

May 14, 2024

VIA ELECTRONIC FILING

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

Attn: Filing Center

RE: UM 2317—Idaho Power's Presentation Slides on May 14, 2024 Webinar Workshop

Please find attached for electronic filing Idaho Power Company's presentation slides from the webinar workshop held on Tuesday, May 14, 2024, regarding the above matter.

If you have any questions, please do not hesitate to contact me at (208) 388-2461.

Sincerely,

A handwritten signature in blue ink, appearing to read "ML", with a stylized flourish.

Matt Larkin
Revenue Requirement Senior Manager

2028 All-Source Request for Proposals UM 2317

Draft RFP and Scoring and
Modeling Methodology
Workshop

May 14, 2024

Agenda

- Welcome and Introductions
- Partial Waiver – Order 24-120
- RFP Overview
 1. RFP Details
 2. Scoring and Modeling
 3. Schedule
- Questions

Order 24-120

Partial Waiver

PROPOSED COMMISSION MOTION:

1. Grant Idaho Power Company's request for partial waiver of OAR 860-089-0200(1) & (2), subject to the conditions recommended by Staff, and approve IPC's use of London Economics International as the Independent Evaluator for IPC's 2028 All-Source Request for Proposals.
2. Grant a partial waiver of OAR 860-089-0250(2)(a) to allow the Commission to consider IPC's proposed scoring and modeling methodology concurrent with its review of the draft RFP.
3. Do not grant a waiver of the requirements of OAR 860-089-0250(3)(g).

2028 AS RFP Overview

- Needs identified in 2023 IRP and additional/current forecasted incremental needs in 2028
 - 138 MW of Peak Capacity
 - 555 MW of Energy Resources
- Timeframe: Beginning Summer 2028 and beyond
- Resource Based Proposals and Market Purchase Proposals
- Includes IPC Benchmark Bids
 - Separation of Function (Benchmark Team / Evaluation Team)
- Zycus Sourcing Platform (Portal)

