#### BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER	)
COMPANY'S PETITION FOR APPROVAL OF	) CASE NO. IPC-E-21-25
A CUSTOMER SURCHARGE AND MODIFIED	)
LINE ROUTE CONFIGURATION FOR	)
CONSTRUCTION OF A NEW 138 KV	)
TRANSMISSION LINE IN THE WOOD	)
RIVER VALLEY	)
	)

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

RYAN N. ADELMAN

- 1 Q. Please state your name and business address.
- 2 A. My name is Ryan Adelman. My business address
- 3 is 1221 West Idaho Street, Boise, Idaho 83702.
- Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Idaho Power Company ("Idaho
- 6 Power" or "Company") as the Vice President of Power Supply.
- 7 Q. Please describe your educational background.
- 8 A. I graduated in 1996 from the University of
- 9 Idaho, Moscow, Idaho, receiving a Bachelor of Science
- 10 Degree in Civil Engineering. I am a registered
- 11 professional engineer in the state of Idaho. In 2018, I
- 12 earned a Master of Business Administration Degree through
- 13 Boise State University's Executive MBA program. In 2019, I
- 14 completed the Energy Executive Course through the
- 15 University of Idaho.
- 16 Q. Please describe your work experience with
- 17 Idaho Power.
- 18 A. From 2004 to 2008, I was employed by Idaho
- 19 Power as an engineer in Power Production's Civil
- 20 Engineering Group. In 2008, I became an Engineering
- 21 Leader, initially responsible for the Langley Gulch power
- 22 plant project, and later for the Power Production Civil
- 23 Engineering Department. In 2015, I was promoted to Senior
- 24 Manager of the Projects Department where I managed the
- 25 Project Management and Cost and Controls group. In 2018, I

- 1 led the Company's Southeast Idaho area as a Regional
- 2 Manager. In 2019, I was promoted to Vice President of
- 3 Transmission and Distribution Engineering and Construction,
- 4 later renamed to Planning, Engineering and Construction. In
- 5 2020, I transitioned to my current position, Vice President
- 6 of Power Supply, where my responsibilities include
- 7 supervision over Idaho Power's jointly owned coal assets,
- 8 load serving operations, and merchant activities.
- 9 Q. Have you previously submitted testimony to the
- 10 Commission in relation to a new 138 kilovolt ("kV")
- 11 transmission line ("Transmission Line") into the Wood River
- 12 Valley area?
- 13 A. Yes. In November of 2016, in my role as
- 14 Manager of the Projects Department, I submitted Direct
- 15 Testimony in support of the Company's request for a
- 16 Certificate of Public Convenience and Necessity ("CPCN") to
- 17 construct a new Transmission Line and related facilities to
- 18 provide redundant service from the Wood River substation,
- 19 near Hailey, ID, into the Ketchum substation, Case No. IPC-
- 20 E-16-28. My previous testimony in the CPCN case described
- 21 the various options for redundant electrical service into
- 22 the Wood River Valley area, as well as the costs, benefits,
- 23 and detriments of each of the viable options. The
- 24 Commission ultimately granted the Company's requested CPCN
- 25 for a line route configuration consisting of overhead

- 1 transmission from the Wood River substation to the
- 2 transition point near Elkhorn Road, then underground
- 3 transmission to the Ketchum substation.
- Q. What is the purpose of your testimony in this
- 5 proceeding?
- 6 A. The purpose of my testimony is to describe the
- 7 local permitting activities with Blaine County, as well as
- 8 the proposed line route and configuration of the new
- 9 transmission line and underground distribution ("Owl Rock
- 10 Road Route"), as described in detail in Idaho Power
- 11 Company's Petition for Approval of a Customer Surcharge and
- 12 Modified Line Configuration for Construction of a New 138
- 13 kV Transmission Line in the Wood River Valley ("Petition").
- 14 Q. Have you prepared any exhibits?
- 15 A. Yes. This testimony includes the following:
- 16 Exhibit 1 Transmission Line Route "Placemat" from Blaine
- 17 County Planning & Zoning Proceedings, Exhibit 2 Final
- 18 Conditional Use Permit (March 15, 2021), Exhibit 3 Owl
- 19 Rock Road Route, and Exhibit 4 2019 CPCN Route Cost
- 20 Estimate.

#### 21 I. LOCAL PERMITTING EFFORTS

- Q. What is the purpose of the proposed new
- 23 Transmission Line?
- 24 A. The proposed Transmission Line will provide
- 25 redundant service from the Wood River substation near

- 1 Hailey to the Ketchum substation, located within the Sun
- 2 Valley city limits.
- 3 Currently, the north portion of Blaine County
- 4 ("North County"), including the cities of Ketchum and Sun
- 5 Valley, is served by a single power source: Idaho Power's
- 6 Wood River-Elkhorn-Ketchum 138 kV transmission line
- 7 ("Existing Transmission Line"). The proposed Transmission
- 8 Line would add a second power source to the North County,
- 9 thereby providing fully redundant electrical service to the
- 10 area. Without the new Transmission Line, an extended power
- 11 outage on the Exiting Transmission Line could have a
- 12 devastating impact on the North County, particularly during
- 13 extreme weather conditions, potentially jeopardizing
- 14 essential services and public safety. In addition to its
- 15 reliability benefits, the Transmission Line would also
- 16 allow Idaho Power to de-energize the Existing Transmission
- 17 Line in order to make necessary repairs and upgrades to
- 18 that line safely and efficiently.
- 19 Q. Please detail the history of local permitting
- 20 activities related to the Transmission Line.
- 21 A. Over the past 14 years, Idaho Power has
- 22 carried out extensive public involvement and local
- 23 permitting efforts related to the Transmission Line
- 24 project. The Company's efforts to construct the
- 25 Transmission Line began in 2007 with the formation of a

- 1 Community Advisory Committee ("CAC"), which developed the
- 2 Wood River Electrical Plan ("WREP") a comprehensive plan
- 3 for future transmission facilities in the WRV. The WREP
- 4 emphasized the need for a second transmission source to the
- 5 North Valley, which would be fulfilled by the Transmission
- 6 Line.
- 7 Following Idaho Power's WREP process, the Company,
- 8 on April 23, 2014, filed for a Conditional Use Permit
- 9 ("CUP") for the Transmission Line with the Blaine County
- 10 Planning and Zoning Commission ("P&Z Commission"). The
- 11 initial P&Z proceedings focused on potential alternate
- 12 backup power sources (discussed below), with participation
- 13 by several groups including the Wood River Renewable Energy
- 14 Working Group and the Ketchum Energy Advisory Committee.
- 15 This CUP application was ultimately denied, but Idaho Power
- 16 filed an amended CUP application for the Transmission Line
- 17 with the P&Z on September 9, 2016.
- As outlined in that application, the Transmission
- 19 Line would run overhead from the Wood River Substation to
- 20 Buttercup Road, where it would continue overhead north
- 21 along Buttercup Road and Highway 75 to a point where the
- 22 Transmission Line would transition underground at either
- 23 Elkhorn Road (Option 1) or the southern end of Hospital
- 24 Drive (Option 2). The additional Transmission Line
- 25 undergrounding between Elkhorn Road and South Hospital

- 1 Drive under Option 2 would be paid for by a Local
- 2 Improvement District ("LID") or other financing options.
- 3 The P&Z Commission held public hearings on Idaho
- 4 Power's CUP application on October 13, November 10, and
- 5 December 1, 2016, and on January 5, 2017, and also held a
- 6 public workshop on the Transmission Line project on October
- 7 20, 2016. During these public hearings, the P&Z Commission
- 8 requested that Idaho Power divide the Transmission Line
- 9 south of Elkhorn Road into five segments, for a more in-
- 10 depth analysis of the routing and undergrounding options
- 11 within each segment, including undergrounding costs.
- 12 Q. What was the result of this CUP application?
- 13 A. The P&Z Commission issued its Findings of
- 14 Fact, Conclusions of Law, and Decision on Idaho Power's CUP
- 15 application on March 1, 2017, denying the application by a
- 16 4-1 vote.
- 17 The P&Z Commission based its denial on two primary
- 18 concerns: (1) the installation of taller poles along
- 19 Buttercup Road and Highway 75, where the Transmission Line
- 20 would be combined with the existing distribution line, and
- 21 (2) the installation of the overhead Transmission Line
- 22 between St. Luke's Hospital and Elkhorn Road, where there
- 23 is currently no overhead primary distribution line.
- The Decision from the P&Z on March 1, 2017, states:
- 25 "Even where a distribution line exists today, a new

