	\$2.31 M	\$10.82 M
Los Angeles Department of Water and Power	\$10.35 M	\$13.78 M	\$25.79 M	\$25.17 M	\$75.09 M
Public Service Company of New Mexico	\$3.31 M	\$3.10 M	\$16.6 M	\$11.6 M	\$34.59 M
Northwestern Energy	\$5.53 M	\$5.90 M	\$6.84 M	\$12.95 M	\$31.22 M
Avista Utilities	\$1.95 M	\$5.16 M	\$7.24 M	\$9.73 M	\$24.08 M
BPA		\$4.36 M	\$9.07 M	\$12.96 M	\$26.39 M
Tacoma Power	\$0.15 M	\$1.55 M	\$3.84 M	\$4.07	\$9.61 M
TEP		\$2.84 M	\$26.88 M	\$11.21 M	\$40.93 M
Total	\$172.31 M	\$287.44 M	\$526.51 M	\$485.29 M	\$1.47 B

Total EIM Benefits

November 2014 – December 2022



BAA	Total
ISO	\$689.76 M
PacifiCorp	\$591.03 M
NV Energy	\$279.16 M
Arizona Public Service	\$336.91 M
Puget Sound Energy	\$106.75 M
Portland General	\$197.07 M
Idaho Power	\$177.98 M
Powerex	\$39.30 M
BANC/SMUD	\$457.48 M
Seattle City Light	\$35.44 M
Salt River Project	\$161.04 M
Turlock Irrigation District	\$15.93 M
Los Angeles Department of Water and Power	\$117.80 M
Public Service Company of New Mexico	\$47.12 M
Northwestern Energy	\$43.31 M
Avista Utilities	\$24.08 M
BPA	\$26.39 M
Tacoma Power	\$9.61 M
TEP	\$40.93 M
Total	\$3.397 B

Prospects for EIM Expansion



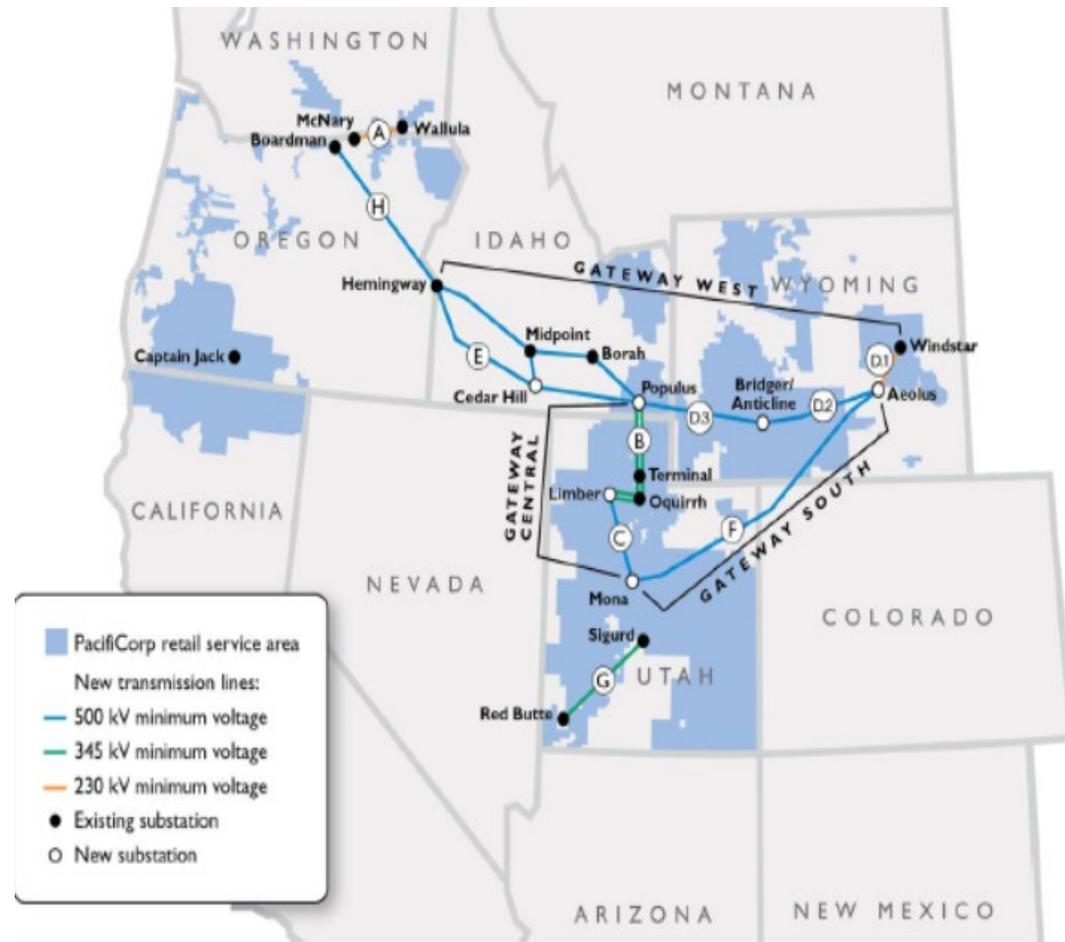
- PacifiCorp is supportive of broader market participation & coordination; CAISO approach/EIM design is highly scalable for added participation.
- NV Energy EIM implementation occurred December 2015, Puget Sound Energy and Arizona Public Service EIM implementation occurred October 2016, Portland General Electric EIM implementation occurred October 2017, Idaho Power Company and Powerex Corp EIM implementation occurred April 2018, Balancing Authority of Northern California, with the Sacramento Municipal Utilities District EIM implementation occurred April 2019, and Salt River Project and Seattle City Light EIM implementation occurred April 2020. Public Service Company of New Mexico, the Los Angeles Department of Water and Power, Turlock Irrigation District, and Balancing Authority of Northern California Phase 2 joined the EIM April 2021, and Northwestern Energy joined June 2021. Avista, Tacoma Power, Tucson Electric Power, and Bonneville Power Administration implemented the EIM in spring 2022.
- El Paso Electric, Western Area Power Administration Desert Southwest, and Avangrid have committed to join the EIM in spring 2023.

