Office of the Secretary
Service Date
July 31, 2026

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF NORTHERN LIGHTS, INC.'S APPLICATION FOR APPROVAL OF ITS 2026-2028 WILDFIRE MITIGATION PLAN	)))))	**CASE NO. C10-E-26-01** **ORDER NO. 37120**

On February 2, 2026, Northern Lights Inc. ("Company") filed its 2026-2028 Wildfire Mitigation Plan ("2026 WMP") with the Idaho Public Utilities Commission ("Commission"). On February 19, 2026, the Company filed an updated application ("Application"), requesting approval of its 2026 WMP, in accordance with the Wildfire Standard of Care Act *Idaho Code* § 61-1801, *et seq*. ("WSCA").

On March 19, 2026, the Commission issued a Notice of Application and Notice of Intervention Deadline, setting a deadline for interested parties to file a petition to intervene. Order No. 36963. No petitions to intervene were filed. On April 30, 2026, the Commission issued a Notice of Modified Procedure, establishing comment deadlines. Order No. 37023. Commission Staff ("Staff") and the Idaho Department of Lands ("IDL") filed comments to which the Company replied. No other comments were received.

Based on our review of the record, we issue this Final Order denying approval of the Company's 2026 WMP.

BACKGROUND

On July 1, 2025, the WSCA became effective. Through enactment of the WSCA, the Idaho Legislature established a framework intended to support the continued delivery of safe, reliable, and cost-effective electric service while addressing the growing risks associated with wildfires. *Idaho Code* § 61-1802. The Legislature recognized that wildfire preparedness and response have become increasingly significant components of utilities system planning and operations, particularly for electric corporations responsible for transmission and distribution infrastructure throughout the state. *Id.*

The Legislature further acknowledged the Commission's role in overseeing electric utility compliance with applicable statutes, regulations, and safety standards. *Id.* In adopting the WSCA, the Legislature emphasized that electric corporations should proactively identify, mitigate, and respond to wildfire risk in a manner that protects public safety and property while also ensuring that utility expenditures remain prudent and rates remain affordable for customers. *Id.*

The WSCA allows municipal and cooperative electric corporations to voluntarily submit WMPs for review by the Commission. *Idaho Code* § 61-1803(2)(b). The WSCA does not treat a municipal or cooperative utility's WMP differently than a Commission-regulated public utility's WMP. Order No. 36774 at 14. If a municipal or cooperative electric corporation elects to file a WMP, the Commission can assess reasonable fees to such entity, which "may not exceed the actual reasonable cost incurred by the Commission for the review and consideration of a plan submitted to it." *Idaho Code* § 61-1803(2)(b).

The WSCA requires the Commission to consult with the IDL state forester ("State Forester") on an electric corporation's WMP. *Idaho Code* § 61-1804(3). Recommendations from the State Forester for a WMP are presumed to be reasonable and appropriate under the WSCA. *Id.* The presumption of reasonableness regarding the State Forester's recommendations on a WMP can only be overcome by a showing that said recommendations are "not just, reasonable, and in the public interest." *Id.* Recommendations on a WMP from the State Forester that the Commission does not deem unreasonable, unjust, or not in public interest must be incorporated in the Commission's decision on a WMP. *Id.*

Commission-approved WMPs shall be implemented upon approval and reviewed and updated annually. *Idaho Code* § 61-1803(4). A Commission-approved WMP establishes the operational and risk-mitigation measures the electric corporation will undertake to prepare for and respond to wildfire-related threats and helps define the electric corporation's responsibilities to the public and its customers. *Idaho Code* § 61-1805.

The WSCA also creates a rebuttable presumption in wildfire-related litigation that an electric corporation acted without negligence if it reasonably implemented a Commission-approved WMP. *Idaho Code* § 61-1806(1). If an electric corporation, like a municipal or cooperative utility, elects to file any future WMP filings, to ensure continued adaptation to changing conditions, the statute requires electric corporations to review and update their WMPs annually and to submit periodic compliance reporting as directed by the Commission. *Idaho Code* §§ 61-1803(4), 61-1804.

Consistent with the WSCA, on September 30, 2025, the Commission issued Order No. 36774 that established a filing schedule, guidelines, and essential components for WMPs filed for

Commission review and approval. Order No. 36774 at Exhibit A. Each WMP filed with the Commission, whether it is a Commission-regulated utility's WMP or a municipal or cooperative electric corporation's WMP, is subject to the requirements for WMPs under the Commission WMP guidelines detailed in Order No. 36774 ("Guidelines") and Order No. 36929.

