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Jeff Killip
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

RE: Docket UE-250617—PacifiCorp’s 2025 Clean Energy Implementation Plan Supplement

PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp) submits the enclosed 2025 Clean Energy Implementation Plan (CEIP) Supplement to the Washington Utilities and Transportation Commission in accordance with Final Order 01 Conditions 1 and 4 in Docket UE-250617, approving PacifiCorp’s 2025 CEIP.

Some workpapers supporting the 2025 CEIP Supplement include confidential materials provided in accordance with WAC 480-07-160. Interested parties, other than Commission staff, may contact Zachary Rogala, Assistant General Counsel, at zachary.rogala@pacificorp.com, or (435) 319-5010 for a copy of a non-disclosure agreement that must be signed and returned to PacifiCorp before obtaining a copy of any confidential information.

PacifiCorp respectfully requests that all data requests regarding this matter be addressed to: datarequest@pacificorp.com. Formal correspondence should be directed to washingtondockets@pacificorp.com and CEIP@pacificorp.com. Please direct informal questions to Ariel Son, Regulatory Affairs Manager, at ariel.son@pacificorp.com, or (971) 242-6299.

Sincerely,

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Washington Utilities and Transportation Commission

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Enclosure

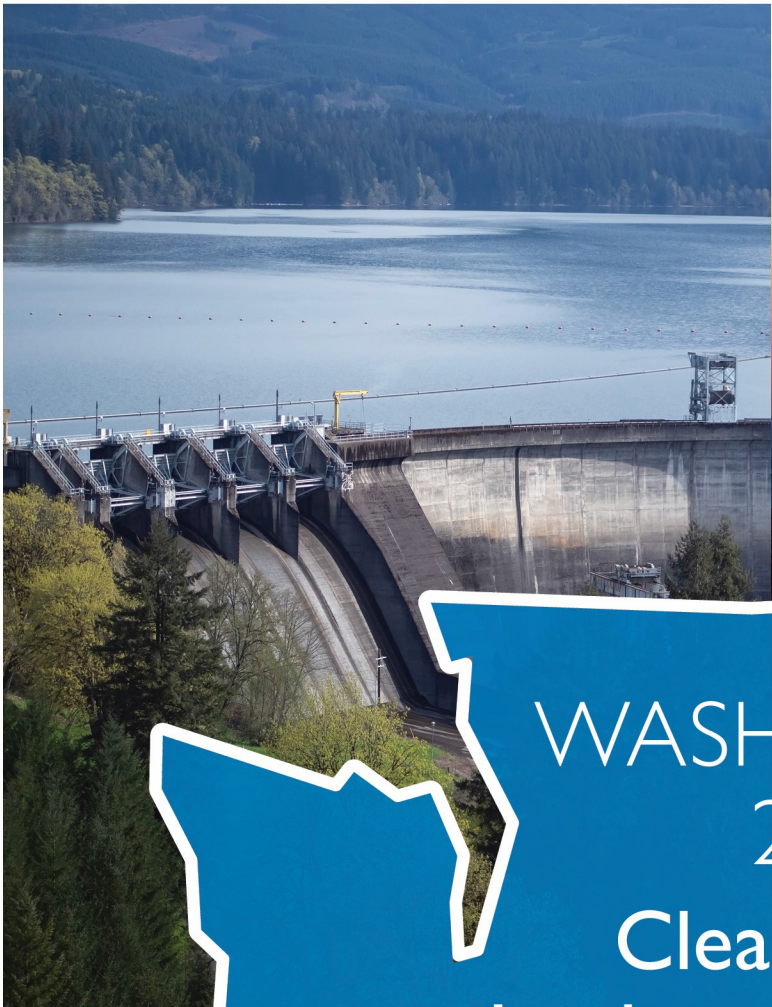
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WASHINGTON
2025
Clean Energy
Implementation Plan
— SUPPLEMENT —



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May 14, 2026

 **PACIFIC POWER**

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I. Introduction

PacifiCorp, doing business as Pacific Power & Light Company in Washington, presents this 2025 Clean Energy Implementation Plan (CEIP) Supplement, in fulfillment of Final Order 01, conditions 1 and 4.¹

Background

Washington enacted the Clean Energy Transformation Act (CETA) in 2019. The legislation combines directives for utilities to pursue a clean energy future, with assurances that benefits from a transformation to clean power are equitably distributed among all Washingtonians, at reasonable costs. Under the law, Washington electric utilities must:

- Eliminate coal-fired resources from Washington’s allocation of energy by the end of 2025;
- Ensure all retail electricity sales in Washington are greenhouse gas (GHG) neutral by 2030; and
- Ensure all retail electricity sales in Washington are sourced from 100 percent renewable or non-emitting energy sources by 2045.

Investor-owned electric utilities must file the following long-term planning documents to describe how the utility will make progress toward these clean energy goals:

Integrated Resource Plan: The IRP is a roadmap for continual progress in safely, reliably, and affordably serving over 2 million customers across six states. This roadmap continues to deliver on PacifiCorp’s commitments to the diverse communities in which it operates. The plan is developed through open, transparent and extensive public involvement from state utility commission staff, state agencies, customer and industry advocacy groups, project developers, and other stakeholders.

The key elements of the IRP include: an assessment of resource need, focusing on the first 10 years of a 20-year planning period; the preferred portfolio of supply-side and demand-side resources to meet this need; transmission projects; and an action plan that identifies the steps that will be taken over the next two-to-four years to implement the plan. PacifiCorp filed its most recent 2025 IRP on March 31, 2025 and subsequently filed its 2025 IRP Update on March 31, 2026.

Clean Energy Action Plan: The clean energy action plan (CEAP) is a ten-year planning document that is derived from and included as an appendix in the IRP. The CEAP provides a Washington-specific view of how PacifiCorp is planning for a clean and equitable energy future that complies with CETA.

Clean Energy Implementation Plan: The CEIP is a plan that lists the specific actions PacifiCorp will take over the next four years to move toward the 2030 and 2045 clean energy directives. PacifiCorp’s most recent plan is its 2025 CEIP.

¹ Docket UE-250617, Final Order 01 approving PacifiCorp’s 2025 CEIP Subject to Conditions, Appendix A.

2025 Clean Energy Implementation Plan

PacifiCorp filed its 2025 CEIP on October 1, 2025, detailing the specific actions PacifiCorp will take over the next four years (2026-2029) to move toward CETA's clean energy goals. PacifiCorp's 2025 CEIP forecasted the need for 2,551 MW of new situs-allocated renewable, non-emitting and storage resources to meet Washington customers' capacity, energy and GHG reduction goals over the 21-year planning horizon, in addition to cost-effective demand-side management resources. These results incorporated impacts caused by amendments to federal tax and trade policies, which have materially impacted renewable resource procurement and economics. Further, PacifiCorp compared the results from the 2025 CEIP under several sensitivities, including: under an alternative multi-state allocation protocol, based on PacifiCorp's then-proposed updated multi-state allocation methodology; where the forecast of renewable energy generation is lower than anticipated, for example in years of low hydroelectric generation output; and, what PacifiCorp's preferred portfolio would look like if CETA was not the law.

Energy efficiency target setting began with energy efficiency potential based on cost-effective selections identified by the 2025 IRP. These targets, after further adjustments, helped determine the two-year Energy Independence Act (EIA) target that was provided in PacifiCorp's 2026-2027 biennial conservation plan (BCP). The 2025 CEIP defined the energy efficiency target to be 145,371 MWh at generation (135,256 MWh at site) for the 2026-2029 period, but this supplement updates those targets to 187,818 MWh at generation (174,749 MWh at site), reflecting the targets approved in BCP. The later-year targets will be updated again in 2027 through the 2028-2029 BCP process, and in the 2027 Biennial CEIP Update.

As with energy efficiency, target setting for demand response began with the demand response selection in the 2025 IRP. From there, PacifiCorp made adjustments based on factors that are not accounted for in the model, such as the speed at which a program can ramp up, and the operational need to have relatively consistent funding year over year, to sustain implementers and avoid losing market recognition. The 2025 CEIP demand response target is 22 MW by 2029.