Energy Gateway Program Status



Over \$6 billion total investment planned; \$2.4 billion placed in-service

- Gateway West
 - BLM record of decision on 8 of 10 segments November 2013
 - BLM record of decision on last 2 segments April 2018
 - Planned in-service 2026-2030
- Gateway South
 - BLM record of decision December 2016
 - Planned in-service 2024
- Boardman-to-Hemingway
 - BLM record of decision December 2017
 - Oregon Energy Facility Siting Council site certificate target date June 2022
 - Planned in-service 2026
- **Segments In-Service**
 - Populus-to-Terminal November 2010
 - Mona-to-Oquirrh May 2013
 - Sigurd-to-Red Butte May 2015
 - Wallula to McNary January 2019
 - Aeolus-to-Jim Bridger/Anticline November 2020



This map is for general reference only and reflects current plans. It may not reflect the final routes, construction sequence or exact line configuration.



Clean Power Plan

Clean Power Plan (CPP)



- March 2017, President Trump issued an Executive Order directing the EPA to review the CPP.
- April 2017, the Circuit Court of Appeals abates the lawsuits on the CPP for 60 days; lawsuit continues to be on hold.
- October 2017, EPA proposed to repeal the CPP and issued an Advanced Notice of Proposed Rulemaking to solicit information on the best system for emission reduction; EPA also requested the court case remain in abeyance until completion of rulemaking.
- PacifiCorp submitted comments on the ANPR on February 26, 2018, and the proposed CPP repeal on April 28, 2018.
- August 2018, EPA proposed the Affordable Clean Energy (ACE) Rule to replace CPP
- June 2019, EPA finalized the ACE Rule and repealed the CPP.
- On June 30, 2022, the U.S. Supreme Court ruled that EPA was not granted the broad authority to force nationwide generation shifting through greenhouse gas emissions standards on existing power plants that would lead to the highly significant and broad-based economic and political impacts of the Clean Power Plan. The court ruled that Congress must delegate that type of authority and has not done so.