In conducting its review, the Commission considers: (1) the protection of public health, safety, and welfare; (2) the feasibility of the WMP and the cost of its implementation; and (3) the extent to which the WMP minimizes wildfire risk and provides for an effective response to potential wildfire events. *Idaho Code* § 61-1804(1)(a)-(c). The Commission also considers its Guidelines, which require a WMP to include the following sections: (1) geographical risk assessment; (2) preventative actions and programs; (3) public outreach and engagement; (4) government outreach; (5) method of line design; (6) situational awareness and monitoring; (7) infrastructure inspection and maintenance; (8) de-energization and line operation practices; (9) vegetation management.

THE APPLICATION

The 2026 WMP is a rolling three-year plan covering 2026–2028 that the Company represented will be reviewed and updated annually to incorporate lessons learned, updated risk modeling, evolving mitigation practices, and revised budget forecasts in accordance with the Guidelines. Application at 2. The Company represented that consistent with *Idaho Code* § 61-1803(3)(a), it conducted a baseline wildfire risk assessment using models that incorporated vegetation, weather, topography, historical fire occurrence, and asset location to identify areas of heightened wildfire risk. *Id.*

The Company's risk mapping indicated the eastern portion of its service territory along the Idaho–Montana border and into Montana presented higher wildfire risk. *Id.* The Company represented that the modeled severity levels guide its prioritization of mitigation actions, including vegetation management, inspection frequency, system hardening investments, relay setting adjustments, and potential Public Safety Power Shutoff ("PSPS") consideration. *Id.* at 2–3.

The Company represented that in accordance with *Idaho Code* § 61-1803(3)(b), the 2026 WMP outlines preventive programs to reduce wildfire risk, including situational awareness, asset inspections, vegetation management, operational practices during heightened wildfire risk, workforce training, and community outreach. *Id.* at 3. The Company stated it uses weather and fire data sources, including National Weather Service data and fire forecasting tools, and is developing a proprietary weather station network that will integrate into a Daily Situational Awareness Tool ("DSAT") expected by the end of 2026. *Id.*

The Company's inspection program proposes to inspect all overhead distribution lines on a seven-year cycle and includes annual pole testing and meter inspections, with deficiencies tracked through a GIS-based system. *Id.* The Company represented that its vegetation management follows a seven-year trim cycle, prioritizes hazard tree removal in elevated risk areas, and uses satellite imagery and artificial intelligence ("AI") assisted analysis to guide work planning. *Id.* at 4. Further, the Company stated its operational practices include seasonal protection settings and a PSPS program implemented as a measure of last resort. *Id.* The 2026 WMP emphasizes stakeholder coordination, public communication, and emergency response planning, including outreach to members, coordination with local jurisdictions and tribal entities, and consultation with the Idaho State Forester. *Id.* at 4–5.

STAFF COMMENTS

Staff reviewed the 2026 WMP for compliance with the requirements of the WSCA, the Guidelines, and Order No. 36929. Staff Comments at 2. Based on its review, Staff believed that the 2026 WMP, and additional information provided by the Company through discovery, satisfied the applicable statutory and regulatory requirements. *Id.* Staff recommended that the Commission approve the 2026 WMP and direct the Company to include the following information in future filings, should the Company seek Commission approval of another WMP:

1. Provide details of all funding alternatives and sources pursued;
2. Include a narrative explaining the modeling process, including the inputs of the modeling used, by the Company's third-party vendor, Athena Intelligence;
3. Include a narrative that explains how mitigation activities are reducing wildfire risk;
4. Include the explanation of how risk scores are derived and include any illustrations needed, similar to its Response to Staff's First Production Request at No. 6;
5. Include project-level details including the targets, explanation of the benefits, and alternatives considered for each project;
6. Include the details of the weather station program status, areas of focus, annual cost, any targets, if applicable, and any metrics used to evaluate the program; and
7. Include a more detailed description of the DSAT–including the outputs of the tool.

Id. at 23–24. Staff also recommended the Commission clarify that the Company could file an updated WMP annually on or about February 2 of each year for Commission review and approval. *Id.* at 7.

I. <u>2026 WMP-Wide Considerations</u>

a. Staff's Recommendations for Commission

i. <u>Cost Feasibility: Grants</u>

Staff noted that the 2026 WMP briefly described that the Company had been awarded two grants for projects related to wildfire. *Id.* at 5. In discovery, the Company supplied information on an Idaho Office of Energy and Mineral Resources ("OEMR") grant the Company received for installing weather stations and completing drone inspections. *Id.* at 5–6. The Company also brought up three other OEMR grants that the Company received but that were not discussed in the 2026 WMP. *Id.* at 6.

