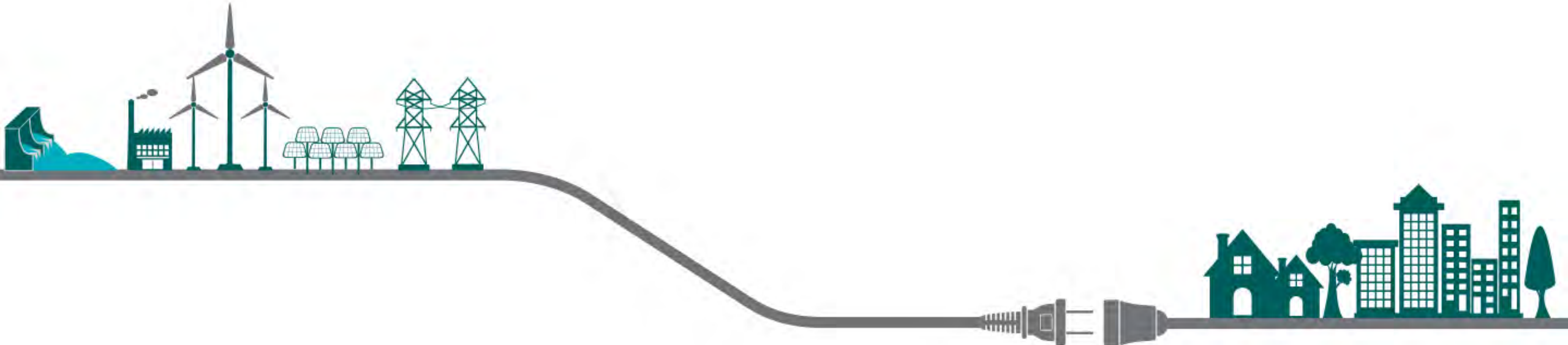


Carbon Forecast



John Carstensen
2/9/2021 IRPAC

Current Carbon Outlook



- Idaho Power's Clean Today, Cleaner Tomorrow
 - Idaho Power has set a goal of providing 100% clean energy by 2045
- State Programs
- Federal Outlook
- Idaho Power's Carbon Assumptions
- Next Steps

State Programs

- California Energy Commission
 - Target 40% below 1990 levels by 2030
 - 2019 Integrated Energy Policy Report Carbon Price Projection per Metric Ton (MT)
 - Low \$19.13 in 2021 to \$36.38 in 2030
 - Med \$19.92 in 2021 to \$78.02 in 2030
 - High \$20.45 in 2021 to \$101.21 in 2030
- Oregon Governor Brown Executive Order 20-04 Directing State Agencies to Take Actions to Reduce/Regulate Greenhouse Gas Emissions
 - Preliminary target of 45% below 1990 levels by 2035
 - Agencies currently developing plans
- Washington State Greenhouse Gas Goals
 - 95% below 1990 levels by 2050
- Regional Greenhouse Gas Initiative (RGGI – 12/02/2020)
 - 2020: \$7.41/MT

Federal Outlook

- Paris Agreement
 - Acceptance of the Paris Agreement on behalf of the United States on January 20, 2021
 - The U.S. to establish Nationally Determined Contribution (NDC)
 - The U.S. will aim to submit its revised NDC in advance of the April 22 Leaders' Climate Summit
- Proposed Carbon Regulations
 - Edison Electric Institutes list of 17 major proposed legislation in the 116th Congress
 - Carbon emission standards
 - Cap and trade
 - Carbon adder (tax)
 - Any combination of above
- Clean Air Act Section 111(d) – Regulation of Air Pollutants from Existing Sources
 - Clean Power Plan (CPP)
 - First proposed by the EPA in 2014
 - Affordable Clean Energy (ACE) Rule
 - Repealed the Clean Power Plan in 2019
 - Vacated by the U.S. Court of Appeals for the D.C. Circuit on January 19, 2021
 - New Carbon Regulations for the Utility Industry
 - Estimated 12-18 months.
- President Biden Reassembling a Cross-Government Team to Determine the Social Cost of Carbon