Affordable Clean Energy (ACE) Rule

ACE Rule



- Proposed ACE Rule published in the Federal Register on August 31, 2018.
- October 2018, PacifiCorp submitted comments on the ACE Rule in conjunction with Berkshire Hathaway Energy and its individual businesses.
- Final ACE Rule published in the Federal Register on July 8, 2019.
- ACE Rule changed the definition of “Best System of Emission Reduction” or “BSER” for CO2 emissions.
 - BSER limited to specific Heat Rate Improvement (“HRI”) projects for coal-fired electric generating units, identified as “candidate technologies.”
- On January 19, 2021, the D.C. Circuit vacated and remanded the Affordable Clean Energy rule to the EPA.
 - It was determined that the rule "rested critically on a mistaken reading of the Clean Air Act" that limited the best system of emission reduction to actions taken at a facility.
- On October 29, 2021, the U.S. Supreme Court agreed to hear appeals from states and coal companies seeking limits on EPA’s ability to regulate carbon emissions under the CAA.
- The June 30, 2022, U.S. Supreme Court holding in *West Virginia v. EPA* reversed the D.C. Circuit Court ruling vacating the Affordable Clean Energy rule and remanded that case for further proceedings.
- EPA is expected proposed new rulemaking in early 2023 addressing deadlines for state plans in the ACE rule.



Paris Agreement

Paris Agreement



- In December 2015, 197 nations and entities negotiated the Paris Agreement, a coordinated action on climate change under the United Nations Framework Convention on Climate Change.
 - The Paris Agreement became effective November 4, 2016.
- The Paris Agreement reaffirmed the goal of limiting global temperature increases to less than 2 degrees Celsius and established the following commitments by all parties:
 - Establish and report “nationally determined contributions” (NDCs) to reduce emissions and adapt to climate change.
 - Take stock of progress toward long-term goals based on five-year reporting cycle.
 - Establish NDCs based on progress toward long-term goals, allowing NDCs to reflect the appropriate level of ambition.
- The Paris Agreement obligates the United States to reduce greenhouse gas emissions by 26-28% from 2005 levels by 2025.

Paris Agreement



- Under the Trump administration, the United States announced its withdrawal from the Paris Agreement, a process which was completed on November 4, 2020.
- Under the Biden administration, the United States reaccepted the terms of the Paris Agreement and re-entered the agreement on February 19, 2021.
- At a climate leaders summit April 22-23, 2021, the United States announced new goals to reduce greenhouse gas emissions by 50 - 52% economy-wide by 2030 compared to 2005 levels, and to reach 100% carbon pollution-free electricity by 2035.
 - Additional details on how the United States will implement these goals have yet to be released.
 - Implementation of requirements arising under the Paris Agreement has the potential to impact PacifiCorp's operations and investment decisions
- The Inflation Reduction Act was signed into law on August 16, 2022. The law aims to invest in domestic energy production while promoting clean energy, among other infrastructure investments and is projected to bring the United States significantly closer to the goal of reducing greenhouse gases to 50% below 2005 levels by 2030.



Regional Haze

Utah Regional Haze Compliance



- First Planning Period
 - July 2016 – EPA published its final action on the Utah Regional Haze SIP, requiring SCR on Hunter Units 1 and 2 and Huntington Units 1 and 2 within five years.
 - September 2016 – PacifiCorp and other parties filed a request for reconsideration and an administrative stay with EPA.
 - July 2017 – EPA sent letters to PacifiCorp and the state of Utah indicating its intent to reconsider its FIP; the agency also filed a motion with the Tenth Circuit Court of Appeals to hold the litigation in abeyance pending the rule’s reconsideration.
 - September 2017 – the Tenth Circuit granted the petition for stay and the request for abatement; the compliance deadline of the FIP and the litigation was stayed indefinitely pending EPA’s reconsideration.
 - January 2020 – EPA published its proposed approval of an alternative SIP submitted by Utah, which shows improved visibility through modeling, makes the shutdown of the Carbon plant federally enforceable and adopts NOx controls and emission limits on the Hunter and Huntington plants, including an additional non-BART (best available retrofit technology) unit at Hunter. The proposal withdraws the FIP requirements to install SCR on Hunter Units 1 and 2 and Huntington Units 1 and 2.
 - February 2020 – EPA held a public hearing on the proposed SIP approval in Price, Utah.