Final Order 01

On March 27, 2026, the Washington Utilities and Transportation Commission (WUTC) issued Final Order 01 in Docket UE-250617, approving PacifiCorp's 2025 CEIP, subject to 18 conditions. Conditions 1 and 4, reproduced here, require PacifiCorp to make a supplemental filing to its 2025 CEIP within 90 days of the written order:

- (1) PacifiCorp must file an updated CEIP to Docket UE-250617 within 90 days of a written decision approving the 2025 CEIP reflecting changes per Commission order 01 in Docket UE-250825 (2026-2027 Biennial Conservation Plan) with regards to Energy Independence Act targets and BCP conservation goals, by removing the economic uncertainty adjustment in energy efficiency targets for all four years of the CEIP compliance period.*
- (4) PacifiCorp must model a full optimization of its preferred portfolio based upon the 2026 Protocol as opposed to WIJAM. With this optimization as a basis, PacifiCorp must submit a supplemental filing to Docket UE-250617, updating the Washington jurisdictional*

portfolio and interim targets for the 2026-2029 compliance period within 90 days of a written decision approving the 2025 CEIP.

PacifiCorp submits this supplement in fulfillment of these two conditions, presenting an updated CEIP preferred portfolio that was developed consistently with PacifiCorp’s 2025 IRP Update inputs and methods reflecting changes resulting from the approval of the 2026-2027 BCP and the adoption of the Washington 2026 Protocol. This 2025 CEIP Supplement redefines the energy efficiency specific targets to align with the approved BCP but provides all other updates as informational only.

II. Portfolio Development

This chapter provides a high-level overview of the process to create a preferred portfolio that addresses system and state-specific policy and planning objectives. Additional information on these processes can be found in the 2025 IRP Update.²

Jurisdictional Definitions

PacifiCorp serves more than 2 million customers across six states. In the past, all portfolio decisions in the context of an IRP have been considered at a system-wide level to arrive at the best results for all customers, where customers share in the costs and benefits from system-wide planning. However, each jurisdiction now has distinct requirements, some of which conflict. Consequently, PacifiCorp’s initial portfolio modeling is now separated into three jurisdictions reflecting these distinctions. The 2025 IRP was the first time PacifiCorp had fully distinguished between the 3 unique sets of requirements, and the 2025 IRP Update and the 2025 CEIP Supplement continue to distinguish these jurisdictions as follows:

- **Utah/Idaho/Wyoming/California (UIWC):** The four states included in this jurisdictional category in the 2025 IRP Update and CEIP Supplement incorporate resource requirements driven by the Western Resource Adequacy Program (WRAP) as a proxy for measuring firm capacity sufficiency. These requirements enforce the selection of adequate firm capacity (including existing resources under the currently in-rates cost-allocation assumptions) to meet the UIWC load requirement, plus a WRAP planning reserve margin.
- **Oregon:** Jurisdictional modeling for Oregon includes resource adequacy requirements, Oregon House Bill 2021 emissions reductions goals, Oregon Senate Bill 1547 coal-out-of-rates, renewable portfolio standard (RPS) requirements, and the small-scale renewable standard. Like other jurisdictions, Oregon must be WRAP compliant.
- **Washington:** Jurisdictional Washington resource selections are optimized using the social cost of greenhouse gas emissions (SCGHG) price-policy assumption and a constraint requiring the selection of incremental clean megawatt hours from new renewable energy resources to meet CETA clean energy standards. Emitting resources incur a dispatch-cost adder under SCGHG, applying pressure to decrease emissions. This is also part of regional

² PacifiCorp’s 2025 IRP Update, filed March 31, 2026, in Docket UE-230812 available online at: <https://apiproxy.utc.wa.gov/cases/GetDocument?docID=5186&year=2023&docketNumber=230812>.

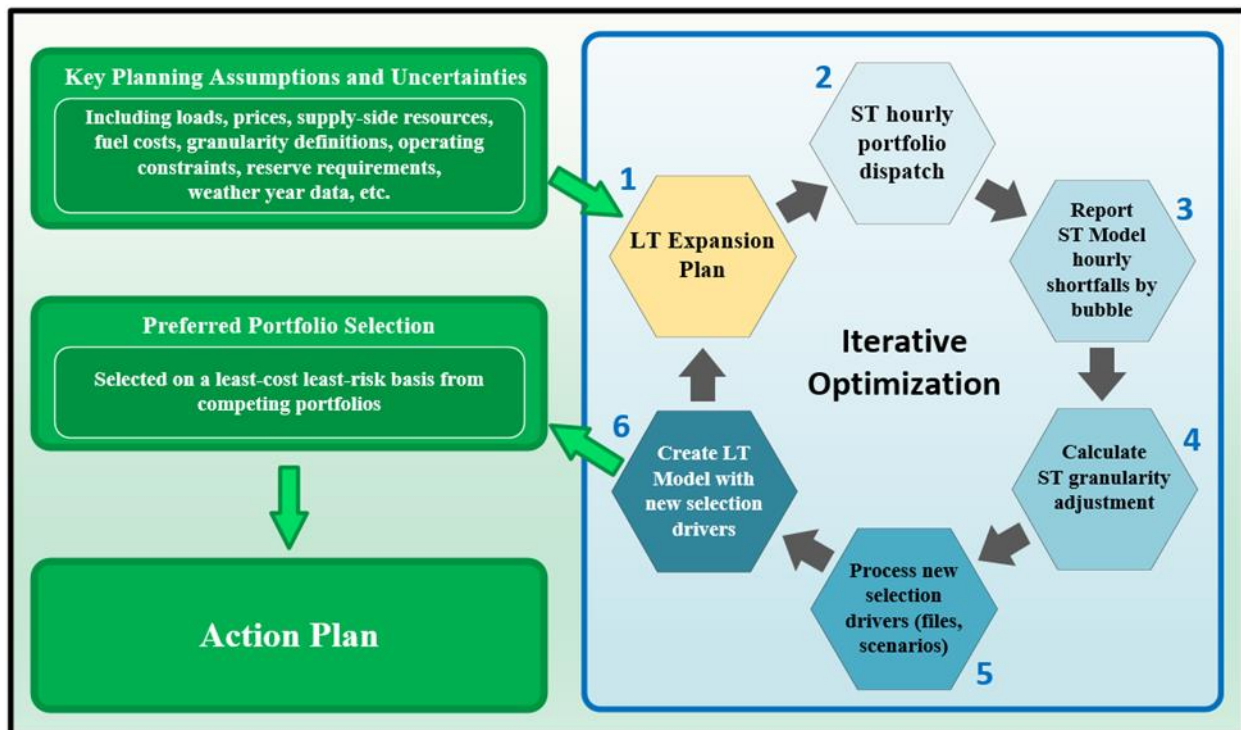
dispatch in the development of market prices. In addition to the constraint, Washington resource selections are driven by a jurisdictional WRAP compliance constraint which requires the selection of adequate firm capacity to meet the Washington load requirement, plus a WRAP planning reserve margin.

The 2025 CEIP Supplement preferred portfolio includes proxy resource selections for the other jurisdictions (UIWC and Oregon) along with the proxy resource selections optimized for Washington. Thermal resource selections are determined by the UIWC jurisdictional selections.

Modeling

PacifiCorp’s portfolio evaluation uses two models from the PLEXOS platform.³ Resource expansion plan modeling, performed with the long-term (LT) model, is used to produce resource portfolios with sufficient capacity to achieve reliability over the 20-year study horizon by evaluating groups of hours on an aggregated basis. Each resource portfolio is refined for reliability at an hourly granularity in the short-term (ST) model. Each portfolio is uniquely characterized by the type, timing, location, and number of new resources in PacifiCorp’s system over time. Figure 1 summarizes the modeling and evaluation steps for the 2025 IRP and CEIP, which were carried over in the 2025 IRP Update and this CEIP Supplement.