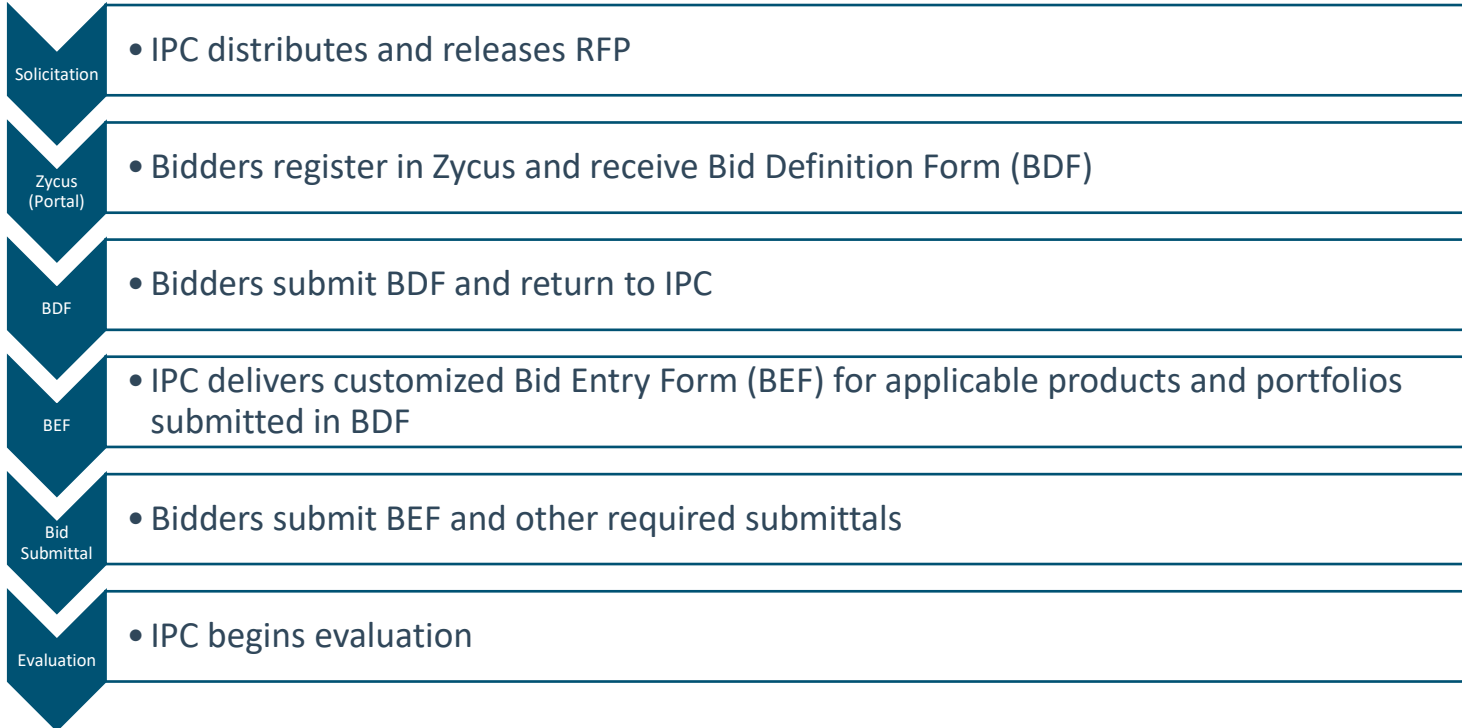
Resource Based Proposals

Scope Item	Description
Ownership and Agreement Types	Power Purchase Agreements (PPA) Asset Purchase Agreements (which may include Build-Transfer Agreements (BTAs)) Battery Storage Agreements (BSA)
Term	IPC is not prescribing a specific term requirement but prefers terms consistent with the life of the asset.
First Delivery	On or before April 1, 2028
Resource Status	Existing (not contracted to deliver to IPC as of or after April 1, 2028) or proposed new late-stage development with pending or executed LGIA/SGIA
Peak Capacity and Energy	For dispatchable generation (e.g., storage and gas-fired generation) to be dispatched by IPC for its full range of capacity (0-100%), contingent on the capabilities of the generator
Interconnection	IPC Transmission System or Non-IPC Transmission Systems with all necessary transmission rights to the IPC BA area
Delivery Point	Within the boundary of the BA, or outside with all necessary transmission rights to the BA
Other	Bids must include all environmental attributes, including Renewable Energy Certificates (REC). Bidders will be responsible for ensuring RECs are bundled, and that they are established through Western Renewable Energy Generation Information System (WREGIS). Proposed pricing for Asset Purchases shall include Operating and Maintenance (O&M), Long-Term Services Agreement (LTSA), and warranty costs for the proposed term.

Market Purchase Proposals

Scope Item	Description
Contract Structure	<p>Agreement for purchase of firm energy and capacity (prefer WSPP Agreement Schedule C or equivalent) meeting Western Resource Adequacy Program (WRAP) eligibility requirements, including resource specificity, transmission, and other requirements. Agreement may take the form of a confirmation under a mutually agreeable master agreement (e.g., WSPP or other), or a mutually agreeable standalone agreement. See Exhibit E-Proposed Market Purchase Volumes.</p>
Term	<p>IPC is not prescribing a specific term requirement but prefers 3 years or more.</p>
First Delivery	<p>On or before April 1, 2028 (IPC will accept, categorize, and evaluate bids with later dates and will determine needs beyond the summer of 2028 as applicable)</p>
Pricing	<p>Index-based preferred, but IPC will consider other proposals. Pricing should not include costs of regulatory structures not applicable in Idaho or Oregon and should be based on a product with sinking in Idaho or Oregon.</p>
Peak Capacity	<p>See Exhibit E-Proposed Market Purchase Volumes</p>
Energy	<p>See Exhibit E-Proposed Market Purchase Volumes</p>
Interconnection	<p>IPC Transmission System, or Non-IPC Transmission Systems with all necessary transmission rights to an eligible Point of Delivery as listed in Exhibit E-Proposed Market Purchase Volumes</p>
Delivery Point	<p>Delivery to an eligible Point of Delivery as listed in Exhibit E-Proposed Market Purchase Volumes</p>

Bid Submission Process



Eligibility

	Resource Based	Market Purchase
Bid is submitted on or before the submittal deadline and all applicable forms have been completed and submitted.	Y	Y
Proposal will be delivered to a Point of Delivery on IPC's transmission system OR if the Proposal will be interconnected to a third-party transmission system, Bidder has provided documentation that demonstrates it has submitted applicable transmission service requests to the relevant Transmission Provider to establish transmission rights to deliver to IPC point of delivery.	Y	N
Bidder has provided redlines or confirmed no redlines to Draft Form Agreements for the Resource Based Proposal (Exhibit F).	Y	N
Bidder has provided redlines or confirmed no redlines to applicable Technical Specifications (Exhibit G, H, I, and J) are required (or this is not applicable as the Proposal is a PPA/BSA).	Y	N
Evidence of wire transfer provided prior to bid deadline in the correct amount for the correct number of bids.	Y	Y
Evidence that the Bidder's proposal has a Generator Interconnection Agreement OR Generator Interconnection application in either the IPC Serial Study Process or the Transitional Cluster Study Process.	Y	N
Bidder has provided a Development Schedule identifying the timeline and schedule including contract execution, full notice to proceed, and major engineer, procure, and construct milestones to ensure delivery at the proposed commercial operation date.	Y	N
Documentation submitted indicates the viability of a Commercial Operation Date (Resource Based Proposals) or Contract Effective Date (Market Purchase Proposals) that matches the COD submitted.	Y	Y
Bid of firm energy and capacity (prefer WSPP Agreement Schedule C or equivalent) meeting Western Resource Adequacy Program (WRAP) resource specificity, transmission and other requirements.	N	Y
The minimum WRAP Qualified Capacity Contribution (Exhibit E) requirement is met.	N	Y