Utah Regional Haze Compliance



- First Planning Period (continued)
 - EPA published the final Utah SIP rule on November 27, 2020, which aligned with the proposed rule, and on January 11, 2021, the Tenth Circuit Court of Appeals dismissed challenges to EPA's 2014 FIP in light of the finalized Utah SIP replacement.
 - January 20, 2021 – HEAL Utah and other environmental groups filed a petition for review in the Tenth Circuit Court of Appeals of the Utah Regional Haze SIP. PacifiCorp and the state of Utah filed motions to intervene. EPA and HEAL agreed to a stay of litigation to allow mediation.
 - The EPA and petitioner HEAL Utah notified the Tenth Circuit Court of Appeals that mediation was not successful and proposed a briefing schedule on December 10, 2021. The court approved the state of Utah's, PacifiCorp's and the Hunter co-owners' motions to intervene and the briefing schedule.
 - 2022 – The EPA, PacifiCorp, Utah, and environmental groups have submitted their briefs and reply briefs with the Tenth Circuit Court of Appeals defending the Utah SIP revision.
 - HEAL Utah's petition for reconsideration remains pending before the EPA, and the agency reported to the court that it continues to evaluate the petition for reconsideration and opportunities to resolve the matter administratively instead of through litigation.
 - Oral argument in *HEAL Utah vs. EPA* is scheduled for March 21, 2023, in the Tenth Circuit Court of Appeals.

Utah Regional Haze Compliance



- Second Planning Period

- On April 21, 2020, PacifiCorp submitted a Reasonable Progress Analysis to the Utah Division of Air Quality (UDAQ) for the Huntington and Hunter plants for the regional haze second planning period.
- The UDAQ rejected PacifiCorp's Reasonable Progress Analysis and instead submitted a draft SIP to the Federal Land Managers for a 60-day consultation in December 2021 that focused on a three-tier NOx emission reductions strategy at the Hunter and Huntington plants.
- On April 6, 2022, the Utah Air Quality Board voted in favor of the Utah SIP with provisions that solicited comment on further NOx reductions and inclusion of SO₂ limits. Utah revised the SIP to include an SO₂ rate-limit that the plants currently meet and revised annual NOx emission limits based on 2021 actual emissions, with reduced interim limits which become effective in 2025 and a further reduction occurring in 2028.
- PacifiCorp submitted written comments on May 31, 2022, in support of the revised SIP.
- The Utah Air Quality Board approved the SIP July 6, 2022, with NOx and SO₂ limits becoming effective immediately.
- UDAQ submitted its second planning period SIP to the EPA August 2, 2022.

Wyoming Regional Haze Compliance

- First Planning Period
 - January 2014 – EPA issued a Regional Haze FIP partially approving the state of Wyoming’s SIP. The following SIP and FIP requirements were approved:
 - Jim Bridger Units 3&4: Install(ed) SCR in 2015 and 2016, respectively
 - Jim Bridger Units 1&2: Install SCR by 2022 and 2021, respectively
 - Naughton Unit 3: Remove from coal-fueled service in January 2019, with option to convert to gas (converted to gas in 2019)
 - Naughton Units 1&2: Install(ed) LNB and OFA (0.26 lb/MMBtu NOx rate)
 - Dave Johnston Unit 4: Install(ed) LNB and OFA (0.15 lb/MMBtu NOx rate)
 - Dave Johnston Unit 1&2: No new controls
 - Dave Johnston Unit 3: EPA offered two alternative compliance paths in the FIP – (1) install LNB and OFA and shut-down by 2027 or (2) install LNB and OFA and SCR. (PacifiCorp elected option 1)
 - Wyodak Unit 1: Install SCR within five years of the final rule (challenged by PacifiCorp)
 - April 2017 – As part of legal appeals and a stay granted by the Tenth Circuit Court of Appeals, EPA and Basin Electric negotiated a settlement agreement.