Figure 1 – Portfolio Evaluation Steps within the IRP and CEIP Process



³ Additional information regarding the PLEXOS platform is available online here: <https://www.energyexemplar.com/plexos>.

Long-Term Capacity Expansion Model

The LT model is used to establish an initial portfolio that is then modified for each case based on study parameters to eliminate shortfalls and maintain reliability. The LT model operates by minimizing operating costs for existing and prospective new resources, subject to system load balance, reliability, and other constraints. Over the 20-year planning horizon, the model optimizes resource additions subject to resource costs and load constraints. These constraints include seasonal loads, operating reserves, and regulation reserves. Operating reserve requirements include contingency reserves, which are calculated as 3 percent of load and 3 percent of generation. Consistent with modeling in the 2025 IRP, the planning reserve margin is based on compliance with WRAP.

If early retirement of an existing generating resource is assumed or selected for a given planning scenario, the LT model will select additional resources as required to meet loads plus reliability requirements in each period and location. The LT model may also select additional resources that are more economic than an existing generating resource.

To accomplish these optimization objectives, the LT model performs a least-cost dispatch for existing and potential planned generation, while considering cost and performance of existing contracts and new demand-side management (DSM) alternatives within PacifiCorp's transmission system. The LT model first dispatches the set of days that best capture the annual variation in the load forecast. This set of days can either be selected directly by PLEXOS or fed into the model as an input. In addition to dispatching the set of days, PLEXOS uses the load forecast to identify, for each of the 365 days in a year, which of the selected sampled days best represents its pattern. PacifiCorp allowed the model to make an initial selection of 12 sample days per year to dispatch. These days were locked for all subsequent runs to ensure all jurisdictional runs and variants evaluated an equivalent set of days. These days were broken into 12, 2-hour blocks, meaning that the LT model evaluated 144 periods for each year of the simulation.

The PLEXOS LT model dispatch among blocks of hours in a month is chronological, so it better represents energy storage charging and discharging and determines generation and storage dispatch, optimal electricity flows between zones, and optimal market transactions for system balancing. The model minimizes the system present value revenue requirement (PVRR), which includes the net present value of existing contract costs, market purchase costs, market sale revenues, generation costs (fuel, fixed and variable operation and maintenance, decommissioning, emissions, amortized capital costs for thermal resource upgrades and potential new resources), costs of DSM resources, costs for potential transmission upgrades, and costs for unserved energy and unmet capacity.

These LT results are then re-analyzed through ST modeling, discussed below, to provide more granular and accurate resource selections.

Short-Term Cost and Risk Analyses

To evaluate portfolio selections under the range of conditions experienced in actual operations, the portfolio selected in the LT is run through the ST phase of the model. This hourly view dispatches the entire system and provides critical data for evaluation. Relevant here, the ST model analyzes:

- *Reliability Assessment and System Cost.* The ST model begins with a portfolio from the LT model that has not yet been refined to reflect the reliability and compliance needs of a particular study (e.g., a particular sensitivity or price-policy scenario). The ST model is first run at an hourly level for 20 years to retrieve two critical pieces of data: 1) reliability shortfalls by hour, and 2) the value of every potential resource to the system that is specific to the portfolio itself, and the other input assumptions, such as the price-policy scenario. These data points are fed back into the LT model to prompt endogenous selections of resources that lead to a reliable portfolio.
- *Resource Value.* PLEXOS calculates a locational marginal price specific to each area in each hour based on supply and demand and available imports and exports on transmission links to adjacent areas (a shadow price). PLEXOS then multiplies these prices the optimized energy of a resource and operating reserve provision for each hour and reports the total as the estimated revenue for a resource. When variable costs (such as fuel, emissions, and variable operations and maintenance costs) are subtracted out, the result is the “net revenue” for a resource. Net revenue provides a clear model-optimized assessment of the value that a resource brings to the system, which is then used to assess resource additions needed to preserve reliable operation of the system.

While the net revenue approach is demonstrably superior to past resource value measures, especially as it is evaluated simultaneously for all potential resources, net revenue has limitations that should be acknowledged. Net revenue represents the value of the last megawatt (MW) of capacity from a given resource. As resources grow larger, the average value from the first MW of capacity to the last MW of capacity will tend to be somewhat higher than the reported marginal value. Conversely, adding more of a particular resource will result in declining values. While marginal prices will be very high in hours with supply shortfalls, this only indirectly contributes to reliable operation by helping to identify beneficial replacement resources. Once sufficient resources are added, shortfalls will mostly be eliminated, and marginal prices will again reflect the variable cost of an available resource.

- *Portfolio Refinements.* While many resource options are evaluated, utility-scale generation resources are mostly restricted to two circumstances: surplus or replacement resources at generators that are eligible to retire, and new resources at locations with interconnection or transmission upgrade options. Small resources (those with a capacity of up to 20 megawatts) are eligible to be sited within any of the load regions and are unconstrained by new transmission requirements. PacifiCorp’s studies have shown that resources that are sufficiently small and sized consistent with the local grid can be integrated without large transmission investments. Like small resources, PacifiCorp has added a “local” battery option within each of the load areas which is available for selection at a higher cost than those co-located with other resources (per the supply-side resource table).

- *Portfolio Cost.* Each run of the ST model produces an optimized dispatch of a portfolio to reflect least-cost operations while meeting all requirements and adhering to modeled constraints. The hourly granularity of the ST model means that this system cost will take into account operational nuances that are obscured in the less granular LT model. This allows resource portfolios that are constructed in the LT model to be compared based on the system PVRR determined through the ST model.

Together, these ST cost and risk analyses provide more accurate resource selections for PacifiCorp’s six-state system.

Planning Environment Changes

For long-term resource planning, PacifiCorp uses the best information available at the time of its analysis, and updates data and assumptions as they become available (subject to state-specific timing considerations). At the same time, PacifiCorp must make decisions about when data or assumptions must be locked for evaluation to enable modeling to be completed and to conform with rule and law. For the 2025 IRP, most major assumptions were locked in September 2024, with some adjustments following the publication of the Draft IRP in December 2024. Between the data lockdown and filing of the 2025 IRP, changes to the regulatory, economic, and legislative environments occurred, and to the extent practical, were reflected in the 2025 CEIP.

After the filing of the 2025 CEIP, additional changes to the planning environment occurred and were reflected in the 2025 IRP Update, as described below. Most relevant to this CEIP Supplement was the adoption of the Washington 2026 Protocol impacting resource cost allocation assumptions for Washington resources.

Federal Tax Policy

On July 4, 2025, the OBBBA became law, materially impacting the costs and benefits of certain renewable and storage resources needed to comply with CETA clean energy targets.⁴ While preparing the 2025 IRP, the company was operating under then-current laws that specified that generation facilities that do not produce GHG emissions were entitled to a production tax credit (PTC) for each kilowatt hour of generated electricity⁵ and an investment tax credit (ITC) for a percentage of each dollar invested in the resource.⁶ There were similar production credits for clean hydrogen resources.⁷

The OBBBA phases out and repeals these tax credits for new renewable and non-emitting resources, particularly reducing potential benefits for new wind and solar resources.⁸ There is a narrow window of time in which new projects can start construction and be placed in service to qualify for 100 percent of the tax credits, while the technology neutral investment tax credits are available for projects that begin construction by 2033 and are placed in service by 2037.

⁴ The One Big Beautiful Bill Act, Pub. L. No. 119-21 (2025).

⁵ 26 U.S.C. § 45Y(a)(1).

⁶ 26 U.S.C. § 48E(a)(1).

⁷ 26 U.S.C. § 45V(a).

⁸ Pub. L. No. 119-21, § 70512 (repealing clean energy production credit after 2028), § 70513 (repealing clean energy investment credit after 2028); § 70511 (repealing clean hydrogen production credit after January 1, 2026).