Staff believed information on funding alternatives helps inform the Commission on an electric corporation's cost of implementing its WMP, which the Commission is required to consider under the WSCA (*Idaho Code* § 61-1804(1)(b)). *Id.* Thus, Staff believed funding alternative information must be included in an electric corporation's WMP, and not through discovery. *Id.* at 6. Because most of the Company's information on funding alternatives was provided through discovery, Staff recommended the Commission direct the Company to include alternative funding sources the Company is pursuing, if any, and the amount of funds received, to help fund its wildfire mitigation efforts in any future WMP filings. *Id.*

ii. <u>Cross Cutting Elements: Metrics & State Forester Recommendation</u>

Staff stated that the 2026 WMP identified some metrics the Company plans on using to assess the effectiveness of the 2026 WMP programs. *Id.* In discovery, the Company provided more details on the metrics it uses. *Id.* Thus, Staff believed the Company provided sufficient information on material the Commission must consider under the WSCA (*Idaho Code* § 61-1804(1)(b)(c)). *Id.* at 7. However, Staff believed information on metrics used to track the effectiveness of wildfire mitigation efforts are required to be included in an electric corporation's WMP and not provided through discovery. *Id.* Thus, Staff recommended the Commission direct the Company to include information on the metrics it uses to track the feasibility of wildfire mitigation efforts in any future WMP filings. *Id.*

Additionally, in a meeting between Staff and IDL, IDL shared concerns it had with the 2026 WMP. *Id.* IDL indicated to Staff that it intended to file its concerns as public comments. *Id.* Staff recommended the Commission consider IDL's comments in conjunction with Staff's comments. *Id.*

b. Staff's Suggestions for Company

i. <u>Cost Feasibility: Cost Forecasts & Cost Benefit Approach</u>

Staff commented that the 2026 WMP included a summary of the Company's capital, operation and maintenance ("O&M") expenses, and budget for managing vegetation for 2026 through 2028. *Id.* at 4. However, Staff noted that the summary "did not break down the costs by category or project level." *Id.* In discovery the Company expanded its summary by providing project-level narratives on the work being done, the benefits, timelines, and budgets for the projects. *Id.* Staff believed that the Company's project-level narratives on the projects, and the 2026 WMP budget summary, satisfied the requirements under the Guidelines to provide a cost forecast for program categories and capital and O&M expenditures. *Id.*

Staff believed that by outlining the Company's programs for wildfire mitigation as either high, medium, or low for cost and effectiveness, that the Company satisfied the requirements under the WSCA (*Idaho Code* § 1-1804(1)(b)), the Guidelines, and Order No. 36882 to provide information that would allow the Commission to consider the feasibility of a WMP. *Id.* at 5. Staff encouraged the Company to further detail the rationale for the high, medium, and low designations, to provide information on the qualitative benefits identified by the Company, to detail the successfulness in wildfire mitigation, and to quantify the risk reduction associated with mitigation actions. *Id.*

ii. <u>Cross Cutting Elements: Targets, Goals, and Lessons Learned</u>

Staff believed the Company satisfied the requirement in the Guidelines to include targets and goals that can be measured in a WMP by providing cycle-based targets for many of the programs in the 2026 WMP. *Id.* However, Staff encouraged the Company to include numeric and cycle-based targets in any future WMP filing to assist in verifying compliance year-to-year. *Id.* at 7.

Staff believed that the Guidelines' requirement that electric corporations supply information on the lessons it has learned from its previously approved WMPs was inapplicable to the Company's proposed WMP because the Company was not a utility regulated by the Commission and had not previously filed a WMP. *Id.* at 8. However, in discovery the Company detailed that in 2024 it: (1) created its first WMP; (2) put into action an overhead inspection program; and (3) used seasonal protection settings on parts of its system when wildfire conditions were high. *Id.* Additionally, in 2025 the Company further advanced its wildfire mitigation efforts by developing its PSPS and using formal wildfire risk modeling. *Id.* Staff encouraged the Company to include the additional information the Company supplied on its prior wildfire mitigation efforts in any future WMP filings. *Id.*

II. <u>Geographical Risk Assessment</u>

a. Staff's Recommendations for Commission

Staff believed that the Landscape Wildfire Risk map included in the 2026 WMP, and additional information supplied in discovery, showed that the Company used a reasonable approach to evaluate wildfire risk in its service territory and thus was sufficient to satisfy what was required under the WSCA (*Idaho Code* § 61-1803(3)(a)) and the Guidelines, which requires a WMP to include an explanation of the Company's assessment and identification of wildfire risk areas. *Id.* at 8–9. However, Staff believed there were limitations with the Company's approach primarily concerning the description of the modeling process, inputs used in the modeling, identifying and describing qualitative benefits, narratives on specific mitigation efforts, and coordination with local fire experts. *Id.* at 10–11.