- 1 transmission line [would] be higher and wider than the
- 2 existing distribution line. A new transmission line will be
- 3 higher up to 15 feet and about six inches wider. See the
- 4 Plan & Profile Drawings in the application materials. Based
- 5 on a great deal of written and verbal public comments,
- 6 changes of this nature are substantial enough to impact the
- 7 open, relatively rural character and the property values
- 8 from Buttercup at West Meadow to the hospital. Where an
- 9 existing distribution line does not exist along Hospital
- 10 Dr. and then along either the highway or the bike path to
- 11 the north from there, a new transmission line will not be
- 12 harmonious and appropriate in appearance with the existing
- 13 or intended character of this area. A new transmission line
- 14 would convert this from a riparian area north and south of
- 15 the river to more of an industrial-like area."
- 16 Q. Please explain what occurred after the P&Z
- 17 Commission's denial of the CUP.
- 18 A. Idaho Power appealed the P&Z Decision to the
- 19 County Board and, at an appeal hearing on August 1, 2017,
- 20 the County Board denied Idaho Power's appeal by a 2-1 vote,
- 21 as set forth in its Decision and Order dated September 12,
- 22 2017. In that Order, the County Board agreed with the P&Z
- 23 Commission's concerns regarding the visual impact of the
- 24 Transmission Line and referenced Idaho Power's application
- 25 to the IPUC requesting authorization for the Transmission

- 1 Line:
- 2 "The Board is cognizant of parallel proceedings
- 3 before the Idaho Public Utilities Commission (PUC) on the
- 4 question of whether a redundant transmission line is needed
- 5 in this area. Assuming that the PUC determines that a
- 6 redundant transmission line is needed to serve northern
- 7 Blaine County, IPC could obtain conditional approval from
- 8 the County by relocating and/or reducing the visual impact
- 9 of the transmission line, especially within the Highway 75
- 10 corridor."
- 11 Q. What was occurring at the IPUC during this time?
- 12 A. As referenced above, the CPCN case at the IPUC
- 13 was filed in 2016 and active during the above P&Z
- 14 proceedings. On September 15, 2017, the IPUC issued its
- 15 final order granting the CPCN.
- 16 O. Please describe the recent permitting activities
- 17 related to the Transmission Line.
- A. On November 20, 2017, Idaho Power filed a new CUP
- 19 application with the P&Z Commission to construct the
- 20 Transmission Line as authorized pursuant to the IPUC's
- 21 CPCN. Idaho Power's P&Z application was based on the route
- 22 outlined in the CPCN ("CPCN Route"), and Idaho Power also
- 23 worked with the P&Z Commission to identify: (1) any desired
- 24 "micro-siting" adjustments for the overhead Transmission
- 25 Line within the CPCN Route, and (2) any additional burials

- 1 of the Transmission Line within the CPCN Route, which would
- 2 be funded by Blaine County.
- 3 Idaho Power conducted extensive engagement with the
- 4 P&Z Commission in connection with its November 2017 CUP
- 5 application. The Company presented its CUP application
- 6 materials in a joint workshop with the P&Z Commission and
- 7 the County Board on February 8, 2018. The Company also
- 8 participated in two joint mediation sessions with the P&Z
- 9 Commission and County Board on June 11 and September 6,
- 10 2018. The P&Z Commission also held a lengthy public
- 11 hearing process for Idaho Power's CUP application, with
- 12 meetings held on November 13, 15, and 27 and December 6,
- 13 2018.
- During the P&Z Commission's public meetings, Idaho
- 15 Power and the P&Z Commission presented an extensive
- 16 analysis of micro-siting options and potential additional
- 17 burials of the Transmission Line, based on the five
- 18 Transmission Line segments previously identified by the P&Z
- 19 Commission. Specifically, Idaho Power provided plan and
- 20 profile drawings showing the proposed pole locations for
- 21 each of the approximately 180 poles for the CPCN route.
- 22 Idaho Power and the P&Z Commission reviewed each pole
- 23 location and made micro-siting adjustments for a number of
- 24 pole locations along the length of the Transmission Line

- 1 route. Idaho Power also provided a "placemat" drawing of
- 2 the CPCN Route, showing the estimated cost of burying the
- 3 new Transmission Line and existing distribution line in
- 4 each of the five Transmission Line segments reviewed by the
- 5 P&Z Commission. The Transmission Line Route "Placemat"
- 6 from Blaine County Planning & Zoning Proceedings can be
- 7 found in Exhibit 1.
- 8 Based on its extensive review of the Transmission
- 9 Line with Idaho Power, the P&Z Commission approved Idaho
- 10 Power's CUP application for the Transmission Line by
- 11 Findings of Fact, Conclusions of Law, and Decision dated
- 12 January 15, 2019. The P&Z Commission Decision did not
- 13 approve a specific route for the Transmission Line.
- 14 Instead, it provided a prioritized series of seven
- 15 underground options for the Transmission Line and existing
- 16 distribution lines for the County Board to consider. The
- 17 P&Z deferred to the County Board for this selection process
- 18 because only the County Board could commit Blaine County to
- 19 fund the various Transmission Line burial options.
- Q. Was this decision appealed. What was the
- 21 result of the appeal?
- 22 A. Several parties appealed the P&Z
- 23 Commission's January 15, 2019, Decision approving the
- 24 Transmission Line CUP to the County Board. The County
- 25 Board issued its Decision on Appeal on June 4, 2019, which

- 1 affirmed the P&Z Commission's CUP grant, with the condition
- 2 that "the entire transmission line be undergrounded from
- 3 the Wood River Substation north to the City of Ketchum."
- 4 However, the Decision on Appeal also recognized that it
- 5 could be difficult to secure the required funding to bury
- 6 the entire Transmission Line and left open the possible
- 7 consideration of an overhead line configuration if funding
- 8 options were not viable.
- 9 Q. What occurred after the Decision on Appeal?
- 10 A. As described in the current Petition, the
- 11 County Board explored several funding options, but
- 12 determined that it had no realistic option for funding the
- 13 full burial of the Transmission Line. The County Board
- 14 then held public stakeholder meetings on September 3, 10,
- 15 and 21, 2020, to explore alternate burial options for the
- 16 Transmission Line. Idaho Power participated in each
- 17 stakeholder meeting and provided engineering and financial
- 18 information for the Transmission Line to assist with Blaine
- 19 County's review. The County Board reviewed several partial
- 20 underground options for the Transmission Line, including
- 21 the underground options listed in the P&Z Commission's
- 22 Decision approving the Transmission Line CUP on January 15,
- 23 2019.
- Drawing on the alternate configurations developed by
- 25 the P&Z Commission, the County Board expressed interest in

- 1 a partial undergrounding option that would: 1) bury the
- 2 Transmission Line an additional 1.1 miles south from
- 3 Elkhorn Road to South Hospital Drive, and 2) bury the
- 4 existing distribution line for approximately 8 miles along
- 5 the planned Transmission Line route along Buttercup Road
- 6 and Highway 75 ("Distribution Line"). Idaho Power's cost
- 7 estimate for this option is approximately \$8.4 million:
- 8 \$2.7 million for the Transmission Line burial and \$5.7
- 9 million for the Distribution Line burial.
- 10 As described in the Direct Testimony of Timothy
- 11 Tatum, the County Board inquired about potential funding by
- 12 Blaine County customers through franchise fees or a
- 13 surcharge on Idaho Power's customer bills. After Idaho
- 14 Power indicated that a surcharge was feasible, the Company
- 15 developed a flat charge for different customer classes to
- 16 cover the additional cost of undergrounding the
- 17 Transmission Line and Distribution Line.
- 18 The County Board conducted a non-scientific public
- 19 survey of Blaine County residents in November 2020 to
- 20 determine public support for Transmission Line burial
- 21 options and individual cost assessments. The survey showed
- 22 support for the \$8.4 million undergrounding proposal funded
- 23 by estimated fixed monthly charges, with 57 percent of
- 24 respondents strongly supporting or somewhat supporting this