Wyoming Regional Haze Compliance

- First Planning Period (continued)
 - October 2019 – As part of mediation, PacifiCorp submitted a Request for Reconsideration of the EPA’s FIP to install SCR on Wyodak.
 - EPA, Wyoming and PacifiCorp signed the Wyodak Settlement Agreement December 16, 2020, and the rule was published in the Federal Register and subject to public comment. PacifiCorp was notified by the EPA July 13, 2021, that the agency would not finalize the Wyodak Settlement Agreement.
 - PacifiCorp, Wyoming, environmental groups and EPA continued mediation to resolve Wyoming Regional Haze compliance options through court mediation. However, in August of 2022, the parties ended mediation and recommenced litigation. PacifiCorp included a motion to dismiss claims about Naughton units 1 and 2 in its briefing due to a federal submission that commits the units to cease burning coal by the end of 2025.
 - Briefing is ongoing as of December 2022.

Wyoming Regional Haze Compliance

- First Planning Period – Bridger RP Reassessment
 - February 2019 – PacifiCorp submitted a Reasonable Progress Reassessment for the Jim Bridger plant to the Wyoming Division of Air Quality (WDAQ). The Reassessment is an innovative proposal that would implement new plant-wide emission limits at Jim Bridger, in lieu of the requirement to install SCR equipment on Jim Bridger Units 1 and 2 (currently required by the end of 2022 and 2021, respectively).
 - WDAQ issued the Jim Bridger Regional Haze Reassessment air permit May 5, 2020, and submitted a Regional Haze SIP revision approving the Reassessment to the EPA May 14, 2020.
 - EPA Region 8 informed PacifiCorp that it had approved the SIP revision in November 2020. However, the proposed approval was never published in the Federal Register or approved by EPA.
 - PacifiCorp was contacted by the EPA on June 11, 2021, and notified that the agency did not intend to approve Wyoming's proposed SIP revision with the Jim Bridger Regional Haze Reassessment.
 - The governor of Wyoming issued a 60-day notice letter to the EPA on November 15, 2021, that Wyoming intended to file suit in Wyoming federal district court for the agency's failure to make a final determination on the Regional Haze SIP revision. PacifiCorp also filed a 60-day notice letter to EPA on November 19, 2021.

Wyoming Regional Haze Compliance

- First Planning Period – Bridger RP Reassessment (continued)
 - The Wyoming Public Service Commission initiated an investigation on November 16, 2021, into impacts of the EPA’s failure to act on Wyoming’s Regional Haze SIP revision. The investigation was requested by the Governor in his letter giving notice to the EPA of Wyoming’s intent to sue over its failure to act.
 - Using authority granted by the Clean Air Act, the Governor of Wyoming issued a temporary emergency order on December 27, 2021, suspending the current SIP requirement for Jim Bridger Unit 2 to install SCR by December 31, 2021. The suspension was issued for the full four months allowed by the act due to the EPA’s failure to act on a plan revision submitted by Wyoming in 2020.
 - The EPA published its proposed disapproval of the Reassessment SIP on January 18, 2022. PacifiCorp continued to engage with Wyoming and the EPA in settlement negotiations, with the goal of avoiding shutdown of Unit 2 and enabling the operation of Units 1 and 2 on coal until they are converted to natural gas in 2024.
 - PacifiCorp entered into a consent decree with the State of Wyoming on February 14, 2022, which sets a compliance plan that allows for continued operation of Jim Bridger Units 1 and 2 on coal until they are converted to natural gas in 2024 and does not require penalties. The consent decree was approved the same day by the First Judicial District Court in Laramie County, Wyoming. The consent decree was submitted to the EPA for review, and filed with the Wyoming Public Service Commission on February 17, 2022.