Additionally, the law includes new Foreign Entity of Concern restrictions that could potentially limit the ability for projects to qualify for tax credits at all, and this uncertainty has the potential to limit developer’s willingness to claim credits until there is more clarity on how these restrictions might be enforced.⁹ Moreover, President Trump issued an executive order on July 7, 2025, that might influence how the start of construction is interpreted, adding uncertainty as to how a developer can meet deadlines under the OBBBA before tax credits are phased out.¹⁰ The implementation of these new rules is still ongoing and there is uncertainty regarding how these rules will be enforced and interpreted.

At the time of filing the 2025 CEIP, OBBBA and Foreign Entity of Concern impacts on new resource costs were unclear, so PacifiCorp took a conservative estimate by removing tax credit discounts for all new resources. In the 2025 IRP Update, OBBBA and Foreign Entity of Concern impacts were incorporated. As in the 2025 CEIP, the 2025 IRP Update assumes that new solar and wind resources are no longer eligible to receive federal production tax credits and proxy resource costs reflect this change in assumption. Unlike the 2025 CEIP, the 2025 IRP Update and this CEIP Supplement assumes that other new proxy resources like battery storage and geothermal remain eligible for federal tax credit discounts, consistent with OBBBA and Foreign Entity of Concern rules. PacifiCorp is actively conducting a competitive bidding process to procure resources for Washington customers and to the extent tax credits are included in pricing of these resources, PacifiCorp remains committed to capturing these savings for customers.

In the 2025 IRP, the proxy utility scale solar option in Walla Walla, Washington with federal tax credits included was \$22.17/MWh, utility scale wind in Walla Walla was \$22.22/MWh and utility scale 4-hour lithium-ion battery storage in Walla Walla was \$84.07/MWh. In the 2025 IRP Update, the modeled utility scale solar option in Walla Walla, Washington was \$54.45/MWh, and the utility scale wind in Walla Walla was \$51.20/MWh without federal tax credits. Utility scale 4-hour lithium-ion battery storage in Walla Walla was \$97.51/MWh in the 2025 IRP Update with investment tax credits applied, consistent with OBBBA rules. Dollar per megawatt hour proxy resource costs may be found in Table 5.1 of PacifiCorp's 2025 IRP Update. These updated proxy resource costs are reflected in this CEIP Supplement.

Impacts of the 2026 Protocol

On April 1, 2025, PacifiCorp filed the 2025 Power Cost Only Rate Case (PCORC).¹¹ The 2025 PCORC dealt with the removal of coal-fired generation resources from Washington customer rates by 2026 as required by CETA, and additionally, introduced the Washington 2026 Protocol to supersede the current cost allocation methodology—the Washington Interjurisdictional Allocation Methodology (WIJAM).

⁹ Pub. L. No. 119-21, §70512.

¹⁰ *Ending Market Distorting Subsidies for Unreliable, Foreign-Controlled Energy Sources*, Exec. Order No. 14,315, 90 Fed. Reg. 30,821 (Jul. 7, 2025).

¹¹ *WUTC v. PacifiCorp d/b/a Pacific Power & Light Company*, Docket No. UE-250224 (Apr. 1, 2025).

On December 22, 2025, the WUTC issued Final Order 08, approving PacifiCorp’s proposed allocation methodology.¹² The adoption of the Washington 2026 Protocol changes the allocation of system costs when establishing rates for Washington customers. The Washington 2026 Protocol improves progress towards CETA and provides more certainty when establishing and developing plans to achieve both interim and binding targets. The realignment of existing resources also improves the resource adequacy position of the Washington portfolio. The Washington 2026 Protocol went into effect when setting rates for Washington customers on January 1, 2026, changing the trajectory of near-term clean energy interim targets and subsequent planning decisions.

The Washington 2026 Protocol varies from the WIJAM in the following ways:

1. All cost-allocation factors for Washington are fixed, rather than dynamic, so all resource allocations are known over time.
2. Washington customers no longer receive an allocation for the Hermiston natural gas plant.
3. Washington customers are allocated 100 percent of the Chehalis natural gas plant.
4. Washington customers are allocated a higher share of the Rolling Hills wind facility (includes Washington’s previous system share and a previously unallocated share).
5. Washington’s share of Jim Bridger 1-2 natural gas-converted units is reduced.

Modeling Updates

Given the changes in the planning environment discussed previously, and other updates regarding available information, PacifiCorp made the following changes and enhancements to the modeling assumptions for the 2025 IRP Update and 2025 CEIP Supplement, relative to the modeling assumptions used in the 2025 IRP:

- Revision of federal tax credit eligibility for new resources.
- Use of the September 2025 SCGHG price curve.
- Use of allocation factors for existing resources consistent with the Washington 2026 Protocol as applicable.
- Escalation rates for proxy resources were corrected to align with the commercial operation date assumed in the Supply-Side Resources Table in the 2025 IRP.
- Planned energy efficiency is updated to reflect the outcome of the 2026-2027 BCP.

The results of these portfolio development processes are discussed in the following chapters.

III. Key Features of the Updated 2025 CEIP Preferred Portfolio

Based on the portfolio development, planning environment changes, and modeling updates discussed in the prior chapter, the discussion that follows describes key outcomes of the 2025 IRP Update preferred portfolio (referred to also as the *update* to the 2025 CEIP preferred portfolio in this supplement), allocated to Washington, in terms of generating resource selections,

¹² Final Order 08, issued December 22, 2025, in Docket No. UE-250224, available online at: <https://apiproxy.utc.wa.gov/cases/GetDocument?docID=1170&year=2025&docketNumber=250224>.

transmission, and emitting resources, and distributed generation, all of which support progress towards CETA’s long-term clean energy goals.

In 2020, the ratio of Washington retail load served by renewable and non-emitting energy resources was 21.9 percent. Based on the 2025 IRP Update preferred portfolio, PacifiCorp projects increasing Washington-allocated renewable and non-emitting energy to serve electric sales to 68 percent by end 2029. PacifiCorp projects use of an alternative compliance option under RCW 19.405.090(1)(b) from 2030 through 2032, to meet less than 20 percent of the compliance obligations, during the years in which only 97-99 percent of retail sales are forecasted to be served by CETA-compliant resources, based on this portfolio. From 2033 through 2044 the portfolio achieves the 100 percent greenhouse gas neutrality target, and the zero-emissions target in 2045.

In the near-term, the 2025 IRP Update preferred portfolio includes 1,159 MW of new renewable resources situs to Washington customers, expected to come online by the end of 2030, including 742 MW of wind and 417 MW of utility-scale solar. In this same time frame, 82 MW of battery storage (4-hour lithium-ion battery storage) are also selected to meet Washington’s resource adequacy and capacity needs. The portfolio also includes 50 MW of additional energy efficiency selections and 35 MW of demand response by the end of 2030.