- 1 option, compared with 31 percent strongly opposing or
- 2 somewhat opposing the option.
- 3 While the County Board continued to review
- 4 undergrounding options for the Transmission Line project in
- 5 the fall of 2020, as well as potential alternative energy
- 6 sources for Blaine County, Idaho Power advised the County
- 7 Board in October 2020 that, after further analysis, the
- 8 Company would be able to extend the Transmission Line
- 9 burial farther south a distance of 1.4 miles (an additional
- 10 0.3 miles from the prior option) from Elkhorn Road to near
- 11 Owl Rock Road, under Idaho Power's same estimated fixed
- 12 surcharge assessment per customer over an approximately 20-
- 13 year period.
- 14 The total estimated incremental cost of this "Owl Rock
- 15 Road Route" is \$9.8 million, based on the \$5.7 million
- 16 Distribution Line burial estimate, and a \$4.1 million
- 17 Transmission Line burial estimate to Owl Rock Road.
- 18 Q. Did Idaho Power explore alternatives for the
- 19 Transmission Line?
- 20 A. Yes. In addition to conducting the
- 21 transmission evaluation through the WREP planning process,
- 22 Idaho Power worked with the WREP CAC, the Wood River
- 23 Renewable Energy Working Group, and the Ketchum Energy
- 24 Advisory Committee to review other potential energy sources

- 1 to provide backup power for the North County. Based on
- 2 this review, Idaho Power produced a report entitled
- 3 Northern Wood River Valley-Local Backup Electrical Supply
- 4 Report in October 2015 ("Backup Power Report"). The report
- 5 was further updated in November 2016.
- 6 The U.S. Department of Energy's Idaho National
- 7 Laboratory (which has more than 1,000 megawatts of hybrid
- 8 power, solar, and wind energy systems deployed at
- 9 Department of Defense and industry/utility sites around the
- 10 world) provided independent technical review and feedback
- 11 for the Backup Power Report.
- 12 The Backup Power Report analyzed diesel generation,
- 13 natural gas generation, and solar generation as potential
- 14 backup power sources, after determining that wind
- 15 generation, geothermal generation, and biomass generation
- 16 were not viable alternatives for the WRV.
- 17 The installation costs and the annual maintenance
- 18 costs, respectively, for the three backup energy sources
- 19 analyzed in the Backup Power Report would be significantly
- 20 higher than the installation and maintenance costs for the
- 21 Transmission Line. The alternative backup power cost
- 22 comparisons to the estimated \$30 million Transmission Line
- 23 are as follows: Diesel Engine (\$57 million total
- 24 installation cost/\$1 million annual operations &

- 1 maintenance), Gas Turbine (\$101 million/\$0.455 million) and
- 2 PV plus Battery Storage (\$924 million/\$3.45 million).
- 3 Q. Did Idaho Power revisit the costs used in the
- 4 Backup Power Report to determine if alternatives were
- 5 viable?
- A. Yes. Idaho Power reviewed the Backup Report and
- 7 determined that, while the cost of alternative energy
- 8 technologies has gone down since the Backup Report was
- 9 developed, the outcome remains the same the Transmission
- 10 Line remains is by far the most cost-effective solution to
- 11 provide the North County with reliable electric service.
- 12 Q. Please describe the most recent permitting
- 13 activities related to the reconfiguration of the
- 14 Transmission Line to consider partial undergrounding.
- 15 A. On December 22, 2020, Idaho Power filed an
- 16 application to the County Board for CUP approval of the Owl
- 17 Rock Road Route funded by the surcharge. The County Board
- 18 held public hearings on Idaho Power's application on
- 19 January 12 and February 9, 2021.
- The County Board approved Idaho Power's application at
- 21 the February 9, 2021, public hearing, finalized the
- 22 Conditions of Approval at its March 9, 2021, meeting, and
- 23 issued its Findings of Fact, Conclusions of Law and
- 24 Decision on March 15, 2021 ("Final CUP").

- 1 Under the Final CUP, the Blaine County Commission
- 2 modified the "all underground" condition for the
- 3 Transmission Line included in the County Board's initial
- 4 June 4, 2019, CUP grant, replacing that condition with the
- 5 partial underground condition set forth in the Final CUP
- 6 for the Owl Rock Road Route. Exhibit 2 is a copy of the
- 7 Final CUP. 1

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#### II. CHANGES TO TRANSMISSION LINE ROUTE CONFIGURATION

- 10 Q. Please describe the Transmission Line
- 11 configuration approved by the IPUC in the CPCN.
- 12 A. In its CPCN, the IPUC approved the Company's
- 13 preferred route for the Transmission Line. Under the CPCN
- 14 Route, the Transmission Line would be located overhead from
- 15 the Wood River Substation to Buttercup Road and continue
- 16 overhead north along Buttercup Road and Highway 75 to
- 17 Elkhorn Road, where the Transmission Line would transition
- 18 underground for approximately two miles to the Elkhorn
- 19 Substation. Along Buttercup Road and Highway 75, the
- 20 overhead Transmission Line would be combined with the
- 21 existing distribution line in an "underbuilt" configuration
- 22 that is, built directly below the above-ground

On April 9, 2021, a group of Blaine County residents filed a Petition for Judicial Review in Blaine County District Court of the March 15, 2021, Final CUP.

- 1 transmission line on the same poles.
- 2 Q. What is the estimated cost of the Transmission
- 3 Line as configured in the CPCN?
- 4 A. Idaho Power's cost estimate for the CPCN Route
- 5 Transmission Line was \$30 million in the 2016-2017
- 6 Commission CPCN proceedings. The Company prepared an
- 7 updated \$35 million cost estimate for the CPCN Route in
- 8 2019, working with its engineering consultant, Power
- 9 Engineers of Hailey, one of the leading underground
- 10 transmission engineering firms in the United States.
- 11 Exhibit 4 is the updated CPCN Route cost estimate from
- 12 2019.
- 13 The updated CPCN Route cost estimate includes a
- 14 number of micro-siting adjustments for Transmission Line
- 15 pole locations (as requested by the P&Z Commission) and
- 16 several Idaho Power electrical system upgrades that could
- 17 be more efficiently and economically installed as part of
- 18 the overall Transmission Line project (such as installing a
- 19 new ring bus at the Wood River Substation to enhance local
- 20 switching capacity).
- 21 Idaho Power plans to prepare a final cost estimate of
- 22 the CPCN Route with Power Engineers when the Transmission
- 23 Line construction is ready to begin on the Owl Rock Road
- 24 Route. This timing will allow Idaho Power to utilize the
- 25 most current cost information available for both overhead

- 1 and underground transmission construction from the pre-
- 2 construction pricing for the Owl Rock Road Route.
- 3 Q. Please describe the requested changes to the
- 4 approved CPCN Route configuration.
- 5 A. The Company and the County Board have agreed
- 6 to modifications to the CPCN Route that would extend the
- 7 Transmission Line burial further south a distance of 1.4
- 8 miles, from Elkhorn Road to near Owl Rock Road. In
- 9 addition, rather than placing the existing distribution
- 10 lines along Buttercup Road and Highway 75 as under-build on
- 11 the new overhead Transmission Line structures, the existing
- 12 distribution lines along this approximately 7.5-mile
- 13 distance would be buried under the proposed Owl Rock Road
- 14 Route.
- These changes will both reduce the height of the
- 16 transmission poles and reduce the number of lines in the
- 17 air (the Transmission Line will have three energized wires
- 18 while the existing distribution line has between three and
- 19 six energized wires and one neutral wire). The proposed Owl
- 20 Rock Road Route is Exhibit 3.
- 21 O. How much do these modifications add to the
- 22 cost of the project?
- 23 A. The total estimated incremental cost of this
- 24 Owl Rock Road Route is \$9.8 million, based on a \$5.7
- 25 million Distribution Line burial estimate, plus a \$4.1