Bid Entry Form – Non-Price

- Contract Risk (10%)
- Site Control (15%)
- Permits (15%)
- GIA (15%)
- NRIS/ERIS (5%)
- Experience (5%)
- Safety (5%)
- Financing (5%)
- Development Schedule (15%)
- Existing Conditions (existing resources only) (10%)

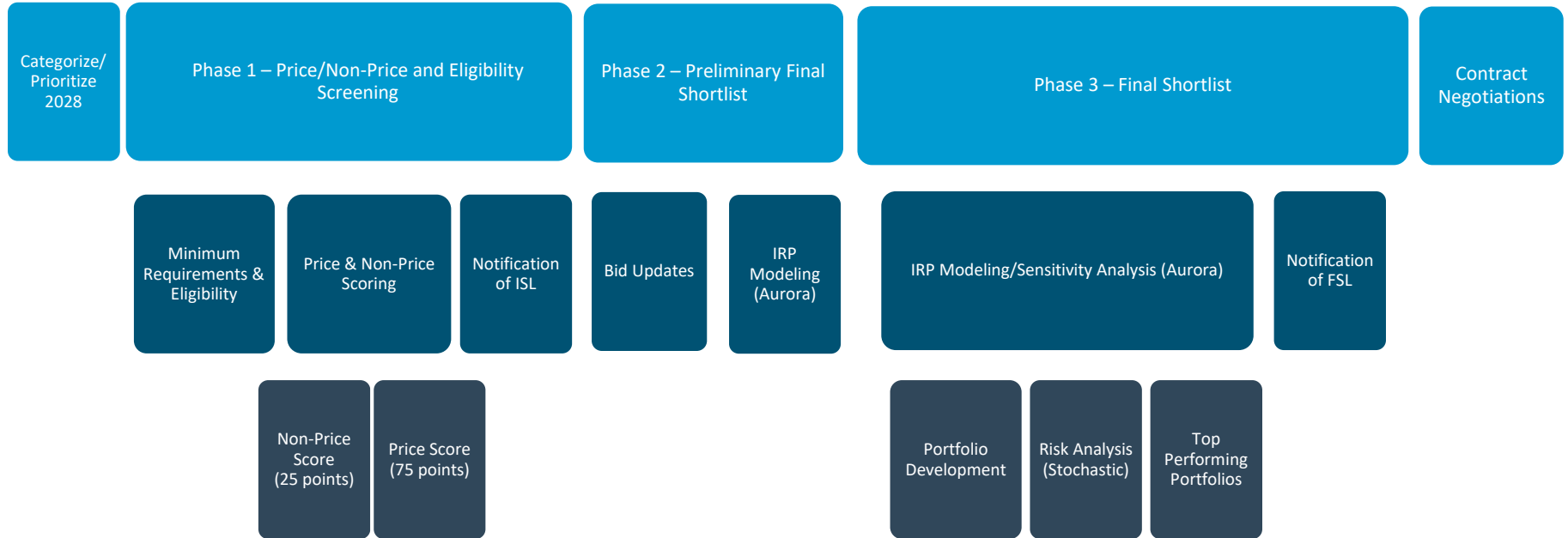
Bid Entry Form - Price

- Price Scoring Model (available to IE and OPUC)
 - \$ Revenue Requirement per kWh delivered for each bid
 - Revenue requirement Includes carrying costs, tax credit benefits, etc.
 - Assumptions about:
 - Inflation rates
 - Discount rates
 - Marginal tax rate
 - Asset life
 - PTC/ITC

Key Updates from 2026 RFP

- Section 3.1 – modified and simplified Proposal Specifications
- Section 4.4 – clarified requirements to include Serial Queue or Transitional Cluster Study Process
- Exhibit C – Bid Eligibility – updated eligibility criteria (GIA and development schedule)
- Exhibit D – Non-Price Scoring – combined and simplified questions and definitions
- Exhibit E – Proposed Market Purchase Options – updated with current information