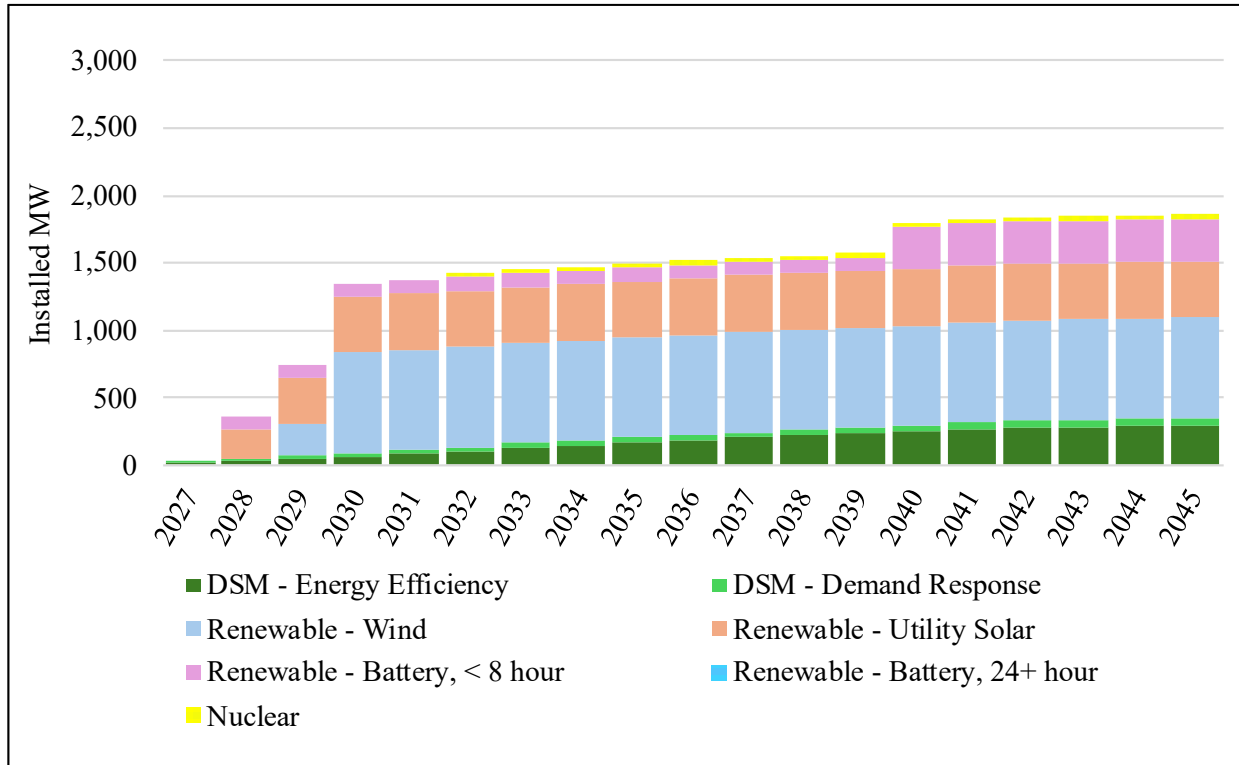
From 2031 to 2045, 3 MW of new wind and 2 MW of new solar is selected for Washington. An additional 213 MW of new battery storage is selected during this timeframe, all in 2040. Finally, 230 MW of new energy efficiency and 27 MW of new demand response are added between 2031 and 2045 for Washington customers. Over the entire 20-year planning horizon, through 2045 when CETA’s zero-greenhouse gas emitting standard begins, the preferred portfolio selects over 1,100 MW of new renewable resources, nearly two thirds of which is new wind, and the rest is new solar. The portfolio also includes minor battery storage selections totaling 313 MW. Total energy efficiency selections equate to 296 MW and demand-response selections total 55 MW. The Washington jurisdictional shares of the 2025 IRP Update preferred portfolio are summarized in Table 1.

Table 1 – Washington Jurisdictional Shares of 2025 IRP Update Preferred Portfolio

WA Shares by Resource Type and Year, Installed MW																				
Resource	Installed Capacity, MW																			
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	Total
Gas - CCCT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas - Peaking	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nuclear	-	-	-	-	-	32	-	-	-	-	-	-	-	-	-	-	-	-	-	32
Renewable Peaking	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DSM - Energy Efficiency	16	15	16	18	21	21	21	21	20	19	20	16	15	13	11	12	8	7	5	296
DSM - Demand Response	0	8	17	1	2	-	7	-	1	0	0	1	1	1	14	0	0	1	0	55
Renewable - Wind	-	-	228	514	-	-	-	-	-	0	3	-	-	-	-	-	-	-	-	745
Renewable - Utility Solar	-	220	125	72	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	419
Renewable - Small Scale Solar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Renewable - Battery (< 8 hour)	-	100	-	-	-	-	-	-	-	-	-	-	-	213	-	-	-	-	-	313
Renewable - Battery (24+ hour)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Figure 2 depicts the cumulative portfolio shares for the Washington jurisdictional view of the 2025 IRP Update from 2026-2045.

Figure 2 – Washington Shares of the 2025 IRP Update Preferred Portfolio (Cumulative)



Compared to the 2025 CEIP preferred portfolio, the 2025 IRP Update preferred portfolio contains approximately 600 MW less new solar resource selections, similar amounts of new wind resource selections and approximately 500 MW less new storage selections for Washington customers by the end of 2045. The total amount of new resources selected for Washington customers decreased in the 2025 IRP Update preferred portfolio compared to the 2025 CEIP preferred portfolio, primarily driven by the allocation changes for existing resources as a result of the 2026 Protocol (particularly the situs allocation of the Chehalis natural gas plant and the higher share of Rolling Hills wind facility) resulted in a reduced need for new resources for Washington customers in the 2025 IRP Update compared to the Washington resource need identified in the 2025 CEIP. Additionally, the preference for new wind resources compared to new solar resources is a result of updated proxy resource costs in the 2025 IRP Update in which new wind resources were comparatively cheaper than new solar resources. The following figures Figure 3, Figure 4, and Figure 5, depict the cumulative proxy resource selections in the 2025 IRP Update preferred portfolio relative to the 2025 CEIP preferred portfolio.