i. <u>Risk Model Description</u>

Staff noted that the 2026 WMP did not include a description of the modeling process or the data inputs used to create the Landscape Wildfire Risk map, and instead most of the information Staff reviewed to confirm compliance with the WSCA and the Guidelines was provided in discovery. *Id.* at 9. Staff believed information on the third-party vendor used to create the risk model, the model inputs utilized, and the fact that the map was created from two models, would provide context on how the risk model was created and would demonstrate that the Company was supplying information the Commission must consider under the WSCA and the Guidelines. *Id.* Thus, Staff felt that the information should be included in the WMP, and not through discovery. *Id.* Accordingly, Staff recommended the Commission direct the Company to include a narrative describing the modeling process in any future WMP filings. *Id.*

ii. <u>Risk Model Limitations</u>

Staff also believed the modeling process was limited because it did not consider the risk of wildfire ignition from the Company's infrastructure. *Id.* at 10. Staff explained that only overlaying the Company's assets on the Landscape Wildfire Risk map, which is what the Company's third-party vendor did when creating the map, made it so the risk assessment process did not consider the risk of wildfire ignition from the Company's infrastructure as an input in the risk model. *Id.*

Staff believed inputting the risk of ignition from the Company's infrastructure would enable the Company to more adequately plan and focus its investments on its systems as part of its wildfire mitigation efforts. *Id.* Further, Staff believed that because infrastructure ignition risk was not considered in the model, the model would also not document the reduction of risk due to the Company's investments in its system. *Id.* As a result, Staff encouraged the Company to add risk from infrastructure ignition as an input in its modeling process moving forward and recommended the Commission direct the Company to explain how its mitigation activities were reducing wildfire risk in any future WMP filings. *Id.* at 10–11.

Additionally, Staff noted that the Company provided information on the qualitative benefits of its plans to mitigate wildfire risk in discovery. *Id.* at 10. Staff believed material on the qualitative benefits of wildfire mitigation efforts should be included in a WMP, and not through discovery. *Id.* Accordingly, Staff recommended the Commission direct the Company to include descriptions of the qualitative benefits of its mitigation efforts in any future WMP filings. *Id.* Lastly, Staff encouraged the Company to consult with local fire experts to validate a risk model's results. *Id.* at 11.

iii. <u>Risk Scores</u>

Staff noted the Company's Landscape Wildfire Risk map detailed "five risk score categories." *Id.* at 11. Staff explained that there was no explanation in the 2026 WMP of how the risk categories were determined. *Id.* Staff stated that the Company supplied information in discovery on how the risk categories were developed and thus made it possible for Staff to analyze whether the Company provided sufficient information on how levels of wildfire risk in the Company's service territory was developed, as required by the Guidelines. *Id.* at 11–12. Staff believed information on how wildfire risk levels are determined must be included in a WMP, and not through discovery. *Id.* at 13. Thus, Staff recommended the Commission direct the Company to include the information it provided in discovery on how the risk categories were developed in any future WMP filings. *Id.*

III. <u>Preventative Actions and Programs</u>

a. Staff's Suggestions for Company

Regarding optional preventative actions and programs that were suggested in the Guidelines, Staff outlined various recommendations for the Company on information and/or practices Staff believed the Company should consider implementing and including in any future

WMP filings. For instance, Staff encouraged the Company to include in any future WMP filings a table that outlined the workforce training the Company planned to conduct, the roles of the individuals attending, information on whether the training was required or optional, and the dates of the training. *Id.* at 12–13.

Further, Staff suggested that the Company include details and information on program pilots it was already conducting, or planning on, like what it supplied in discovery, in any future WMP filings. *Id.* at 13. Staff also recommended the Company detail its targets for pilot programs in future filings to provide transparency and to help Staff evaluate a WMP's feasibility. *Id.*

IV. **Method of Line Design and System Hardening**

a. Staff's Recommendations for Commission

While the Company provided information on its system hardening process in the 2026 WMP, Staff believed the 2026 WMP did not sufficiently explain the timelines, goals, alternatives considered, criteria for selection, costs, or main drivers of its system hardening projects. *Id.* at 14–15. Staff stated that because the Company provided project-level details, and discussed goals, benefits, timelines, and alternatives for system hardening projects in discovery, Staff believed that the Company provided sufficient information on material the Commission must consider under the WSCA (*Idaho Code* §§ 61-1803(3)(b) and 61-1803(3)(e)) and the Guidelines. *Id.* at 15. However, Staff believed project-level details on system hardening projects must be included in an electric corporation's WMP, and not through discovery. *Id.* Thus, Staff recommended the Commission direct the Company to include project-level details on system hardening projects in any future WMP filings. *Id.*

V. **Situational Awareness and Monitoring**

a. Staff's Recommendations for Commission

Staff explained that because the 2026 WMP included information on the Company's method for monitoring weather conditions and wildfire risk and explained that the Company would be using an OEMR grant to develop a weather station network, Staff believed the Company provided sufficient information on how the Company assesses wildfire risk and weather conditions that the Commission must consider under the WSCA (*Idaho Code* § 61-1803(3)(f)) and the Guidelines. *Id.* at 16–17.