Wyoming Regional Haze Compliance

- First Planning Period – Bridger RP Reassessment (continued)
 - PacifiCorp negotiated an administrative compliance order on consent with EPA that was issued on June 9, 2022. The order required a SIP revision for conversion of Jim Bridger Units 1 and 2 to natural gas within one year.
 - Wyoming submitted the proposed SIP revision with the natural gas conversion of Jim Bridger Units 1 and 2 in 2024 to the EPA for parallel processing on May 23, 2022. Parallel processing allows both the Wyoming Division of Air Quality and the EPA to review and take public comment on the proposed plan concurrently for purposes of expediting final approval of the plan.
 - Wyoming held public comment and public hearings on the Bridger SIP revision in September and October of 2022. PacifiCorp presented at the September public hearing and submitted written comments.
 - Wyoming's Air Quality Division submitted the Bridger SIP revision in December of 2022 to the EPA for approval. The Division also issued an air permit for the natural gas conversion of Jim Bridger Units 1 and 2 in December of 2022.

Wyoming Regional Haze Compliance

- Second Planning Period
 - On March 31, 2020, PacifiCorp submitted a four-factor reasonable progress analysis for the Regional Haze second planning period to WDAQ which analyzed PacifiCorp's Naughton, Jim Bridger, Dave Johnston, and Wyodak plants.
 - WDAQ submitted a draft SIP to the Federal Land Managers in the fall of 2021 with a subsequent 60-day review period following submission. PacifiCorp responded to WDAQ requests for technical responses to Federal Land Managers' questions.
 - WDAQ issued a proposed second planning period SIP for public comment on February 18, 2022. PacifiCorp submitted comments in support of the SIP as it meets regional haze requirements through existing control measures for PacifiCorp units in Wyoming and does not require additional emission controls.
 - WDAQ submitted the second planning period SIP to the EPA August 10, 2022.

Non-Operated Plants Regional Haze Compliance



- First Planning Period – Colorado
 - Tri-State’s environmental compliance staff and counsel negotiated an agreement in principle with EPA, CDPHE, WildEarth Guardians, and the National Parks Conservation Association on an alternate Regional Haze compliance strategy incorporating accelerated retirement for Craig Unit 1. The agreement will result in a year-end 2025 shutdown with certain interim NOx emission reduction commitments from the partner owners.
 - The state of Colorado’s Air Quality Board approved the agreement during a hearing held on December 15, 2016.
 - CDPHE submitted SIP amendment documentation to EPA Region 8 on May 27, 2017.
 - EPA approved Colorado’s Regional Haze SIP, effective August 6, 2018. Revisions to the SIP include source-specific revisions to the NOx best available retrofit technology (BART) determination for Craig Unit 1.
 - The state of Colorado Regional Haze SIP also required SCR controls at Craig Unit 2 and Hayden Units 1 and 2, in which PacifiCorp has ownership interests. Each of those Regional Haze compliance projects are already in service.

Non-Operated Plants Regional Haze Compliance



- Second Planning Period - Colorado
 - In 2020, the joint-owners of Craig Unit 2 and Hayden Units 1 and 2 agreed on retirement dates for the units. The state of Colorado's Regional Haze SIP for the second planning period was adopted by the Colorado Air Quality Control Commission in 2020 and 2021. The SIP includes voluntary retirements of Craig Unit 2 in 2028 and Hayden Units 1 and 2 by 2028 and 2027, respectively.



National Ambient Air Quality Standards

National Ambient Air Quality Standards

One-hour NO₂ & SO₂ Standards

- NO₂: All areas of the country designated as unclassifiable/attainment.
- SO₂: In January 2018, EPA published the Air Quality Designations for the 2010 SO₂ NAAQS Round 3.
- Counties of Emery, Campbell, Lincoln and Eastern Sweetwater were classified as attainment/unclassifiable.
- In April 2021 EPA classified Converse County as attainment/unclassifiable.

Fine Particulate (PM_{2.5}) Standard

- In May 2017, EPA reclassified Salt Lake City and Provo to Serious Nonattainment.
- In November 2020, EPA proposed to designate Salt Lake City and Provo as being in attainment with the PM_{2.5} Standard. The public comment period ended May 2021.
- In October 2019, EPA approved a clean data determination for Salt Lake based on Utah's submission of monitoring data showing it had not exceeded the standard for three years. Utah is still required to implement the SIP for sources and the action did not constitute a re-designation to attainment.