Evaluation Process



Docket Schedule (Part 1)

Event	Date
Workshop with Stakeholders on Scoring and Modeling Methodology and RFP	May 14, 2024
IE Initial Report on Draft Final RFP and Scoring and Modeling Methodology	May 28, 2024
Staff, Other Interested Parties File Comments on Draft Final RFP and Scoring and Modeling Methodology	June 3, 2024
Idaho Power Files Reply Comments	June 10, 2024
Staff Report on Scoring and Modeling Methodology and Draft Final RFP	July 15, 2024
All Interested Party Reply Comments on Staff Report	July 26, 2024
Final IE Report on Scoring and Modeling Methodology and Final Draft RFP	August 2, 2024
Regular Public Meeting for Commission Decision on Scoring and Modeling Methodology and Final Draft RFP	August 6, 2024

Docket Schedule (Part 2)

Event	Date
Idaho Power provides Final Shortlist and supporting workpapers to IE and Staff	December 10, 2024
Idaho Power Company may file Request for Acknowledgement of Final Shortlist	January 10, 2025
Begin 10 Day Response Time for Information Requests	January 10, 2025
Staff and Interested Parties File Comments on Final Shortlist	January 24, 2025
Idaho Power Company Files Reply Comments	February 4, 2025
Staff Report on Final Shortlist	February 21, 2025
Comments on Staff Report	February 28, 2025
Public Meeting for Commission Decision on Acknowledgment	March 4, 2025

RFP Milestones

Milestone	Date
Distribute Draft RFP	6/24/2024
Bid Definition Forms Due	7/8/2024
Bid Entry Forms Distributed to Bidders	7/17/2024
Bidders Notified of Final RFP	8/9/2024
Last Day for RFP Questions	8/14/24
Benchmark Bids Due	8/16/2024
RFP Bids Due	9/6/2024

Benchmark Bids

Idaho Power 2028 All Source RFP Exhibit P – Benchmark Bids

Proposed 2028 AS RFP Benchmark Bids

Idaho Power intends to submit the following three (3) individual Benchmark Bids:

No.	Bidder	Resource Type	Facility Name	Structure	Ownership	Capacity (MW)	Contract Term (Years)	COD	Existing or New	Point of Delivery	County, State	Transmission Rights Contingent as described in Exhibit E?	GIA Status
1	IPC	Battery Energy Storage (BESS)	Hemingway Storage 2	Asset Purchase	IPC	49	N/A	4/1/2028	New	Hemingway 34.5 kV Substation	Owyhee, Idaho	No	LGIA
2	IPC	Battery Energy Storage (BESS)	Hemingway Storage 3	Asset Purchase	IPC	100	N/A	4/1/2028	New	Hemingway 34.5 kV Substation	Owyhee, Idaho	No	Transition Cluster Study
3	IPC	Battery Energy Storage (BESS)	Boise Bench Energy Storage 2	Asset Purchase	IPC	150	N/A	4/1/2028	New	Boise Bench 138 kV Substation	Ada, Idaho	No	LGIA

To be built on property with current or pending land rights (ownership, lease, etc) by Idaho Power or its partners.

Benchmark Bids will be submitted in accordance with the RFP. Benchmark Bids will be subject to the requirements, evaluation methodology and other standards specified in the RFP. The Benchmark Bid scores will be assigned using the same bid scoring and evaluation criteria that will be used to score market bids.

Idaho Power and its partners will administer a competitive supply and engineer, procure, construct solicitation(s), on a case-by-case basis, for the applicable systems required for all Benchmark Bids.

Benchmark Bid efficiencies will be evaluated as submitted by the IPC Internal Team.

Transmission requirements, operating requirements, and dispatch requirements for Benchmark Bids will be evaluated pursuant to applicable Large Generator Interconnection Agreements and necessary Transmission Service Agreements for each resource.

The Benchmark Bids will be constructed in compliance with applicable Idaho Power technical specifications as defined in the RFP.

Operations & Maintenance costs will be evaluated consistent with the RFP over the life of the resource.

Idaho Power 860-089-0300 requires that utilities specify what utility assets, such as transmission rights or sites, are being made available to benchmark resources and either offer those assets to third-party bidders or provide a justification for why those assets were not made available. Benchmark Bids No. 1, 2, and 3 are located on Idaho Power owned property and are intended to be incorporated into existing substations, thus these sites are only available to third-party bidders proposing a Build Transfer Agreement (Asset Purchase) based on access control and ongoing utility operations.

Questions and Discussion