Staff stated that in discovery, the Company supplied additional information on its weather station network plans and explained how the Company intends to incorporate the data from the weather stations into a DSAT. *Id.* Because the additional information provided in discovery expanded on the Company's work for situational awareness, Staff believed it should be included in the 2026 WMP, and not through discovery. *Id.* at 17. Thus, Staff recommended the Commission direct the Company to include the information on its weather station network and use of the DSAT that it provided in discovery in any future WMP filings. *Id.* Staff also suggested the Company further describe the DSAT in any future WMP filings. *Id.*

VI. **Infrastructure Inspection and Maintenance**

a. Staff's Suggestions for Company

Regarding infrastructure inspection and maintenance, Staff believed the information the Company supplied in the 2026 WMP and in discovery sufficiently discussed the frequency of, and standards for, electric infrastructure inspections that the Commission must consider under the WSCA (*Idaho Code* §§ 61-1803(3)(b), 61-1803(3)(g)(i)) and the Guidelines. However, Staff encouraged the Company to implement more robust inspection schedules for areas of higher wildfire risk and to consider the condition of equipment in those inspections. *Id.* at 17–18.

On the matter of quality assurance ("QA") for inspections and maintenance of infrastructure, Staff suggested the Company adopt a more formal QA process and to use "statistically valid sample of completed work" to track whether infrastructure issues were being corrected properly. *Id.* at 18.

Regarding monitoring deficiency backlog for infrastructure inspections and maintenance, Staff encouraged the Company to provide deficiency priority categories, the amount of deficiency repairs completed, repair objectives, time to repair, and remaining repairs for the prior three years in any future WMP filing. *Id.* at 18–19.

VII. **De-Energization and Operation for Heightened Wildfire Risk**

a. Staff's Suggestions for Company

Regarding the Company's operations during heightened wildfire risk or in high-risk areas, Staff noted that the 2026 WMP described the Company's infrastructure and vegetation management during heightened wildfire risk at a high level rather than detailing what occurs at each risk level. *Id.* at 20. Staff stated that the Company's response to Staff's request for more information did not yield satisfactory additional information. *Id.* Staff encouraged the Company to include a table or a narrative on what operational changes the Company makes during those times and/or in those areas so there can be a better understanding on how the Company determines its operational response as wildfire risks increases in any future WMP filings. *Id.*

VIII. <u>Vegetation management</u>

a. Staff's Suggestions for Company

Staff requested the Company provide more details on the criteria the Company uses to prioritize vegetation management work areas in any future WMP filings. *Id.* at 21. Additionally, Staff encouraged the Company to adopt a formal QA process for managing vegetation to ensure decisions are not being based on data that is incomplete or misleading. *Id.* at 21–22. On vegetation management training, Staff suggested the Company consider adding the training and certification for the International Society of Arboriculture's Wildfire Risk Reduction Qualification as a requirement because the qualification addressed ladder fuels, which Staff believes present a risk in the Company's service territory. *Id.* at 22.

Staff encouraged the Company to include its metrics for hazard tree management in any future WMP filings to monitor and manage hazard trees. *Id.* at 22–23. Additionally, based on IDL's comments regarding certain tree's developing into hazard trees after a high wind event, Staff encouraged the Company to increase hazard tree inspections in areas of its service territory that are affected by high wind events, and where the tree's identified by IDL are present. *Id.* at 23.

IX. <u>Marketable Timber on Timber Company Land</u>

a. Staff's Suggestions for Company

While Staff believed the 2026 WMP supplied sufficient information on how the Company compensates timber companies for live marketable timber, Staff encouraged the Company to expand on its process in any future WMP filings. *Id.*

<u>IDL COMMENTS</u>

IDL was concerned with the Company's risk modeling believing that there was insufficient information on the data used to develop the modeling. IDL Comments at 1. IDL explained that it requires cooperators that develop and implement County Wildfire Preparedness Plans to include information on the modeling inputs utilized to create those plans. *Id.* IDL stated it must hold utilities to the same standard to ensure consistent wildfire mitigation efforts throughout the state. *Id*.