- 1 million Transmission Line burial estimate from Elkhorn Road
- 2 to Owl Rock Road, bringing the total current estimate of
- 3 the Owl Rock Road Route to approximately \$45 million.
- 4 Q. How were the estimated costs to underground
- 5 the Transmission Line determined?
- A. At the request of the P&Z Commission, Idaho
- 7 Power identified five segments along the route of the
- 8 Transmission Line and provided separate incremental cost
- 9 estimates for each segment for burying the Transmission
- 10 Line and also burying the existing distribution line in
- 11 those segments where the distribution line is present. The
- 12 P&Z Commission requested these "segment-by-segment" cost
- 13 estimates to evaluate which segments might be worth burying
- 14 with County funding. The burial costs were estimated as
- 15 "incremental costs" over the cost of overhead construction
- 16 for the Transmission Line.
- 17 Q. Has the County Board agreed to this revised
- 18 route?
- 19 A. Yes. As described above in detail, on December
- 20 22, 2020, Idaho Power filed an application to the County
- 21 Board for CUP approval of the Owl Rock Road Route funded by
- 22 a Blaine County customer surcharge. The County Board
- 23 approved Idaho Power's application at the February 9, 2021,
- 24 public hearing, finalized the Conditions of Approval at its
- 25 March 9, 2021, meeting, and issued its Findings of Fact,

- 1 Conclusions of Law and Decision on March 15, 2021 ("Final
- 2 CUP").
- 3 Under the Final CUP, the County Board modified the
- 4 "all underground" condition for the Transmission Line
- 5 included in the County Board's initial June 4, 2019, CUP
- 6 grant, replacing that condition with the partial
- 7 underground condition set forth in the Final CUP for the
- 8 Owl Rock Road Route.
- 9 Q. Who is responsible for the additional costs of
- 10 the Owl Rock Road route?
- 11 A. The additional incremental cost of the Owl
- 12 Rock Road Route (specifically, the cost of burying the
- 13 approximately 8 miles of existing distribution lines, as
- 14 well as the additional 1.4 miles of underground
- 15 transmission) are to be funded by Blaine County customers.
- 16 Because Idaho Power will manage the Transmission
- 17 Line project on a total project basis, the Company will
- 18 calculate the actual cost of the additional Owl Rock Road
- 19 Route burials as the difference between (1) the total
- 20 estimated project cost of the CPCN Route and (2) the total
- 21 actual project cost of the Owl Rock Road Route. This
- 22 difference in cost will represent the incremental amount of
- 23 the Owl Rock Road Route to be financed through the
- 24 surcharge mechanism as described in Mr. Tatum's testimony.
- 25 O. Please summarize your testimony.

1	A. In my testimony, I provide a detailed account
2	of the permitting activities for the Transmission Line and
3	describe the proposed changes to the CPCN-approved routing
4	of the Transmission Line that result in the Owl Rock Road
5	Route to which the Company and the Blaine County Commission
6	have agreed.
7	Q. Does this conclude your testimony?
8	A. Yes.
9	
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#### 1 ATTESTATION OF TESTIMONY 2 3 STATE OF IDAHO ) 4 ) ss. 5 County of Ada ) 7 I, Ryan N. Adelman, having been duly sworn to testify truthfully, and based upon my personal knowledge, 8 9 state the following: I am employed by Idaho Power Company as a Vice 10 President of Power Supply and am competent to be a witness 11 12 in this proceeding. 13 I declare under penalty of perjury of the laws of the state of Idaho that the foregoing pre-filed testimony 14 15 and exhibits are true and correct to the best of my 16 information and belief. DATED this 4th day of August 2021. 17 18 19 20 Adelman 21 22 SUBSCRIBED AND SWORN to before me this 4th day of 23 24 August 2021. 25 26 CHRISTY LYN DAVENPORT 27 Notary Public - State of Idaho 28 Commission Number 52970 Notary Public for Commission Expires Sep 10, 2026 Residing at: Boise, Idaho 29 My commission expires: 09/10/2026 30

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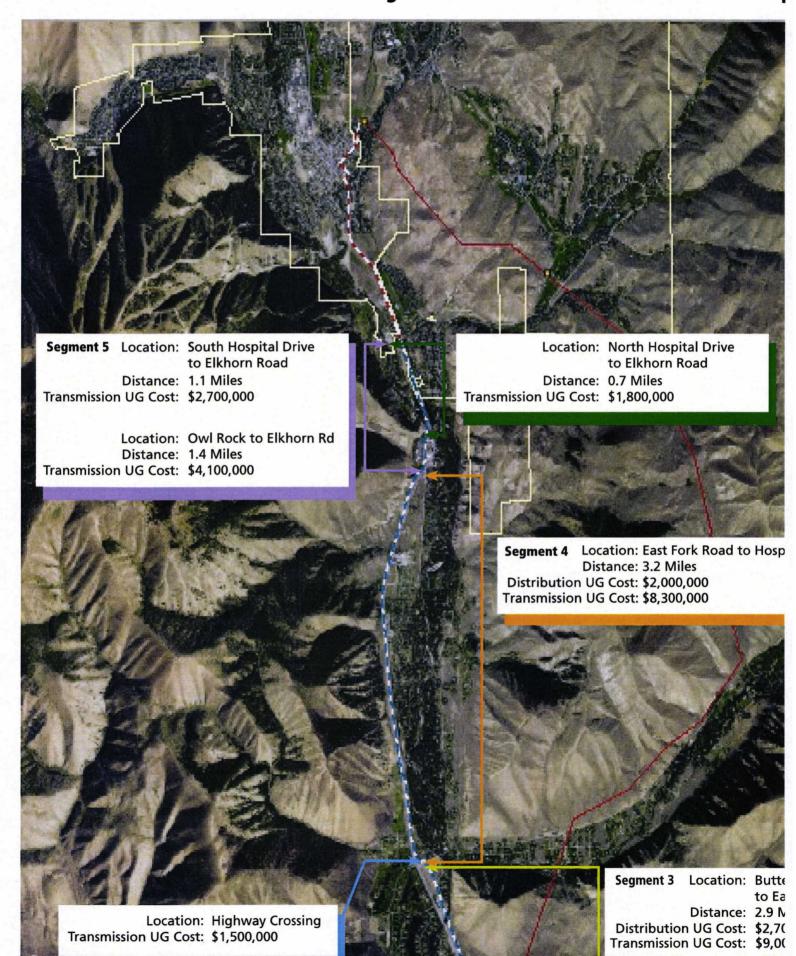
# BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION CASE NO. IPC-E-21-25

**IDAHO POWER COMPANY** 

## ADELMAN, DI TESTIMONY

**EXHIBIT 1** 

## North Valley Redundant Line Pro



# BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION CASE NO. IPC-E-21-25

**IDAHO POWER COMPANY** 

## ADELMAN, DI TESTIMONY

**EXHIBIT 2** 

### ORIGINAL

#### **BLAINE COUNTY BOARD OF COMMISSIONERS**

Public Hearing Date: January 12, 2021 & February 9, 2021

Regarding the application of: Idaho Power Company for a Conditional Use Permit (CUP) to place a 138-kV redundant transmission line from the Wood River Substation just north of Hailey to the Ketchum Substation on Sun Valley Rd. within the City of Sun Valley.

