

Presentation to the Legislative Council Committee on Energy

2004 Integrated Resource Plan

Overview & Update

June 2, 2004

2004 Integrated Resource Plan (IRP) Overview & Update

Presentation Outline

- Goals of the 2004 IRP
- 2004 IRP Advisory Council
- Idaho Power System
- Projected Load Growth
- Preliminary Results of the 2004 IRP
 - Estimated Resource Costs
 - Scenarios considered, portfolios analyzed
- Leading Portfolio
- Timeline/Action Plan

Goals of the 2004 IRP

- Acquire sufficient resources to reliably serve the growing demand for electricity throughout the 10-year planning period
- Ensure that resources selected are cost effective and low-risk.
- Give equal and balanced consideration of supply side and demand side resources
- Involve the public in a meaningful way

2004 IRP Advisory Council

A 16 member Advisory Council representing:

- Major customers or customer groups,
- Idaho and Oregon Public Utility Commission staff,
- Environmental groups,
- Idaho Governor's Office,
- Idaho State Legislature, and the
- Idaho Department of Water Resources

2004 IRP Advisory Council

Environmental:

Natural Resource Defense Council - Ralph Cavanagh or
Devra Bachrach

Advocates for the West - Bill Eddie

Others:

IDWR – Bob Hoppie

Governor's Office – Jim Yost

Idaho State Legislature – Representative Steve Smylie

Consultant/Facilitator – Eric Hirst

2004 IRP Advisory Council

Customer Participants:

Micron – Dan Kincaid

Simplot – David Hawk

INEEL – Tom Moriarty

Heinz Frozen Foods – Steve Munn

AARP – Janice Stover or Francis McDonald

Idaho Retailers – Pam Eaton

Irrigation Pumpers – Lynn Tominaga

Amalgamated Sugar Company – Ray Arp

Commission Participants:

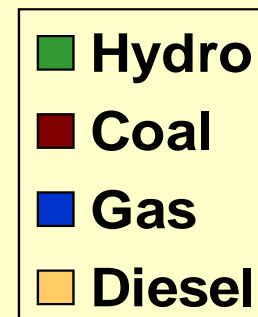
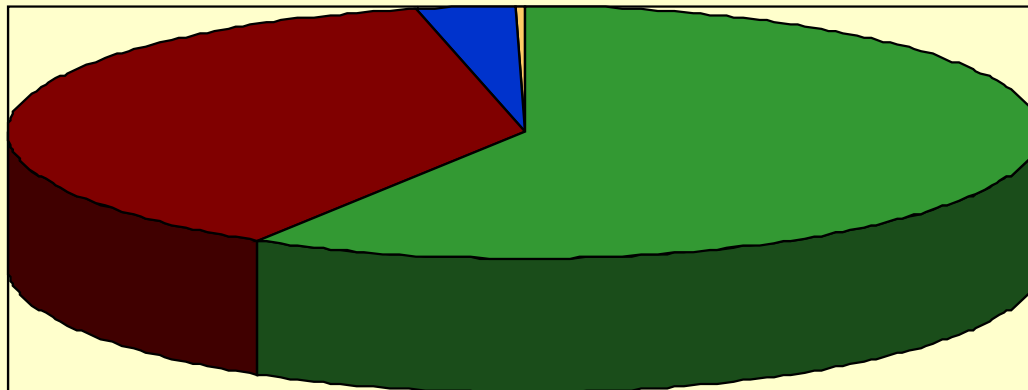
Idaho PUC – Randy Lobb