National Ambient Air Quality Standards



- Ozone Standard
 - EPA finalized a lower ozone standard in October 2015.
 - In May 2018, the Wasatch Front in Utah was designated as Marginal Compliance for Ozone and has three years to develop a plan to meet the standard.
 - In May 2021, the State of Utah submitted a plan to meet the standard to the EPA for approval.
 - The EPA proposed a FIP for the 2015 Ozone NAAQS cross-state transportation “Good Neighbor” requirements on April 6, 2022. The proposed rule addresses 26 states’ significant contribution to nonattainment, or interference with maintenance, of the 2015 ozone NAAQS in other states by establishing NOx emissions budgets requiring fossil-fueled power plants in 25 states to participate in an allowance-based ozone season trading program beginning in 2023. Utah and Wyoming were included in the FIP. The FIP significantly reduces NOx emission allowances beginning in 2026.
 - Later, the EPA proposed to deny the interstate transport portions of the Utah and Wyoming SIPs for the 2015 ozone standard on May 24, 2022. This disapproval subjects the states to the proposed FIP.
 - PacifiCorp, under BHE, submitted comments in opposition of the proposed FIP on June 21, 2022, drawing attention to several concerns with the proposed rule.

National Ambient Air Quality Standards

- Ozone Standard (continued)
 - PacifiCorp submitted comments on July 25, 2022, in opposition to the EPA's proposed disapproval of both Utah and Wyoming's' SIPs for cross-state transport for the 2015 8-hour Ozone NAAQS.
 - The EPA has indicated its intent to finalize by March 15, 2023.
 - PacifiCorp is evaluating legal options related to EPA's disapproval of the OTR SIPs and expected finalization of the OTR FIP.



Coal Combustion Residuals

Coal Combustion Residuals



- PacifiCorp operates five impoundments and four landfills that are subject to the CCR rule.
 - Three additional impoundments have been closed according to the CCR regulations and two are currently in the process of being closed.
 - One new FGD impoundment is under construction and is planned to be completed by October 2023.
- Required groundwater monitoring established that four impoundments and two landfills have impacted groundwater and require remediation. PacifiCorp is preparing remedies for each site based on regulatory requirements and public input.
 - Remedies have been selected for the two landfills and two of the impoundments. Additional investigation is necessary before a remedy can be selected for the remaining two impoundments.
- Utah adopted the federal final rule as state law in September 2016. PacifiCorp is in compliance with all requirements.
- August 2017, EPA proposed permitting guidance on how states' CCR programs should comply with the requirements of the final rule.
- July 2019, Wyoming proposed adoption of a state CCR law, which was signed by the Governor and is expected to be submitted to EPA for primacy approval in the first quarter of 2023.

Coal Combustion Residuals



- It is anticipated that Utah will also submit an application to EPA for primacy approval, but the timing of the submission remains uncertain.
- UDEQ issued the draft permit for Huntington Power Plant CCR Landfill for PacifiCorp review on August 11, 2022.
- EPA published the final CCR Phase I Part A rule on August 28, 2020. The rule requires unlined CCR surface impoundments to cease receipt of waste and initiate closure as soon as technically feasible but no later than April 11, 2021. The rule establishes the requirements for alternative closure deadlines and other reporting and monitoring requirements.
- PacifiCorp submitted an alternative closure demonstration for the Naughton Plant on October 23, 2020. If approved by EPA, the demonstration will allow the South Ash Pond to continue to receive CCR and non-CCR wastestreams past April 11, 2021. To be eligible for the extension, the Naughton plant must cease operation of coal fired boilers and complete closure of the CCR surface impoundment by October 17, 2028. Under the CCR Rule, the April 11, 2021, deadline is tolled until EPA responds to the submission.
- The North Ash pond at Naughton ceased receiving waste on April 9, 2021 in compliance with the Part A rule.

Coal Combustion Residuals



- PacifiCorp submitted an alternative closure demonstration for the FGD Pond 2 at the Jim Bridger Plant to EPA on November 5, 2020. If approved, the demonstration will allow continued receipt of coal combustion residuals and non-coal combustion residual wastestreams past April 11, 2021, until a replacement pond is built in 2023.
- EPA deemed both of PacifiCorp's demonstrations complete. However, EPA has yet to approve or deny the requests. EPA has announced decisions on several CCR Part A demonstrations and is expected to announce several additional decisions by end of 2022 and early 2023.
- EPA is expected to propose CCR legacy pond and legacy landfill regulations in May 2023.