Figure 3 – Washington Shares: Proxy Solar Selections

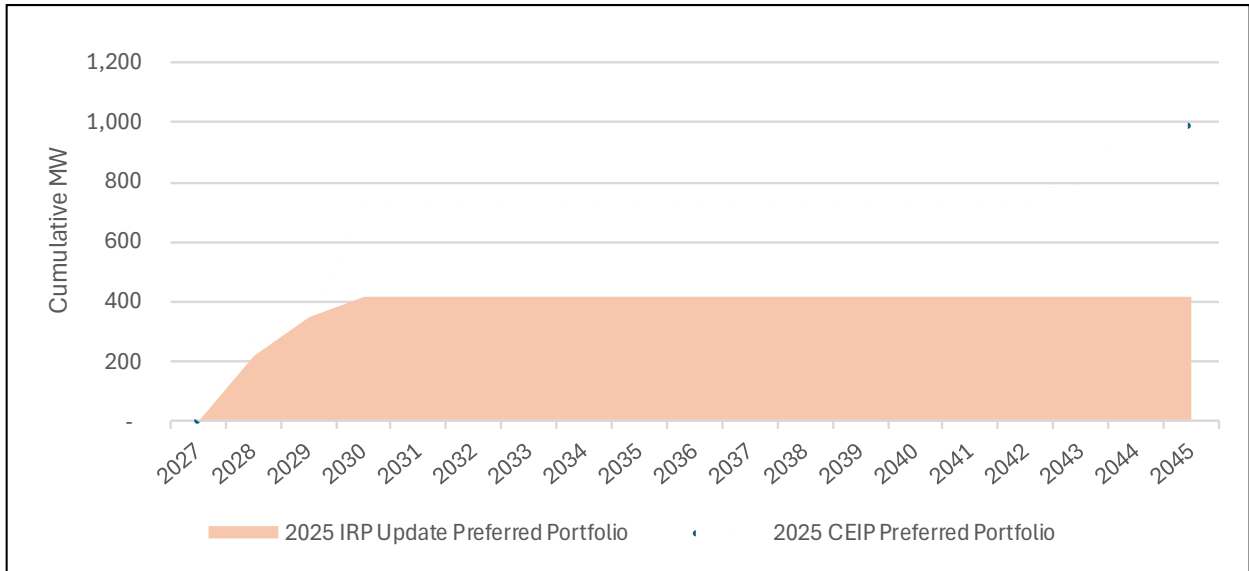


Figure 4 – Washington Shares: Proxy Wind Selections

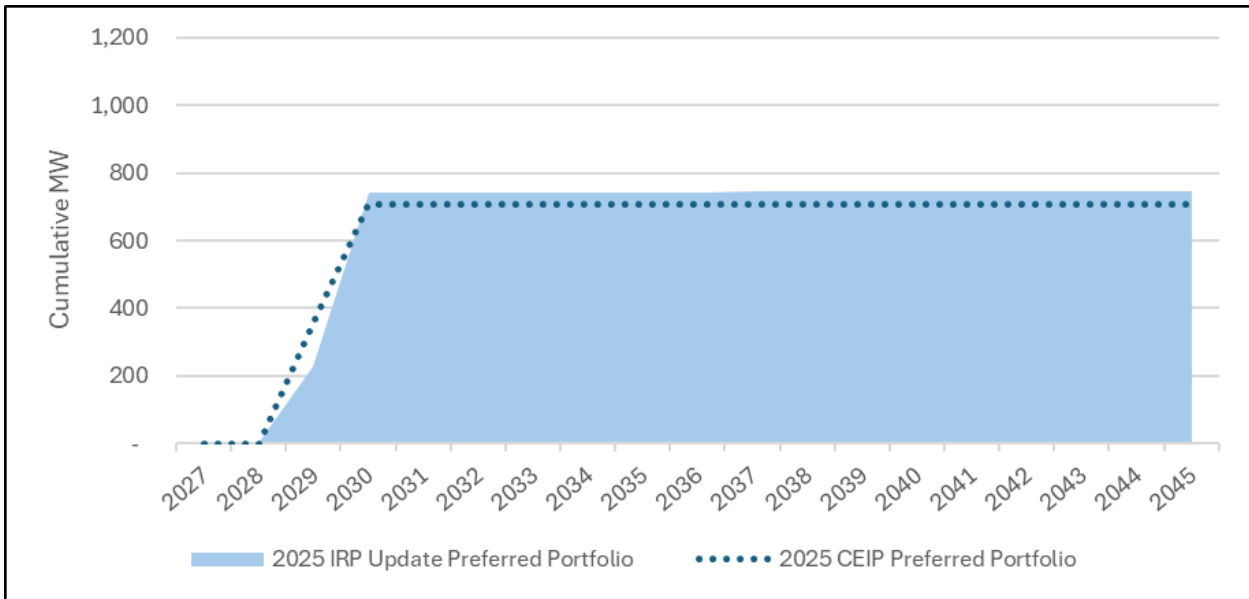
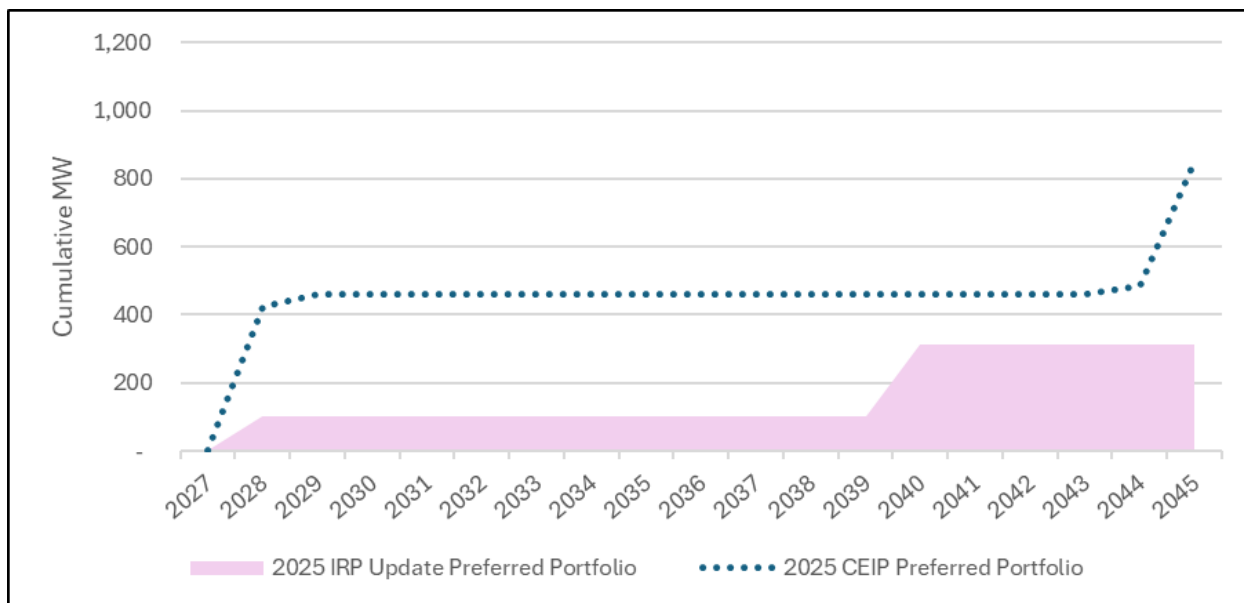


Figure 5 – Washington Shares: Proxy Storage Selections



IV. Interim Targets

To support CETA’s clean energy objectives, PacifiCorp must propose clean energy interim targets in its CEIP, documenting the company’s path to the 2030 GHG neutral standard, and from 2030 to the 2045 zero-carbon requirement.¹³ Interim targets demonstrate a long-run trajectory of clean-energy procurement and decarbonization for the supply of electricity to Washington retail customers and are derived from a long-run model at the lowest reasonable cost, considering risk, consistent with PacifiCorp’s most recent IRP, in this case the 2025 IRP Update.

The approved 2025 CEIP defined the following interim targets for the 2026-2029 planning and implementation period:

- 2026: 34 percent
- 2027: 34 percent
- 2028: 48 percent
- 2029: 71 percent.

In this 2025 CEIP Supplement, based on the 2025 IRP Update, PacifiCorp demonstrates progress and forecasted interim targets based on the updated portfolio development and results described in the previous chapters, but does not propose any changes to the approved 2025 CEIP targets. The interim targets presented in this chapter are informational only, and are provided in fulfillment of Final Order 01, condition 4. PacifiCorp will revisit any proposed changes to approved interim targets in its 2027 Biennial CEIP Update.

¹³ WAC 480-100-640(2).

From the 2025 IRP Update, PacifiCorp forecasts interim targets through 2030 as: 37 percent for 2026 and 2027; 48 percent for 2028; 68 percent for 2029; and 99 percent for 2030. The target development process is described in the following discussion.

To develop interim targets in accordance with the 2030 and 2045 clean energy targets, the Washington allocation of the 2025 IRP Update preferred portfolio was determined and analyzed against forecasted retail electric sales in Washington. To estimate the amount and mix of energy forecasted to serve Washington customers for the 2026-2045 period, PacifiCorp summed annual generation from its CETA-compliant resources allocated to Washington customers under the approved 2026 Washington Protocol for existing resources and assuming situs-assignment of proxy resources.

To calculate the energy and the total amount of CETA-compliant renewable and carbon non-emitting energy allocated to Washington customers, the company makes the assumptions set forth below. Generally, where a resource is assumed to generate renewable energy credits (RECs), where one REC is generated for one megawatt-hour of renewable energy, the resource is assumed to generate CETA-compliant energy. In addition to REC-generating resources, it is assumed that all Washington-allocated energy from non-emitting resources is also CETA compliant, namely hydroelectric.¹⁴ In summary, the resource allocation assumptions are:

1. For REC-generating resources, generation of CETA-compliant energy is consistent with the company's REC entitlement start and end date.
2. Allocation of energy for new proxy resources was situs to the state whose need directed that resource addition.
3. Customer preference and voluntary renewable resources were not assumed to generate RECs for the system or the state of Washington and thus are not included in the allocation of renewable energy.
4. All proxy renewable and non-emitting resources were assumed to be CETA-compliant, including any wind, solar, geothermal, and hydro. For renewable resources co-located with battery storage, RECs were assumed to be generated pre-storage; no RECs are generated at battery discharge.
5. The nuclear resource included in the portfolio was not assumed to be CETA-compliant, given uncertainty over assignment of the non-power attribute.
6. Thermal resources were assumed to not be CETA compliant and did not count towards the clean energy total. Coal-fired resources are not included in Washington rates.