IDL believed that the Company's wildfire risk modeling did not include "clearly identifiable wildland urban interface (WUI) or other comparable data in the modeling…." *Id.* at

1–2. IDL explained that the consequence of not including that information was that a fire ignited by a utility was not accurately reflected in the modeling and caused IDL to question the validity of the risk modeling. *Id.* at 2. Due to the questionable validity of the risk modeling, IDL recommended the 2026 WMP be denied. *Id.*

For the Company's future assessments of wildfire risk, IDL strongly recommended the Company include data on: (1) the Company's system components; (2) where trees surrounding the Company's system are taller than said system; and (3) information on soil types. *Id.* IDL believed there was an opportunity for "cross integration" between county level Community Wildfire Protection Plans and a utility's wildfire mitigation plan and thus encouraged the Company to work with Idaho counties where the Company's system is located to improve wildfire response and mitigation efforts. *Id.* at 2–3.

IDL requested that the Company add a narrative for its process "for cost recovery when trees on forest industry ownerships are required to be removed." *Id.* at 3. IDL noted that it could not determine how vegetation management was differentiated in areas of the Company's service territory that were considered high fire risk. *Id.* IDL recommended the Company's inspection qualification standards include wildland fire certification. *Id.*

IDL commented that the level of detail in the 2026 WMP made it difficult for IDL to ascertain what work will be done by the Company and how the Company will measure its successful implementation. *Id.* To weigh the success of mitigation efforts, IDL suggested that the Company detail the economic value of its system, the economic impact of a disruption in service, and to share an evaluation of the costs if no mitigation actions were implemented. *Id.* at 3–4.

COMPANY REPLY

The Company stated that even through Staff recommended the Company include a narrative describing the Company's modeling method and data used in the modeling, and IDL requested more information on the analytical inputs used in the modeling prior to Commission approval, the Company argued that Staff considered the technical concerns with the modeling during its review and nevertheless recommended approval of the WMP. Company Reply at 2–3.

The Company stated that neither the WSCA nor the Guidelines mandate a specific wildfire risk model, a particular model method, or require certain data inputs. *Id.* at 3. The Company argued that the Commission's approval of a WMP is based on whether an electric corporation identified wildfire risk in its system and if an electric corporation developed reasonable measures to mitigate the wildfire risk. *Id.* The Company was open to additional dialogue regarding wildfire risk assessment but argued that just because there were other approaches that could improve risk assessments, that did not mean that the 2026 WMP failed to satisfy what was required under the WSCA and the Guidelines. *Id.*

The Company argued that Staff's requests regarding more project-level information, which the Company represented it supplied in discovery, did not change Staff's recommendation that the 2026 WMP be approved. *Id.* at 4. The Company stated that as it implements the 2026 WMP, it expects to have, and supply to the Commission, more historical information and analysis. *Id.*

The Company represented it plans to evaluate vegetation management technical guidance, operational knowledge, and changing industry practices as it develops WMP updates. *Id.* at 5. The Company represented it is committed to community and government engagement throughout its service territory and argued that any recommendations from Staff and/or IDL related to the same do not diminish Staff's recommendation that the 2026 WMP be approved. *Id.* The Company believed the annual review process for WMPs would provide it with the opportunity to add more details on its procedure for timber removal and compensation. *Id.*

COMMISSION FINDINGS AND DECISION

An electric corporation like the Company can elect to file a WMP with the Commission for review and approval. *Idaho Code* § 61-1803(2)(b). Once an electric corporation files a WMP with the Commission for review, the WMP is subject to the authority and jurisdiction of the Commission. *Id*. When reviewing a WMP, the Commission must ensure the WMP satisfies the minimum requirements of the WSCA (*Idaho Code* § 61-1804(1)) and the requirements set forth in the Commission's Guidelines.

The Commission has reviewed the record in this case. Based on our review, we find the 2026 WMP does not adequately provide information on the Company's assessment of wildfire risk that the Commission must consider under the WSCA, specifically *Idaho Code* § 61-1803(3)(a), and the Guidelines. The Commission acknowledges and appreciates the Company's cooperation throughout Staff's review of the 2026 WMP in its responses to discovery requests and providing additional or supplemental information for the 2026 WMP where Staff sought clarity or supporting documentation. While the additional information provided by the Company was helpful and demonstrates the Company's willingness to engage in the Commission's review process, we find that the information provided did not fully resolve the material omissions or limitations with the 2026 WMP. Thus, additional development of the 2026 WMP is necessary before the 2026 WMP can be approved.