Findings of Fact, Conclusions of Law and Decision

Requested Action: Public hearing and consideration of an application by Idaho Power Co. for a Public Utility Facility Conditional Use Permit to construct, maintain, and operate a 138-kV, overhead and underground, redundant transmission line from the Wood River Substation north of Hailey east to Buttercup Rd. then along the west side of Buttercup Rd. to Highway 75 and then north along the highway until it enters the City of Ketchum at the Elkhorn Rd. light. In order to maintain the existing power pole heights, the applicant is proposing to bury the existing distribution lines and building the transmission line overhead to a proposed underground transition structure to be located near Owl Rock Road, where the line will continue underground to Elkhorn Rd. The transmission line runs through rural Blaine County Zoning Districts of Light Industrial (LI), Low Density Residential (R-1), Planned Residential Development (R-2), Residential/Agricultural (R-5), Medium Density Residential (R-.4) and Recreation Development (RD) before entering the Cities of Ketchum and Sun Valley.

**Representative**: Patrick Harrington, Corporate Secretary Tom Barber, Project Manager

**Applicable Regulations:** Blaine County Zoning Ordinance Title 9, including Chapters: 7, 9, 10, 11, 13, 15, 25; Title 8, Blaine County Comprehensive Plan.

#### I. Application, Notice, Exhibits & General Facts

#### 1. Application:

A request to modify a condition of an approved conditional use permit was received by the Administrator on December 23, 2020.

- 2. Notice: Public notice for this application was as follows:
  - A. Legal notice was published in the Idaho Mountain Express on December 23, 2020 & January 20, 2021
  - B. Notice was mailed on December 21, 2020 & January 19, 2021 to Political Subdivisions including the municipalities.
  - C. Notice was mailed on December 30, 2020 to surrounding landowners within 300' of the exterior boundaries of the proposed transmission line and applicable public water systems.
  - D. On-site notice was posted on Idaho Power's Wood River Substation driveway at its intersection with SH 75, Buttercup Rd. and the SH 75 intersection, and Elkhorn Rd- SH 75 intersection on December 22, 2020 & February 2, 2021 at least 7 days prior to the hearing.

January, St.

- E. Application materials on the Blaine County webpage December 23, 2020.
- F. A Display Ad was published on January 6, 2021 & January 21, 2021
- G. Public Water System Notification was mailed December 30, 2020 & January 20, 2021

▶ <u>Motion</u>: Upon motion by Commissioner Fosbury, second by Commissioner McCleary, and by a vote of 3 to 0, the Commission found notice to be in compliance with applicable regulations §9-25-4 of the Zoning Ordinance.

3. Any disclosures (i.e. conflicts of interest, site visits or ex parte communications)?

The Land Use and Building Services Director attended and participated in most of the Citizens Advisory Committee (CAC) meetings. This role was *ex officio* and not as a voting (to the extent that votes were taken), citizen participant. Commissioners all received public comments directly by way of email which were forwarded to the Land Use Department and made part of the public record. Ex parte communication by Kiki Tidwell in the form of public comment received by the Board in the morning sessions on March 2 & 9, 2021 in the Board of Commissioners weekly public hearing.

#### 4. Background:

- September 2015: Idaho Power Company files a Conditional Use Permit (CUP) Application for a 138kV Redundant Transmission line
- March 2, 2017: CUP Application denied by Planning and Zoning Commission
- September 12, 2017: Board of County Commissioners affirms the Planning and Zoning Decision
- September 15, 2017: Public Utilities Commission Order Number 33872 grants Idaho Power Co. a Certificate of Public Convenience & Necessity ("CPCN")
- November 17, 2017: Idaho Power files an CUP application for the 138kV Transmission Line
- February 8, 2018: Idaho Power presented CUP application materials in a joint workshop with Planning and Zoning and the Board of County Commissioners
- June 11, 2018 and September 24, 2018: Idaho Power collaborated in two joint mediation sessions with Planning and Zoning and the Board of County Commissioners
- November 13, 15, 27 & December 6, 2018: Planning and Zoning public hearings on CUP
- January 15, 2020: Planning and Zoning Findings of Fact, Conclusions of Law and Decision signed approving the CUP with various decision options, contingent on county funding sources.
- May 6, 2019: Appeal hearing
- June 6, 2019: Board of County Commission decision on appeal
- February 18, 2020 County hires consultants to look at finance options
- September 3, 10, 21, 2020: Blaine County holds stakeholder meetings
- November 2020: Idaho Power proposes a fixed flat fee surcharge to underground existing distribution and portions of the overhead redundant 138kV transmission line. Deadline of December 15.
- November 20-23, 2020: 300 person Blaine County survey to better understand public opinions on funding choices

#### Summary:

The applicant requested a modification of the condition of approval within the June 4, 2019 Decision by the Board of Commissioners. Specifically, to address this portion of the Board's decision which states:

While imposing such a condition (complete transmission line underground) will require difficult discussions on the funding alternatives, the Board believes that these funding discussions should be fully exhausted before any consideration of an overhead transmission line in this area. Depending upon the results of these funding processes, further consideration and deliberation may be necessary to "continue to work together on these issues, as there may still be opportunities to find areas of common interest and common ground." Accordingly, the Board affirms the Commission's decision with the modification that it require as a condition of approval that the entire transmission line be undergrounded from the Wood River Substation north to the City of Ketchum.

The applicants requested the County Board of Commissioners modify its "all underground" condition to a "partial underground" condition based on the proposed Owl Rock Route. The proposal is to underground the 8 miles of existing distribution line running from east of the Wood River Substation along Buttercup Rd. north and the redundant transmission line from Owl Rock Road (See Exhibit B Pole #165) to the underground conduit located near the Elkhorn Road intersection. This would place the redundant 138kV power line, above ground from the Wood River Substation to Owl Rock Road at similar heights to existing distribution poles. This would require a flat fee surcharge option to all Blaine County customers over an approximate 20 year period. (Exhibit A-1)

**5. Exhibits:** The following Exhibits are attached hereto as referenced. All application documents were received at the Blaine County Planning office on December 23, 2020 unless otherwise noted.

#### "A" Exhibits- Application:

- A-1 Cover Letter
- A-2 Exhibit A: Design Map Owl Rock Route
- A-3 Exhibit B: Plan And Profile Drawings Owl Rock Route
- A-4 Exhibit C: Structural Drawings Owl Rock Route
- A-5 Exhibit D: Structure Photos Owl Rock Route
- A-6 Surrounding Landowner List, 12/30/2020

#### "B" Exhibits-Background Documents

- B-1: Blaine County Board of County Commissioners Decision on Appeal, June 2019
- B-2: Blaine County Planning and Zoning Findings of Fact, January 2019
- B-3: Idaho Public Utility Commission's CPCN Order No. 33872

#### "C" Exhibits-Additional Documents

- C-1: Condition #14 Comment Idaho Power 1-5-2021
- C-2: Communication cable summary 1-5-2021
- C-3: Transmission line underground transition structure example
- C-4: Idaho Power Funding Proposal 1-5-2021
- C-5: Brad Mullins Comments on Exhibit C-4 1-6-2021
- C-6: Plan and Profile Drawings with Communication 1-6-2021