Idaho Power's Carbon Assumptions

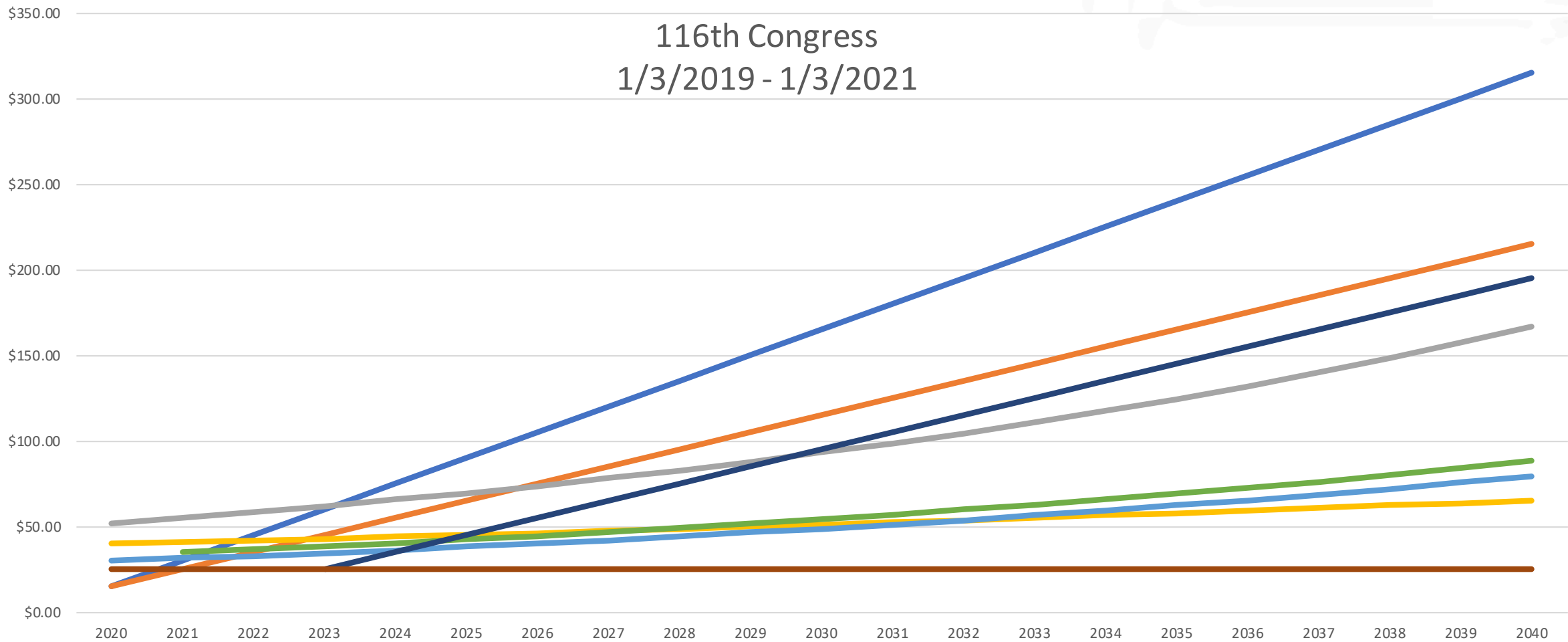
- Adder on CO₂ Emissions Per Metric Ton for Planning Purposes
- Current Range of Carbon Forecasts
 - 116th Congress
 - 17 Major Proposed Climate Legislation
 - 8 proposed major legislation have carbon adder
 - » Average of highest 4
 - » Average of all 8
 - » Average of lowest 4
 - California Energy Commission 2019 Integrated Energy Policy Report
 - Washington Utilities & Transportation Commission Social Cost of Carbon
 - PacifiCorp Proposed 2021 Carbon Forecast
 - Zero Carbon Adder

2021 Idaho Power IRP Carbon Forecast for Planning Purposes



- Continue to Evaluate Potential Forecast Data
 - Best information is considered up to the point the portfolio analysis starts in earnest.
- Carbon Future is Fluid with New Administration
- Monitoring Frequently for Latest Information