The Commission recognizes that the 2026 WMP is the Company's first WMP submitted for review and approval under the WSCA. The Commission also recognizes that wildfire mitigation planning is an evolving process. As utilities gain operational experience, incorporate new technologies, collect additional data, and evaluate the effectiveness of mitigation activities, future WMPs will continue to develop and improve. Thus, we understand that subsequent WMPs will look different from a utility's first WMP.

I. <u>Wildfire Risk Assessment and Modeling</u>

The Commission finds that the Company's wildfire risk model requires further development before approval can be granted. While the Commission recognizes that the WSCA does not require a specific wildfire risk model or prescribe a particular analytical framework, we find that the risk assessment used in a WMP must include identifiable WUI, infrastructure, and other comparable data. Said information helps the Commission analyze whether a WMP is implementing "approaches and methods that are designed to protect the public interest…." *Idaho Code* §§ 61-1803(3); 61-1803(3)(a). Further, including that information in a wildfire risk model would facilitate the Commission's consideration of "the consistency of the plan with the public health, safety, and welfare," and "the degree to which the plan adequately minimizes wildfire risk…" *Idaho Code* §§ 61-1804(1)(a); 61-1804(1)(c).

The Commission finds that IDLs recommendations that identifiable WUI, data on the Company's infrastructure, and other related data must be included in a wildfire risk model to conduct an accurate risk assessment is reasonable due to the risk of wildfire from infrastructure. We find that not including said data does not fully demonstrate where and how wildfire risk could arise from.

Further, while Staff believed that the Company's wildfire risk modeling approach was reasonable, it also noted several limitations. Staff Comments at 8–9. For instance, Staff noted that the Company's risk modeling approach did not consider the risk of wildfire ignition from its infrastructure. *Id.* at 9. Staff explained that "simply overlaying assets on the risk map" only indicated the infrastructure's physical location but did "not provide key details and attributes," such as the type and condition of equipment, that could help the Company "consider both the presence of equipment in high-fire risk areas and the condition of that equipment to inform investments and mitigation." *Id.* This led Staff to believe that the risk model did not consider the risk of the Company's infrastructure causing a wildfire. *Id.*

Without considering the risk of a wildfire from the Company's infrastructure, the Commission finds that the 2026 WMP does not adequately demonstrate how the Company will avoid and minimize wildfire risk or how it is utilizing approaches and methods that are meant to protect the public good, which the Commission is required to consider under the WSCA. Accordingly, the Commission finds that Company's wildfire risk model is insufficient and that adjustments must be made to the Company's risk modeling approach before the Commission can approve the WMP. We strongly encourage the Company to work with IDL and Staff on its wildfire risk modeling approach and to include in future WMP filings wildfire risk modeling that incorporates WUI, infrastructure, and similar data to accurately model and reflect the consequences of a wildfire ignited by its infrastructure.

II. Incorporating Additional Information in the 2026 WMP

We find that supplemental information that was provided by the Company in discovery regarding: (1) funding alternatives and sources; (2) wildfire risk mitigation benefits; (3) the Company's risk scores; (4) wildfire-related project-level details; (5) weather station network; and (6) use of the DSAT (collectively "Supplemental Information") was consistent with the requirements of the WSCA and the Guidelines. However, the Supplemental Information was not in the 2026 WMP. The Commission finds that the Supplemental Information must be included in future WMP filings to ensure a WMP comprehensively describes the Company's operational and mitigation measures for wildfire mitigation.

Accordingly, the Commission finds that the Company must include the following information (collectively "WMP Update Material") in any future WMP filings:

1. Details of all funding alternatives and sources pursued, consistent with, but further developed from, the information that was supplied in the Company's Response to Staff's First Production Request at No. 7 and the Company's Response to Staff's First Production Request at No. 20;
2. A narrative explaining the modeling process, including the inputs of the modeling used, by the Company's third-party vendor, Athena Intelligence, consistent with, but further developed from, the information that was supplied in the Company's Response to Staff's First Production Request at No. 5 and the Company's Response to Staff's First Production Request at No. 6;
3. A narrative that explains how mitigation activities are reducing wildfire risk and the qualitative benefits of its mitigation efforts, consistent with, but further developed from,

the information that was supplied in the Company's Response to Staff's First Production Request at No. 2, the Company's Response to Staff's First Production Request at No. 5, and the Company's Response to Staff's First Production Request at No. 6;

4. The explanation of how the Company's risk scores are derived and include any illustrations needed, consistent with, but further developed from, the information that was supplied in the Company's Response to Staff's First Production Request at No. 6;
5. Project-level details including the targets, explanation of the benefits, and alternatives considered for each project, consistent with, but further developed from, the information that was supplied in the Company's Response to Staff's First Production Request at No. 20;
6. Include the details of the weather station program status, areas of focus, annual cost, any targets, if applicable, and any metrics used to evaluate the program, consistent with, but further developed from, the information that was supplied in the Company's Response to Staff's First Production Request at No. 7; and
7. Include a more detailed description of the DSAT–including the outputs of the tool, consistent with, but further developed from, the information that was supplied in the Company's Response to Staff's First Production Request at No. 7.