#### "D" Exhibits: Public Comment- received as of February 8, 2021

- D-1 Cox Communications Comments 1.7.21
- D-2 Ed Lawson letter to Blaine County 11.18.18
- D-3 Jini Griffith recd 1.11.2021
- D-4 Margaret Bishop recd 1.11.2021
- D-5 Elise Lufkin recd 1.11.2021
- D-6 Mark Vegwert recd 1.11.2021
- D-7 Shawnna Schmidt recd 1.11.2021
- D-8 John Milner -Kim Taylor recd 1.11.2021
- D-9 Gina Parsons Lagergren recd 1.11.2021
- D-10 Ken Lagergren recd 1.11.2021
- D-11 Cindy Mann recd 1.12.2021
- D-12 Steve Shafran recd 1.12.2021
- D-13 Matt Youdall and Melody Lilesrecd1.12.2021
- D-14 Collett Pruitt recd 1.12.2021
- D-15 Kiki Tidwell recd 1.13.21
- D-16 Kiki Tidwell response to Commissioner Greenberg recd 1.13.21
- D-17 Jim Speck for Michael Engl recd 1.19.2021
- D-18 Perry Boyle recd 1.25.2021
- D-19 Fritz Haemmerle recd 1.27.2021
- D-20 Dorothy Schinella recd 2.1.21
- D-21 Dr. Kathleen Baltz recd 2.8.2021
- D-22 Beth Chiodo recd 2.8.2021
- D-23 Emily Knowles recd 2.8.2021
- D-24 Kiki Tidwell recd 2.8.2021
- D-25 Kiki Tidwell email thread and findings-recd 2.8.2021
- D-26 Michelle Pabarcius recd 2.8.2021
- D-27 Allison Goodwin recd 2.8.2021
- D-28 Nancy Fenn recd 2.8.2021
- D-29 Maria Muir recd 2.8.2021
- D-30 Cam and Margie Cooper recd 2.8.2021
- D-31 Curt Cod Mays recd 2.8.2021
- D-32 Cam and Margie Cooper recd 2.8.2021
- D-33 Cindy Mann recd 2.8.2021
- D-34 Julie Boraks, Pharm D. recd 2.8.2021
- D-35 Timmie Ryerson recd 2.8.2021
- D-36 Cody Boeger recd 2.8.2021
- D-37 Jill Payette recd 2.8.2021
- D-38 Bill Boeger recd 2.8.2021
- D-39 Reed Boeger recd 2.8.2021
- D-40 Linda Pertel recd 2.8.2021
- D-41 Juanita Young recd 2.8.2021

#### II. STANDARDS OF EVALUATION

The applicant requested the Board of County Commissioners modify its "all underground" condition to a "partial underground" condition based on the Owl Rock Route proposal within the updated C.U.P. application.

At the outset, the Board interprets its Code and the June 6, 2019, Decision as authorizing its consideration of this rehearing. While the ability to impose and rehear conditions is ordinarily a matter for Planning and Zoning Commission review, the undergrounding condition placed upon the permit here was imposed by the Board as part of its authority to modify the Commission's decision on appeal. See BCC § 9-32-4(E). As such, the Board believes that it has the discretion to rehear this matter as it was the decision-making body that placed the undergrounding condition upon IPC's conditional use permit. See BCC § 9-32-4(A)(2). Furthermore, the Board's June 6, 2019, Decision clearly contemplated that further proceedings would be necessary if the Board was unable to secure funding for undergrounding the entire line.

The standards of evaluation have been previously reviewed. Please see the following exhibits which review these standards:

- B-1: Blaine County Board of County Commissioners Decision on Appeal, June 2019
- B-2: Blaine County Planning and Zoning Findings of Fact, January 2019

The Board of County Commission reviewed these four (4) standards that could not be met with the previous CUP Application with both transmission and distribution lines built above ground.

- (1) Blaine County Code Section 9-25-3(A)(2) (compliance with the general and/or specific objectives of the comprehensive plan);
- (2) Blaine County Code Section 9-25-3(A)(3) (will be harmonious and appropriate with character of the general vicinity);
- (3) Blaine County Code Section 9-25-3(A)(4) (will not be hazardous or disturbing to existing or future neighboring uses);
- (4) Blaine County Code Section 9-25-3(A)(9) (will not result in the destruction, loss or damage of a natural, scenic or historic feature of major importance).

The modification of the "all-underground" condition to a "partial-undergrounding" of the transmission line starting at Owl Rock Rd combined with the burying of the distribution lines from the Wood River Substation to immediately north of the Cold Springs Mobile Home Park (Formerly named the Gypsy Trailer Park) does enable the Board compliance with these standards of evaluation.

#### II. 9-25-3: CONDTIONAL USE PERMIT STANDARDS FOR EVALUATION:

A. Review: The commission or the board (or hearing examiner) shall review the particular facts and circumstances of each proposed conditional use in the terms of the following standards and shall find adequate evidence showing that such use at the proposed location:

- 1. Will, in fact, constitute a conditional use as established for the zoning district involved;
- ▶ Findings: Complies. The use is a permanent 'public utility facility'. The project traverses land zoned Light Industrial (LI), R-1, R-2, R-5, R-.4 and RD before entering the jurisdictions of the cities of Ketchum and Sun Valley. Public utility facilities are allowed by the issuance of a Conditional Use Permit for all of the aforementioned zoning districts.
  - 9-2-1: DEFINITIONS OF WORDS AND TERMS: . . .

PUBLIC UTILITY AND PUBLIC SERVICE FACILITIES: Structures essential to furnishing the public with electric power two hundred thirty (230) kilovolts or less, gas, water supply, water treatment, and public services, including power plants or substations, water treatment plants or pumping stations, fire stations, police stations or snow storage locations. . . .

2. Will be harmonious with and in accordance with the general objectives or with any specific objective of the comprehensive plan and/or this title;

The applicant refers to Section 13 of the Comprehensive Plan; *Public Services, Facilities, and Utilities.*More specifically the Introduction, Purpose, and Utilities sections that state:

#### Introduction

This section is a guide for decision making for public services, facilities and utilities in Blaine County. Predictions of continued population growth make planning for future utilities and public service facilities essential. Blaine County is a resort community and the north portion of the county experiences seasonal fluctuations in population as high as three times its permanent population. Utilities and public facilities must have the ability to accommodate such fluctuations. Blaine County will have a greater opportunity to effectively serve the future needs of its permanent and visitor population with careful planning.

#### **Purpose**

The purpose of the Public Services, Facilities, and Utilities section is to identify the county's facilities and utilities, as set forth in Idaho Code 67-6508 (f), and provide an inventory of previous and existing conditions, discuss areas of service and methods of operation, estimate projected future needs, and provide recommendations for desirable goals and objectives based on this information.

#### **Utilities**

Public Utilities include basic services which provide for the energy, communication, water delivery and public waste removal needs of the county. These facilities include public and investor owned and/or private utilities. Public utilities are regulated by state and federal commissions.

Sections of the Comprehensive Plan specifically addressing electric power:

#### Electric Power

Idaho Power serves Blaine County with two (2) 138,000-volt transmission lines. Both transmission lines terminate at the Wood River Substation, two (2) miles north of Hailey. One 138,000-volt transmission line from Wood River to Ketchum serves the northern areas of the county.

In order to provide reliable service and meet projected population and load growth, Idaho Power planning includes:

**1.** A second 138,000-volt transmission line from the Wood River substation (just north of Hailey) to Ketchum.

Chapter 13; Conclusions and Recommendation section states:

#### **Electrical Power**

- **2.** All transmission and distribution wire service in the Scenic Corridors of State Highway 75, Federal Highway 93, and Federal Highway 20 should be undergrounded. Existing overhead transmission lines should be placed underground as technology and funding become available. New distribution installations should be all undergrounded. In rural areas where undergrounding covers long distances and would require a disproportionate expense, provision should be made for relief from this requirement for single-family residences.
- **3.** Blaine County should explore various funding options, i.e., user fees, local improvement districts, or bonding, to accomplish the Comprehensive Plan goals for undergrounding electric service when those goals differ from filed Idaho Public Utilities Commission tariffs. In any event, the county should explore the possibility of undergrounding all wire in the Scenic Highway Corridors in conjunction with future highway improvements.

Chapter 6; Aesthetic Values section states:

Utility lines are also a negative visual intrusion. Blaine County shall adopt a policy of requiring the undergrounding of all utility lines wherever possible. In the Scenic Corridors, this shall be of the highest priority.

The location and alignment of roadways can preserve or enhance specific scenic qualities, which should be considered in future alignment planning. Location of necessary, but often unsightly, public utilities should be placed out of the view corridors whenever possible. Cost alone shall not be the deciding factor for such relocation.