Oregon PUC – Bill McNamee

Idaho Power System

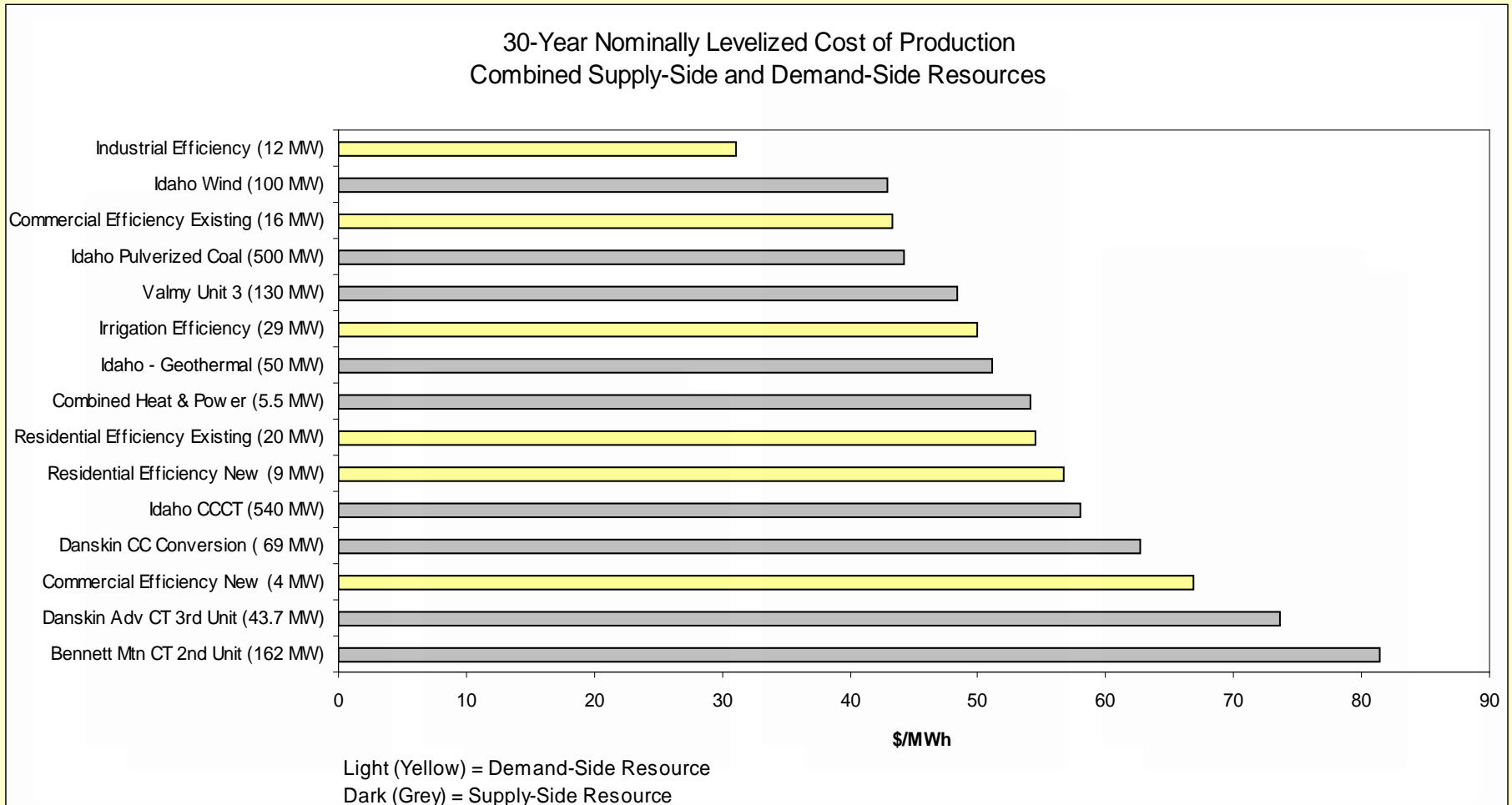
Existing Generation resources

- Hydro – 1,707 MW 59%
- Coal – 1,110 MW 38%
- Natural Gas – 90 MW 3%
- Diesel – 5 MW --%