Washington retail electric sales were defined as total energy served to customers annually, net of distributed generation, existing and optimized energy efficiency and DSM resources. CETA interim targets were calculated annually as a percentage of Washington retail electric sales. The clean energy transformation standards WAC 480-100-610(2) specify that for each year 2030 and beyond, each utility must ensure all retail sales of electricity to Washington are greenhouse gas neutral. By 2045 each utility must ensure that non-emitting electric generation and electricity from renewable resources supply one hundred percent of all retail sales of electricity to Washington customers. Annual targets were calculated as the total energy of renewable and carbon non-

¹⁴ WAC 480-100-610(3) states that by January 1, 2045, each utility must ensure that “non-emitting electric generation and electricity from renewable resources supply one hundred percent of all retail sales of electricity to Washington electric customers”.

emitting energy projected to serve Washington electric sales in compliance with CETA standards and regulations.

Up to 2045, CETA allows for up to 20 percent of the GHG-neutral standard to be met with alternative compliance in the form of alternative compliance payments, unbundled RECs, energy transformation projects, or energy recovery from a municipal solid waste facility.¹⁵ To achieve the 2045 target, the clean-energy standard must be met with 100 percent non-emitting generation or electricity from renewable energy resources. Based on the results of the 2025 IRP Update, PacifiCorp forecasts some reliance on alternative compliance, like the purchase of unbundled RECs in the amount of roughly 1 percentage point of retail sales under the alternative compliance component of the 2030 greenhouse gas neutral standard in 2030 and 2031. However, PacifiCorp may meet up to 20 percent of its aggregate retail electric sales over the four-year compliance period with alternative compliance from January 1, 2030, through December 31, 2044, if actual generation of bundled CETA-compliant energy falls short of forecasted generation. PacifiCorp will continue to evaluate the cost-benefit trade-offs of acquiring more long-term resources sooner to reach CETA’s decarbonization goals, versus using alternative compliance, like the purchase of unbundled RECs, to meet up to 20% compliance in the near-term.

PacifiCorp’s 2025 IRP Update preferred portfolio, based on the modeling and methods discussed in the previous section and in the 2025 IRP Update, demonstrates a need for supply-side and demand-side projects and programs over the next two decades, optimized under the SCGHG price-policy assumption. Specifically, Washington’s share of the 2025 IRP Update preferred portfolio includes 1,159 MW of new renewable resources situs to Washington customers, expected to come online by the end of 2030, including 742 MW of wind and 417 MW of utility-scale solar. In this same time frame, 82 MW of battery storage (4-hour lithium-ion battery storage) are also selected to meet Washington’s resource adequacy and capacity needs. The portfolio also includes 50 MW of additional energy efficiency selections and 35 MW of demand response by the end of 2030. These resources allow Washington to reach approximately 99 percent compliance with the greenhouse gas neutrality standard in 2030.

These additional renewable and non-emitting resources increase the amount of clean energy available to serve Washington customers through generation, or offset reliance on potentially emitting market purchases, through the storage of that generation during periods of low demand and then re-dispatched during periods of higher demand. Demand-side resources reduce or shift electricity use and/or generation of electricity by consumers, contributing to a least-cost, and sometimes more equitable, overall portfolio of resource selections. The interim targets are informed by the company’s historical performance under median water conditions, a factor in developing expected resource behaviors and Washington retail sales.

A summary of the resulting interim targets based on the 2025 IRP Update preferred portfolio resource selections over the next 20 years is available in Figure 6. The figure divides interim targets into two forecast ranges aligned with the objectives for 2030 (100 percent GHG neutrality) and 2045 (100 percent non-emitting and renewable energy). PacifiCorp forecasts a clean energy interim target of 37 percent in 2026, 37 percent in 2027, 48 percent in 2028 and 68 percent in 2029, or an average of 47 percent over the four-year planning period, marking significant progress

¹⁵ RCW 19.405.040 (1)(b).

towards the 2030 greenhouse gas neutrality CETA standard. Moving beyond 2030, PacifiCorp forecasts nearly 100 percent renewable and non-emitting electricity generation being available to serve Washington customers in 2030 and 2031 when around 99 percent of retail sales are forecasted to be served by CETA-compliant resources. From 2032 through 2045 the portfolio achieves the 100 percent zero-GHG emitting target. The increase in clean-energy interim targets over time is driven by the removal of coal-fired units from Washington’s rates and significant additions of new renewable, non-emitting and demand-side resources over the planning horizon.

Figure 6 – PacifiCorp’s 2025 IRP Update – Clean Energy Interim Targets 2026-2045

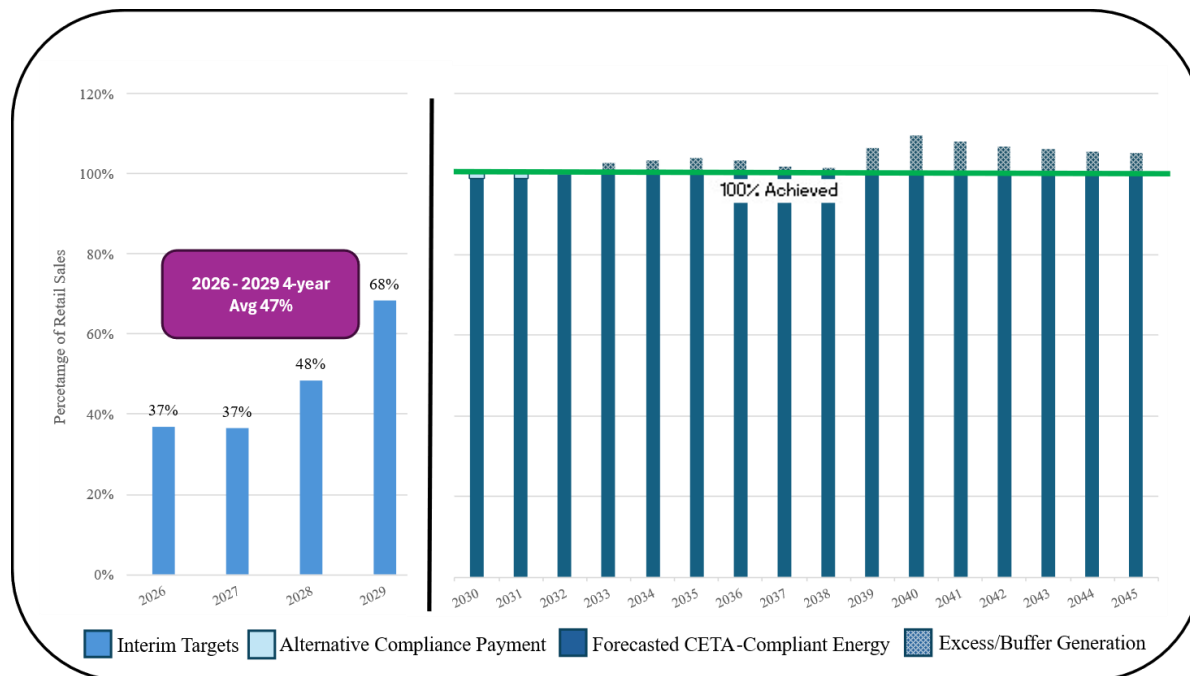


Table 2 reports near-term interim targets in annual megawatt hours of energy rather than as percentages, yielding annual interim compliance targets from 2026 through 2029. These interim targets are presented as information only, and do not re-cast the approved targets from PacifiCorp’s 2025 CEIP.

Table 2 – 2026-2029 Interim Targets (MWh)

	2026	2027	2028	2029	Total
Retail Electric Sales (Adjusted) ¹	4,076,838	4,203,805	4,335,371	4,306,457	16,922,471
Projected Renewable and Non-emitting Energy	1,497,566	1,538,234	2,098,443	2,946,496	8,080,739
Net Retail Sales	2,579,272	2,665,571	2,236,928	1,359,961	8,841,731
Target Percentage	37%	37%	48%	68%	
Interim Clean Energy Target	1,497,566	1,538,234	2,098,443	2,946,496	8,080,739

¹Retail electric sales less qualifying facilities generation.