Chapter 5; Natural Environment section of the 2018 adopted Comprehensive plan also states the importance of *Vistas and Scenic Integrity*. Reiterating the importance Blaine County places on the Scenic Highway Overlay District to preserve the landscape and mountain views along Highway 75. The comprehensive plan indicates that planning of the 138k transmission line has been in discussion for 24 years. It also clearly states that the preferred method for all utilities is to underground them wherever possible and to reduce visual impacts along the Scenic Highway Overlay District. Section 13 of the Comprehensive Plan also recognizes that: *Idaho Power Company operates under a* 

Certificate of Public Convenience and Necessity granted by the Idaho Public Utilities Commission, and is subject to the General Rules, regulations, and Rates approved by the Commission.

- Findings: Complies with conditions. The Board's preferred option is to underground the entire transmission line to best meet both the objectives of the Comprehensive Plan and the P.U.C. Order 3382. The undergrounding of the entire 138kv Transmission Line proved to be cost prohibitive and would therefore cause a significant burden to county residents. However, the Board finds that the modified conditions of approval bring it into compliance with the conditional use permit standards of evaluation and in accordance with the comprehensive plan. The modified conditions meet the comprehensive plan Aesthetic Values within the Scenic Corridor by keeping the height of the new poles similar to the height of the distribution poles along this route today while reducing the number of powerlines from at least 6 to 3. In addition, new poles would not be erected where they do not exist today along Hospital Drive and the bike path north to Elkhorn Rd. While cost was prohibitive for the all underground condition, the partial undergrounding condition is in accordance with the desired outcome of reducing the impact on scenic values and cost to county residents. Based on the conditions attached to this decision and positive conclusions on the other criteria, the Board finds that this application complies with the general goals and objectives of the Comprehensive Plan. The partial undergrounding condition balances the feasibility of fully undergrounding against the reduction of visual impact as stated in the comprehensive plan.
- 3. Will be designed, constructed, operated and maintained to be harmonious and appropriate in appearance with the existing or intended character of the general vicinity and that such use will not change the essential character of the same area. All outdoor lighting shall comply with chapter 29A of this title;

#### ► Findings: Complies with conditions

The "general vicinity" of this project is Highway 75 which is designated by Blaine County and the State of Idaho as a Scenic Highway. Title 2 in the Blaine County Code defines the Scenic Corridor as; An area of significant scenic importance to Blaine County as a representation of the rural character and general attractive beauty of the County. Scenic corridor 1 (SC1) includes the area on both sides of State Highway 75 north of the east to west Glendale Road intersection that is visible from said State Highway 75. The designated scenic travelway contained within SC1 is State Highway 75, carrying the largest volume of commuter, recreational, and tourism traffic in Blaine County.

Currently Idaho Power has distribution lines on much of the proposed route. The modified condition will bury the distribution line and replace the existing above ground distribution poles and lines with the 138k transmission line. The transmission line will then be undergrounded from Owl Rock Road north to the Ketchum Substation. This modified condition will eliminate the concerns of the 8'7"-14' taller poles since they will be similar to the existing heights. In addition, the above-ground transmission line will have 3 lines and a leased communication line reducing the number of lines currently visible today. (See Exhibits A-2-A-5). With the proposed "micro-siting" of the line primarily from East Fork Rd. north, this status quo option will improve background mountain views over what they are today, views that are recognized and appreciated by the State and Blaine County.

4. Will not be hazardous or disturbing to existing or future neighboring uses;

#### ► Findings: Complies with conditions

Based on the conditions attached to this decision, the Board finds that this application complies with this criteria. The modified conditions and micro siting mitigate the disturbance to existing and future neighboring uses by keeping pole heights similar to existing distribution poles and by eliminating the need for new infrastructure where it does not currently exist.

The need for a redundant line and the route generally were set by Public Utilities Commission Order 33872. The transmission line will comply with all National Electrical Safety Code standards and is consistent with Idaho Power transmission line installations throughout the company's service area subject to the continuing oversight of the Public Utilities Commission. Idaho Power modeled the EMF levels for the transmission line and determined that the EMF levels will be significantly lower than the EMF standards established by the International Commission on Non-lonizing Radiation Protection. The applicant has stated (Exhibit B-1) that the proposed powerlines will a have a lower risk than the current distribution line. The conditions also address setting the poles back to ITD safety standards where currently some of the poles north of Owl Rock Rd are set too close to Highway 75 creating vehicle safety concerns.

- 5. Will be served adequately by essential public facilities and services such as highways, streets, police and fire protection, drainage structures, refuse disposal, water and sewer and schools; or that the persons or agencies responsible for the establishment of the proposed use shall be able to provide adequately any such services;
- ▶ Findings: Complies. The transmission line would be adequately served by public facilities. The transmission line would be easily accessible by Idaho Power from existing roads, improving Idaho Power's ability to repair the transmission line efficiently in order to minimize the scope and duration of outages. By contrast, access to Idaho Power's existing transmission line over rugged terrain would be far more difficult and could significantly delay outage restoration work. The proposed route is adjacent to roadways and therefore accessible for maintenance and emergency services.
- 6. Will not create excessive additional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the community;

#### ► Findings: Complies

The undergrounding components of this application will be paid for through a surcharge by Idaho Power Company customers at no public expenditure. There will be no public funding spent toward the undergrounding of the existing distribution or redundant 138kV transmission line. Public funding may be considered to offset the burden to Idaho Power Company customers and indigent residents needing financial assistance. (See Condition 17).

- 7. Will not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to any persons, property or the general welfare by reason of excessive production of traffic, noise, smoke, fumes, glare, dust, odors, vibration, water pollution or safety hazards. Water pollution includes impact to surface and ground water and potable water sources. When the proposed use involves a potential contaminant source or potential contaminant as set forth in appendix A of this title, on file in the county, and is located within a wellhead protection area, the commission shall consider the impact of the project on potable water sources and determine whether there is sufficient information in the record to demonstrate that the project has been designed to mitigate adverse impact to potable water source(s);
- ▶ Findings: Complies with conditions. There will be no smoke, fumes, glare or odor. Under typical operating conditions, a 138-kV transmission line should not emit excessive noise. The transmission lines do emit some noise which can vary depending on weather conditions and quality of the lines. It is not likely to be considered "excessive" unless a person is in the immediately vicinity of the line during those conditions.

There will be no traffic generated once the transmission line is constructed. There will be a temporary increase in traffic diversions and lane restrictions, particularly during construction of the underground portion of the transmission line. Idaho Power will coordinate with Blaine County, Ketchum, Sun Valley, and Idaho Transportation Department (ITD) to develop traffic control plans while crews work along roads.

The project will be designed, constructed and operated under National Electric Safety Code (NESC) requirements and restrictions.

Many segments of this project are within wellhead protection areas. The poles will be metal and thus will not require a wood preservative. Any "underground" river crossing would hang from existing conduit on the new bridge if feasible from a safety and engineering standpoint (Condition #5).

It would benefit the homeowners in Northridge Subdivision to have the powerlines moved further from their backyards on the northern edge of the powerline easement. (Condition # 20) This will reduce safety, noise, and aesthetic concerns. In addition, this would make Idaho Power's maintenance and repair of the line easier and help avoid fences, trees and irrigation systems when constructing a new line.

Based on the conditions attached to this decision, the Commission finds that this application complies with this criteria.

- 8. Will have vehicular approaches to the property which shall be designed as not to create an interference with traffic on surrounding public thoroughfares;
  - ▶ Findings: Complies. The transmission line poles will be in locations that will not interfere with traffic flows or driver views. No specific vehicular approaches to these public facilities are proposed or considered necessary. The location of a construction stage area or the volume of traffic to operate and maintain this line is unknown.

9. Will not result in the destruction, loss or damage of a natural, scenic or historic feature of major importance; and

Findings: Complies with conditions Based on the conditions attached to this decision, the Board finds that this application will not result in the loss of an existing natural or scenic feature of major importance. Along this stretch of Highway 75, scenic features of major importance do exist as recognized by the State of Idaho and Blaine County. This new line will not degrade these features further than the existing line does.