Clean Water Act

Clean Water Act



Effluent Limit Guidelines (ELG)

- EPA published the final ELG for steam electric generating units in the *Federal Register* on November 3, 2015.
- September 2017, EPA postponed compliance dates for FGD and bottom ash transport water to “as soon as possible beginning” November 1, 2020, and announced its intent to conduct new rulemaking.
- October 2020, EPA finalized the ELG Reconsideration Rule, adjusting the “as soon as possible” deadline for compliance with bottom ash transport wastewater requirements to October 13, 2021, and the “no later than” deadline to December 31, 2025.
 - PacifiCorp operates one plant, the Dave Johnston Plant, that discharges bottom ash transport wastewater.
 - The plant submitted a notice of planned participation to the Wyoming Department of Environmental Quality for units ceasing coal combustion by December 31, 2028.
 - The notice included an option to install an ELG compliant technology at a later date if PacifiCorp determines it to be the best option.
 - A final permit incorporating ELG compliance options is anticipated in 2023.

Clean Water Act



316(b) Cooling Water Intake Structure Rule

- PacifiCorp operates six plants subject to the 316(b) Rule, including Dave Johnston, Gadsby, Hunter, Huntington, Jim Bridger and Naughton.
- EPA published the final 316(b) Rule for steam electric generating units in the *Federal Register* on August 15, 2014.
- The rule requires submittal of Permit Application Requirements (PARs) for all six plants, which were timely submitted.
- May 2019, PacifiCorp submitted an application to renew the Dave Johnston Wyoming Pollutant Discharge Elimination System (WYPDES) wastewater discharge permit. Stakeholders, including PacifiCorp, submitted comments during two public comment periods (December 2019 and August 2020). The draft permit states that PacifiCorp will comply with the 316(b) rule by December 31, 2023. The Wyoming Division of Water Quality has not issued a final permit.

Title V Air Permit



- On July 2, 2020, the Tenth Circuit Court of Appeals vacated the EPA order for the Hunter plant Title V permit and remanded the permit to EPA to consider the merits of Sierra Club's claims that the plant failed to obtain a major source air permit in 1997.
- On January 13, 2021, the EPA denied Sierra Club's petitions but ordered the Utah Division of Air Quality to reopen the 2020 Hunter Title V permit to determine whether certain Clean Air Act major source requirements apply.
- The Division released its determination for public comment on May 12, 2021. Sierra Club submitted comments opposing the determination on June 11, 2021. The Division submitted its final determination to EPA in the fall of 2021, finding that no major source requirements were triggered in 1997 as claimed by Sierra Club.
- On November 19, 2019, the Utah Division of Air Quality reissued Hunter's Title V permit, and EPA did not object.
- On January 14, 2022, the Sierra Club filed a petition with the EPA objecting to Utah's issuance of the Hunter Title V permit and giving notice of an intent to sue. No suit had been filed as of June 2022.

Title V Air Permit



- 6/18/22: EPA did not respond as required to Sierra Club's petition to object to the permit within 60 days. Sierra Club was also required to provide notice of the petition to PacifiCorp and the state of Utah. Neither PacifiCorp nor Utah received the required notice. Sierra Club stated it would seek relief in federal court for the agency's failure to respond.
- 9/30/22: The Environmental Protection Agency Administrator signed an order on September 28, 2022, denying Sierra Club's January 2022 Hunter Title V operating permit petition. Sierra Club's petition requested that the administrator object to the operating permit issued by the Utah Department of Environmental Quality – Division of Air Quality to the Hunter Plant.
- 12/20/22: The Sierra Club did not file a petition for judicial review of the U.S. Environmental Protection Agency's refusal to object to Utah's 2021 updated Hunter Title V permit. The statutory deadline for the filing was December 19, 2022, meaning the Hunter Title V permit remains valid and will not be challenged in court. However, the permit could be subject to challenge in a future renewal action or other administrative change to the permit.