COMMISSION GUIDELINES REGARDING ELECTRIC IRP

I. The Commission's review of an electric utility's Integrated Resource Plan (IRP) may include, but is not limited to:

A. The public comment process employed as part of the formulation of the utility's IRP, including a description, timing and weight given to the public process;

[Staff Comment: A public comment process should occur early in the process, prior to the completion of the IRP.]

B. The utility's strategic goals and resource planning goals and preferred resource portfolio;

[Staff Comment: This may include, but is not limited to, least-cost/least-risk planning, satisfying portfolio standard requirements, providing reliable service, minimizing costs and environmental impacts, and increasing deliverability efficiency, and the justification for the resource portfolio selected.]

C. The utility's illustration of resource need over the near-term and long-term planning horizons;

[Staff Comment: Typically the near-term horizon is from 3 to 5 years and the long-term horizon is from 10 to 20 years. The utility's illustration of resource need normally includes load forecast, projected load growth and any change in the projected load growth since the utility's previous IRP.]

D. A study detailing the types of resources considered;

[Staff Comment: This should include a demonstration and analysis as to whether the resources studied are the least-cost/least risk, the modeling assumptions, sensitivity analyses, the types of resources considered and a demonstration that the assumptions used in the study are reasonable , the IRP should discuss the utility's resource selection criteria employed in the decision making process regarding resource choice, expected deviations from least-cost resources or resource combinations, reasons for any deviations from least-cost resource acquisitions, relationship of resource selection to portfolio standards to which the utility is subject and how optimum levels of different resources are determined.]

F. Changes in expected resource acquisitions and load growth from that presented in the utility's previous IRP;

[Staff Comment: The study should include a detailed discussion of the reasons and justification for any changes in expectations in resource acquisitions. For example, any item such as the types of resources, load growth or other changes that have

significantly altered the utility's resource acquisition plans should be discussed in the utility's submitted plan.]

G. The environmental impacts considered;

[Staff Comment: The impacts considered may include, but are not limited to:

i. CO2 estimates and justification of those estimates; e.g., volumes of CO_2 emitted, description of carbon costs included and studied in the IRP;
ii. Other green house gas emission estimates as may be subject to environmental taxes and/or constraints pursuant to federal or state regulation; and
iii. Any Executive Order or other order affecting or impacting the utility's study and plan.]

H. Market purchases evaluation;

[Staff Comment: The utility should consider the optimum level and amount of market purchases used in the study, comparison of market purchases in the utility's portfolio over time, risk of market purchases and risk the market purchases will not be economically available in the future.]

I. Reserve Margin analysis; and

[Staff Comment: The analysis should include consideration of tradeoffs, reliability, risks and costs of the planning reserves and the reserve margin utilized in the study.]

J. Demand-side management and conservation options;

[Staff Comment: Discussion and presentation of the options should include:
i. DSM programs currently offered by the utility;
ii. Cost/Benefit of the current DSM programs;
iii. Amount of energy savings resulting from the DSM programs; and,
iv. DSM programs the utility expects to employ in the future, describing
a. Timing of expected programs;
b. Expected benefits of the programs;
c. Carbon emissions avoided; and,
d. Costs avoided.
v. Energy efficiency programs; and
vi. Energy conservation possibilities.]