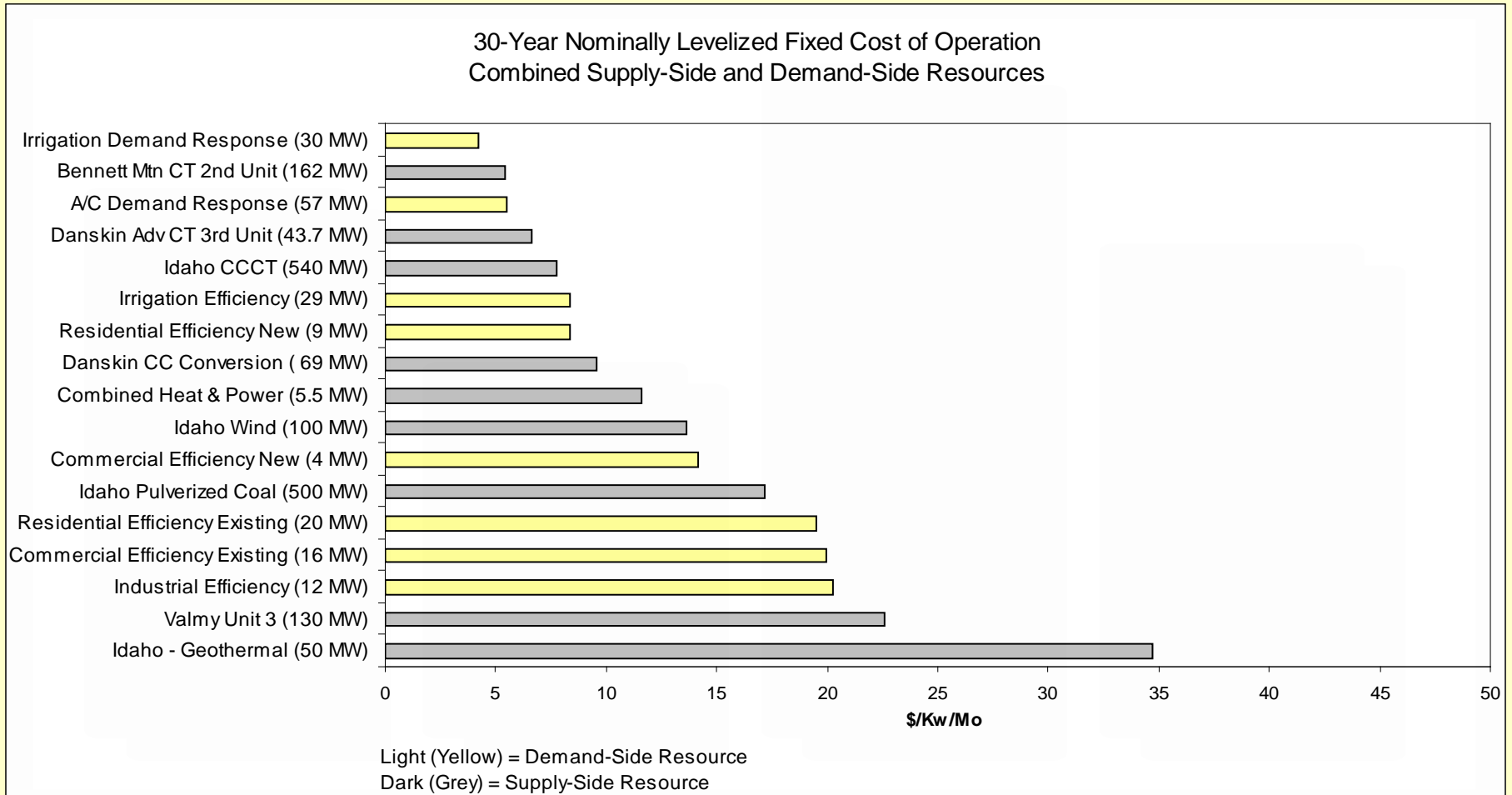
Preliminary Results of the 2004 IRP

Levelized Production Costs



Preliminary Results of the 2004 IRP

Levelized Fixed Costs



Preliminary Results of the 2004 IRP

Scenarios Considered and Portfolios Analyzed

12 Portfolios of resources analyzed:

- 8 balanced resource portfolios
- 2 portfolios of primarily coal-fired resources
- 1 portfolio of peaking resources
- 1 portfolio of wind and peakers

Top Five Portfolios:

- Wind & Peakers
- 4 Balanced portfolios

Leading Portfolio

- The Leading portfolio is a balanced portfolio consisting of the following:
 - 350 MW wind
 - 48 MW combined heat and power (CHP)
 - 100 MW geothermal
 - 88 MW peaker
 - 62 MW peaker/DG
 - 500 MW coal (seasonal ownership)
 - 124 MW demand side resources (efficiency & DR)

Leading Portfolio

Anticipated Resource timing:

2005 – 2013

- 124 MW DSM

2006

- 100 MW wind

2007

- 88 MW peaker
- 100 MW wind
- 12 MW CHP

2008

- 100 MW geothermal

2010

- 150 MW wind
- 36 MW CHP
- 62 MW peaker/DG

2011

- 500 MW coal (seasonal)

Timeline/Action Plan

IRP Timeline

- IPAC reviewing IRP now
- IRPAC Mtg 6/17
- Public Draft late June, early July
- Public meetings July/ August
- File plan in August

Likely Action Plan

2004

- Requests for Proposals (RFP) for 200 MW wind fall 2004
- RFP for 88 MW peaker fall 2004

2005

- DSM programs begin
- RFP for CHP projects
- RFP for 100 MW geothermal
- Identify coal plant participant