V. Energy Efficiency

To support the clean energy interim targets, CETA requires utilities to set specific targets for renewable energy, energy efficiency, and demand response within each CEIP. PacifiCorp proposed specific targets for renewable energy, energy efficiency, and demand response in its approved 2025 CEIP with the condition that PacifiCorp would update its CEIP by removing the economic uncertainty adjustment in energy efficiency targets for all four years of the CEIP compliance period, reflecting changes as a result of the approved 2026-2027 BCP.

PacifiCorp maintains all other targets from the 2025 CEIP as filed and includes the updated CEIP energy efficiency targets here.

PacifiCorp's proposed specific targets included 145,371 MWh of energy efficiency at generation (or 135,256 MWh at site, after accounting for line losses) over the next four years, but this 2025 CEIP Supplement increases that target to 187,818 MWh at generation (or 174,749 MWh at site, after accounting for line losses).

PacifiCorp's energy efficiency targets are informed by the 2025 Conservation Potential Assessment (CPA), which provided estimates of the magnitude, timing, and costs of DSM resources that are likely available to PacifiCorp over the planning period.¹⁶ The study analyzed class 1, 2, and 3 DSM, i.e. demand response, energy efficiency, and rates.

New cost-effective energy efficiency measures were among the new resource selections that were present in every IRP portfolio. These resources were first identified through the development of a CPA. Several measures quantified non-energy impacts netted against measure cost. Examples included health benefits from avoided woodsmoke with installation of ductless heat pumps, operations and maintenance cost savings with new lighting, and water savings for measures which conserve water use as well as electricity use.

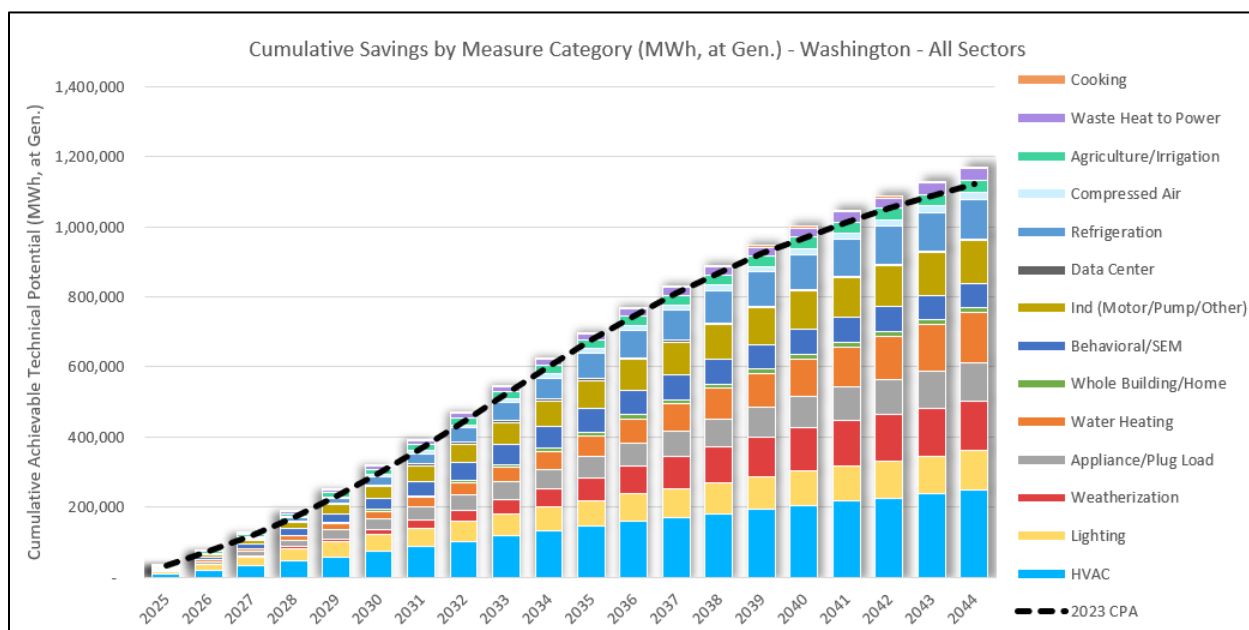
For the past several IRP cycles, PacifiCorp has contracted with Applied Energy Group (AEG) to conduct this assessment.¹⁷ A comprehensive description of the study methodology, underlying assumptions, and results can be found on PacifiCorp's website.¹⁸ Figure 7 shows cumulative technical achievable energy efficiency potential results from the CPA for the Washington service area.

¹⁶ Available online at https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/integrated-resource-plan/2025-irp/2025-irp-support-studies/PacifiCorp_2025_CPA_Report_Vol_1.pdf and https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/integrated-resource-plan/2025-irp/2025-irp-support-studies/PacifiCorp_2025_CPA_Report_Vol_2.pdf.

¹⁷ As of Q4 2024, AEG became a part of ICF.

¹⁸ Available online at <https://www.pacificorp.com/energy/integrated-resource-plan/support.html>.

Figure 7 – Washington CPA Technical Achievable Energy Efficiency Potential



The study resulted in over 8,000 individual energy efficiency measure permutations per state which were then bundled into 27 groups for each of PacifiCorp’s six states. The output from the 2025 CPA served as an input to the PLEXOS model which selected the optimal mix of resources from the defined bundles to provide system adequacy at the lowest reasonable cost, considering risk.

The conservation resources which were selected in the preferred portfolio and summarized in Table 3, became the cost-effective conservation potential, informing acquisition of energy efficiency.

Table 3 – 2025 IRP Selections: Energy Efficiency Resources, 2026-2035 (First-Year Savings, MWh at generation)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
MWh	33,253	36,986	44,044	41,252	43,767	45,340	50,434	53,981	55,377	54,949

Energy Efficiency Specific Targets

CETA requires a four-year conservation target (2026-2029) and an intermediate target (2026-2027). The IRP preferred portfolio identified cost-effective, reliable, and feasible conservation from 2026 through 2035 for the EIA target. PacifiCorp proposed using the same forecast to draft specific targets for the CEIP, as follows:

- 2026-2027 target is provided with 2026-2027 BCP, the revised version of which was filed on January 8, 2026.

- 2028-2029 target uses additional two years of conservation pro-rata share, plus adders for decoupling. These targets will be updated in 2027 through the 2028-2029 BCP process via the EIA docket.

The conservation forecast for end-use efficiency, behavioral programs and market transformation (collectively referred to in this document as energy efficiency) is developed using the following data sources, assumptions and methodology:

1. Completion of the 2025 CPA.
2. Economic screening/selection of resources through the 2025 IRP development process.
3. Addition of projected savings from the existing Home Energy Reports (behavioral) program, along with other categories of conservation defined by the EIA, including production efficiency, distribution efficiency, and high efficiency cogeneration.
4. Identification of adjustments to the 2025 IRP preferred portfolio conservation resource selections based on updates from Regional Technical Forum (RTF) unit energy savings values.
5. Comparison of the annual conservation forecast with the pro-rata share of the ten-year forecast. The target is the larger of the two consistent with the methodology used in the EIA process.

Table 4 summarizes PacifiCorp’s updated four-year energy efficiency targets for this CEIP planning period.

Table 4 – 2026-2029 Energy Efficiency Targets

Target Category MWh at Generation	2026	2027	2028	2029
Washington - 1st Year Energy Efficiency IRP Preferred Portfolio	33,253	36,986	44,044	41,252
Additional Conservation (HERs, production, distribution, co-gen)	2,686	2,334	7	7
RTF & Other Adjustments (Total)	(1,029)	(954)	(1,219)	(1,447)
Adjusted Energy Efficiency Forecast - Annual	34,910	38,365	42,831	39,812
Adjusted Energy Efficiency Forecast - Pro-rata	44,719	44,719	44,719	44,719
Decoupling Commitment (5%)	2,236	2,236	2,236	2,236
Annual Target	46,955	46,955	46,955	46,955
	2026-2029 Target:			187,818

PacifiCorp notes that the updated 2026-2029 target is equal to 174,749 MWh at site, after accounting for line losses.

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