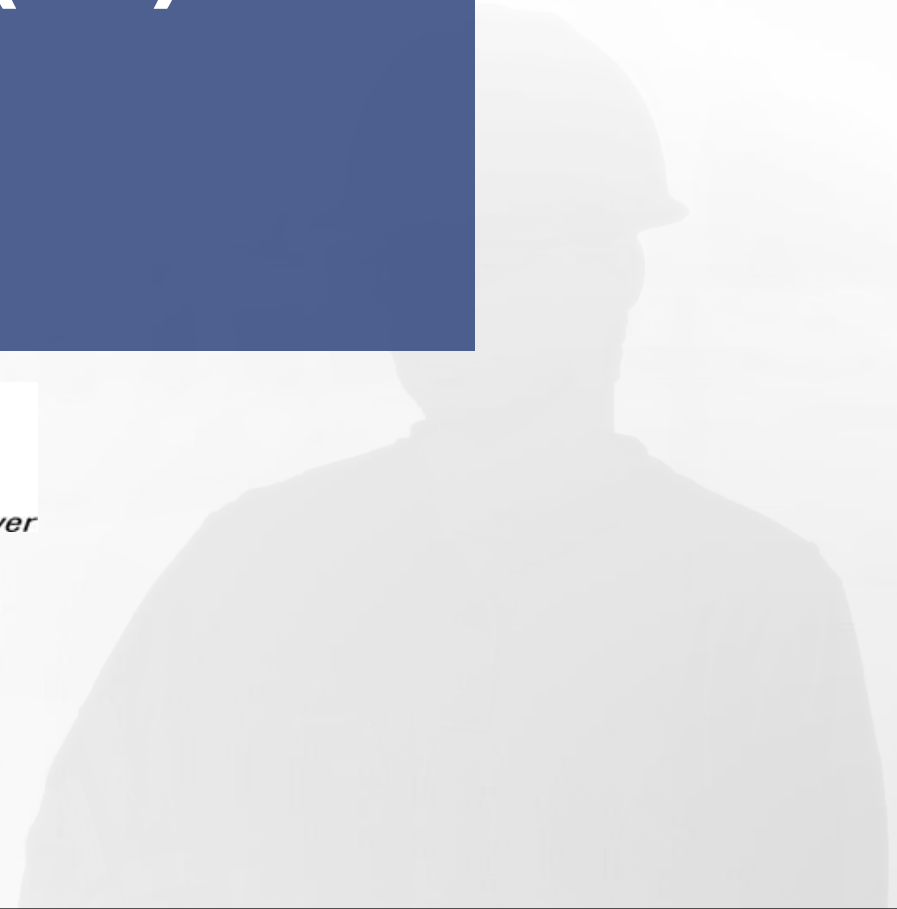


# Joint Integrated Resource Plan (IRP) Stakeholder Presentation February 3, 2016





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## IRP BUILDING BLOCKS & DEVELOPMENT (IPL)

# IRP Building Blocks & Development Outline

- Purpose of Integrated Resource Planning (IRP)
- Development process
- Building blocks
- Results



# IRP Building Blocks & Development

- Purpose of IRP:
  - “IRPs describe how the utility plans to deliver safe, reliable, and efficient electricity at just and reasonable rates”.
- Process to screen options, model variables, produce possible resource plans for multiple scenarios
- Complex effort to balance multiple stakeholder interests
- Includes qualitative and quantitative information

\*Source: IURC



# IRP Building Blocks

## Load Forecast

Economic drivers

EE standard impacts

## Resources

Supply side-generation

Demand side – EE, DR, DG

## Costs

Fuel – NG, coal, other

Market prices – energy & capacity

Risks – e.g. environmental costs

1

2

3

4

5

6

7

8

# IRP Building Blocks

Load  
Forecast

Resources

Costs

Scenarios  
&  
Sensitivities

1

2

3

4

5

6

7

8

# Process & Results

- Develop scenarios or future views of the world to shape inputs and frameworks for analysis
- Include sensitivity analysis of specific variables
- Results in multiple resource plan options
- Model outputs include parameters of each plan such as:
  - Present Value Revenue Requirements (PVRR)
  - Fuel consumption
  - Environmental impacts