116th Congress Proposed Carbon Tax Legislation



Climate Action Rebate Act of 2019

Energy Innovation and Carbon Dividend Act

American Opportunity Carbon Fee Act & America Wins Act

Raise Wages, Cut Carbon Act

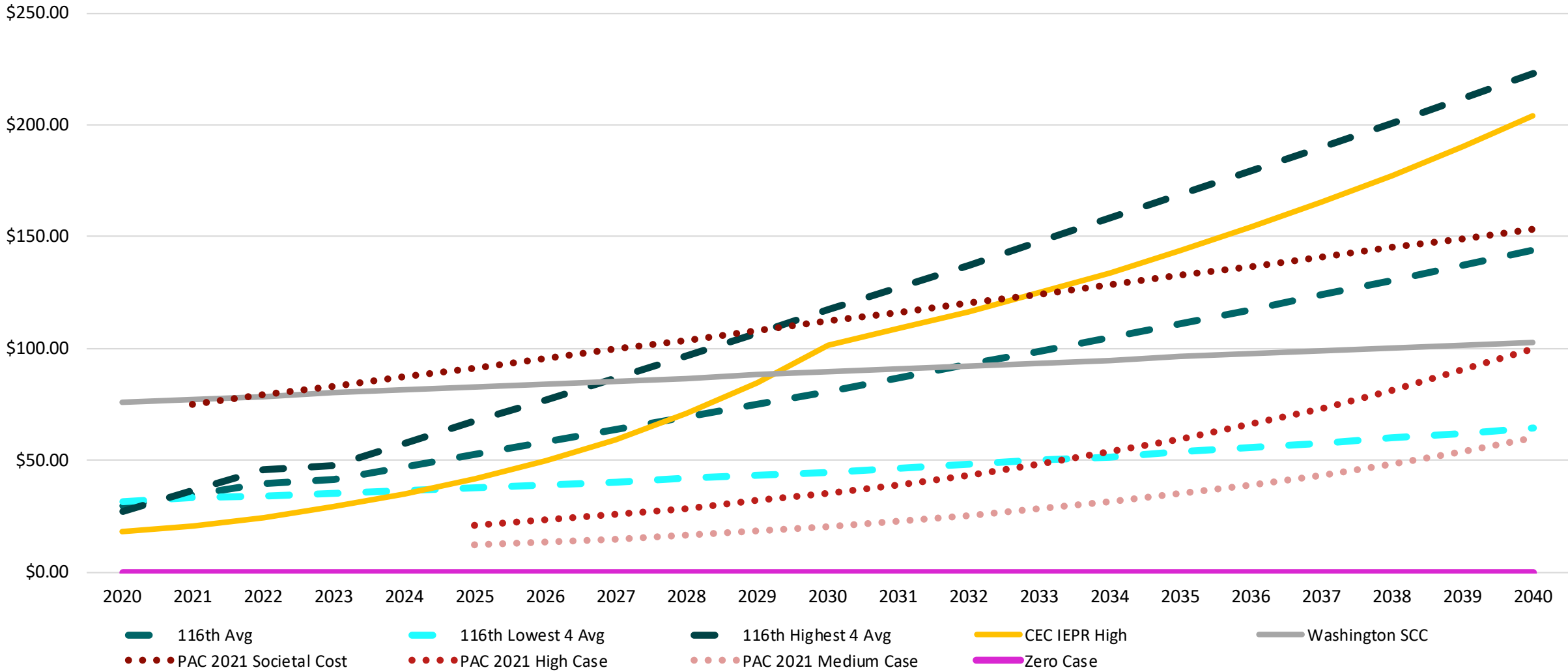
Stemming Warming and Augmenting Pay (SWAP) Act

Market Choice Act

America's Clean Fund Future Act

Consumer's Rebate Act

Current Range of Carbon Forecasts



Next Steps

A decorative graphic in the top right corner of the slide. It features a thick black line that starts horizontally from the left, then curves downwards and to the right, ending in a small, detailed illustration of a cable connector with multiple pins.

- Update Carbon Forecasts as New Developments Occur
- Internally Review Portfolio Development Options
- Develop Range of Carbon Forecasts and Update Council

Questions