Additionally, as outlined above, the WSCA requires the Commission to consult with the State Forester on an electric corporation's WMP and any recommendations made by the State Forester are presumed reasonable and appropriate under the WSCA. *Idaho Code* § 61-1804(3). Recommendations on a WMP from the State Forester that the Commission does not deem unreasonable, unjust, or not in public interest must be incorporated in the Commission's decision on a WMP. *Id.* The Commission finds that most of IDL's recommendations in this case are reasonable and thus the Company must incorporate the following recommendations from IDL (collectively the "IDL Recommendations") in any future WMP filing:

1. Include more descriptive details on the Company's risk modeling data and method, and include clearly identifiable WUI or other comparable data in the risk modeling;
2. Include the following data inputs in future evaluations of wildfire risk:
    a. Type, condition, and age of system components;
    b. Data regarding the vegetative layer that includes information where the surrounding tree canopy is taller than the adjacent system; and
    c. Soil layer data.
3. Work with counties where the Company's system is located to improve wildfire response and mitigation efforts;
4. Additional narrative details on the Company's process for cost recovery when trees on forest industry ownerships must be removed;

5. Description of how or if the Company's vegetation management practices differ in areas the Company has designated as high fire risk; and
6. How the Company will measure the success of its implementation of a WMP.

While the Commission is unopposed to IDL's position that vegetation inspection practices and certification standards should address conditions specific to wildfire risks, without further elaboration of the additional requirements envisioned by IDL, we lack the basis to impose rigid obligations on the Company in excess of, and possibly contrary to, what IDL acknowledges are established industry standards. Thus, without additional information from IDL regarding why the Company should shift away from the established industry standards, we find that its recommendation that the Company include wildland fire specific inspection standards in its vegetation inspection as unreasonable. However, we strongly encourage the Company to explore opportunities to understand and address IDL's concerns about vegetation inspections overlooking fire ignition and propagation potential. In any future WMP filing, the Company must describe what effort it has taken to address this recommendation, or if no attempt has been made to address the recommendation, the Company must explain why it was unaddressed.

III. Conclusion

The Commission recognizes the significant work undertaken by the Company in preparing the 2026 WMP and appreciates the Company's cooperation throughout the process. The Commission also recognizes that wildfire mitigation planning will continue to evolve as utilities gain experience and additional information becomes available. At the same time, the Commission has a responsibility to the people of Idaho to ensure that any WMP approved under the WSCA satisfies the minimum requirements established by the Legislature. The Commission must balance this responsibility with its obligation to provide utilities with a fair and reasonable regulatory process and to recognize the practical challenges associated with wildfire mitigation planning.

Based on our review of the record, the Commission finds that the Company's 2026 WMP provides a foundation for its wildfire mitigation efforts but does not contain sufficient wildfire risk modeling that is needed for the Commission to make the findings necessary for approval under the WSCA. Accordingly, the Commission denies the Application for approval of the 2026 WMP without prejudice. The Commission encourages the Company to continue working with Staff and IDL as it develops its next WMP. The Commission expects that future filings will address the concerns and recommendations identified and outlined in this Order. A future WMP, which can be filed at any time following the issuance of this Order, that incorporates the risk modeling improvements, the 2026 WMP Update Material, and IDL Recommendations will allow the Commission to conduct the thorough review required by the WSCA and determine whether approval is appropriate.

ORDER

IT IS HEREBY ORDERED that the Application for approval of the 2026 WMP is denied.

IT IS FURTHER ORDERED that in any future WMP filing the Company shall incorporate the WMP Update Materials outlined in this Order, provided that such material may be reasonably adjusted to account for change in facts, circumstances, available data, applicable assumptions, and other relevant factors with sufficient justification.

IT IS FURTHER ORDERED that in any future WMP filing the Company shall incorporate the IDL Recommendations outlined in this Order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within 21 days of the service date of this Order regarding any matter decided in this Order. Within seven days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 31st day of July 2026.

EDWARD LODGE, PRESIDENT

JOHN R. HAMMOND JR., COMMISSIONER

DAYN HARDIE, COMMISSIONER

ATTEST:

Monica Barrios-Sanchez
Commission Secretary

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