- 10. If the applicant or landowner with respect to an application for a conditional use permit under this chapter is, the commission or the board, in addition to all other applicable standards and criteria hereunder, shall take into account the plans and needs of the state, or any agency, board, department, institution or district thereof, as required by Idaho Code section 67-6528.
- ▶ Findings: N/A This criteria is not applicable. Idaho Power Co. is not the State of Idaho, or any agency, board, department, institution, or district of the state. The Public Utility Commission (P.U.C.) is a "board" which stated in its order: "That redundancy is needed to provide adequate and reliable service to the north valley...and thus grant the company's (Idaho Power's) required CPCN (Certificate of Public Convenience and Necessity) authorizing construction of a second transmission line." (Page 15 of Order # 33872)

#### **III. Decision Options and Possible Conditions**

▶ <u>Motion</u>: Having considered the evidence in the record, upon motion by Commissioner Greenberg, seconded by Commissioner McCleary, and by vote of 3 to 0, the Board hereby approves the requested modification to the Conditional Use Permit granted to Idaho Power Company to build a redundant transmission line; specifically, to approve IPC's request to modify the undergrounding condition imposed in the BCC's June 4, 2019 appeal decision to permit partial undergrounding of the transmission line north of Owl Rock Road, as well as the undergrounding of existing distribution lines from east of the Wood River Substation along Buttercup Rd. to the existing undergrounding location north of the Cold Springs Mobile Home Park (formerly known as the Gypsy Trailer Park) as presented by the applicant and discussed at this public hearing, subject to the following conditions:

#### **Conditions of Approval**

- 1. Idaho Power Company shall underground the estimated 8 miles of Idaho Power's existing distribution lines from the Buttercup Rd./Meadow Dr. intersection east of the Wood River Substation to a point North of the Cold Springs Mobile Home Park.
- 2. Underground the redundant 138kV transmission line an estimated 1.4 miles starting at Owl Rock Road and continuing to the Elkhorn Rd. intersection, where the transmission line will continue underground into the City of Ketchum.

- 3. The above ground transmission line shall be built as depicted in Exhibit C-6: Plan & Profile Drawings with Communication 12.21.2020, recognizing minor construction adjustments may be needed based on rock and soil conditions and above ground obstacles.
- 4. Obtain all necessary easements for 138kV transmission line above and below ground and distribution undergrounding. Idaho Power will work with property owners to try to secure satisfactory easements to locate the Transmission Line within the "Stock Drive" strip located west of Highway 75, for portions of the Transmission Line (approximately 2.5 miles) to be located along the west side of Highway 75. Idaho Power will also work with Blaine County staff to explore opportunities for locating the Transmission Line in the Stock Drive. If Idaho Power and Blaine County determine in good faith that satisfactory easements are not available for the Stock Drive (at minimal cost other than potentially reimbursing landowners for their out-of-pocket costs for granting the easements), then Idaho Power will have the option of locating the Transmission Line within the west side of the Highway 75 right-of-way, similar to the location of the current Idaho Power distribution line but setback to ITD safety standards.
- 5. Additional micro-siting shall occur for the above ground transmission as follows:
  - a. At Pole # 89 and 90 where the distribution line crosses the Big Wood River, the applicant shall run its conduit on the existing bridge instead of boring under the river, if feasible from a safety and engineering standpoint.
  - b. Pole #90-96 adjacent to Audubon Place, shall be micro-located (i.e., moving a pole location to the extent possible) to reduce visibility from driveways (Pole #92) and maximizing the screening provided by the established conifers but not to a location that would compromise the integrity of the bike path.
  - c. Poles #99 thru #106 shall align with the bike path, more or less, as shown on *Exhibit B* but far enough from the path that it does not compromise the structural integrity of the bike path pavement or create a safety hazard.
- 6. Shall install the "H" type underground transition structure (or structure less conspicuous) at the Owl Rock Road Transition location. Install plantings including conifers to grow at an adequate height and width to screen the underground transition structure(s) from Highway 75. Design plan shall be submitted to the Land Use Department and approved by the Board of Commissioners. The Idaho Power structure wall shall be located west of Highway 75 and adhere to ITD Safety standards in regards to setback.
- 7. Noxious weed mitigation and re-seeding of native seed mix shall occur in all disturbed areas. Areas of disturbance shall be monitored by Idaho Power on an annual basis for five years to ensure the establishment of desirable vegetation and the abatement of noxious weeds.
- 8. A financial security in the amount of 30% of the estimated cost of the revegetation approved by the Administrator shall be collected and held for up to five (5) growing seasons to ensure at least 80% establishment of the plants as determined by the Administrator.
- 9. Applicant shall comply with all applicable zoning, building, fire and health district regulations.

- 10. Night time work shall be minimized to the extent possible.
- 11. The applicant shall notify Cox Communications and other lessees of work plans and schedules.
- 12. Poles shall be of corten steel material.
- 13. A notice shall be sent out by Idaho Power to landowners within 300' of the new transmission line prior to and about the commencement of construction.
- 14. Proof of cost shall be submitted to the Blaine County Land Use Department when project is completed.
- 15. Any modifications to the plans or approved uses shall require further zoning review, and may be subject to additional regulations pursuant to the Blaine County Zoning Ordinance.
- 16. Idaho Power Company shall address the need for a clause in any financing order by the Idaho Public Utilities Commission to allow for prepayment of any Blaine County only project costs or surcharges towards the additional costs of the modified project, as well as a procedure for doing so.
- 17. Idaho Power Company shall address with the P.U.C. the need to provide indigent residents with financial assistance to meet the additional cost of the surcharge.
- 18. Cox Communication shall have access to lease for a single communications wire only on the above ground transmission line, including raising up to 19 poles to match heights and locations described in Exhibit C2.
- 19. Wireless communication additions are not permitted by this CUP approval. A separate permit shall be obtained for these facilities.
- 20. Transmission Poles #6-9 shall be located to the northern edge of the Idaho Power Easement to alleviate proximity to the adjacent residences.

Idaho Code §67-6535(c) Notice: The owner of the property subject to this application and decision may request a regulatory taking analysis pursuant to I.C. 67-8003.

Idaho Power Company, Patrick Harrington PO BOX 70, Boise, Idaho 83707

Land Use Staff

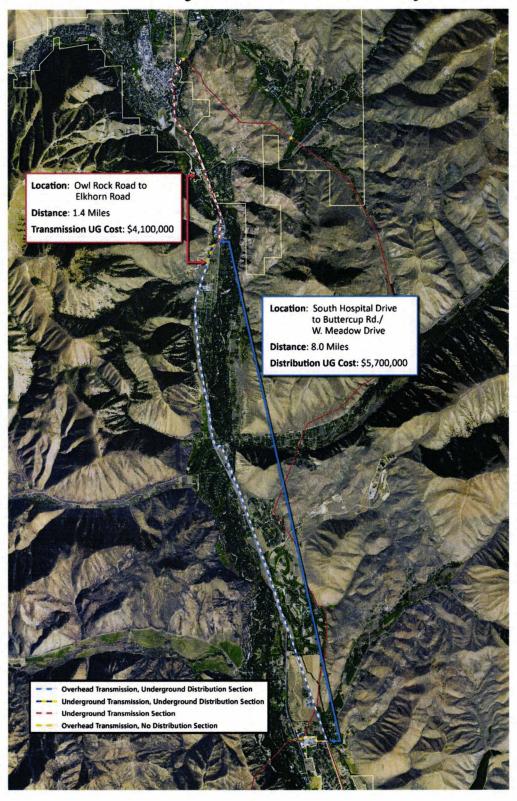
# BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION CASE NO. IPC-E-21-25

**IDAHO POWER COMPANY** 

### ADELMAN, DI TESTIMONY

**EXHIBIT 3** 

## Owl Rock Road Route North Valley Redundant Line Project



# BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION CASE NO. IPC-E-21-25

**IDAHO POWER COMPANY** 

### ADELMAN, DI TESTIMONY

**EXHIBIT 4** 

#### Revised cost estimate August 15, 2019

	Overhead Transmission			
	Wood River Sub to Elkhorn Rd,			
Description	Description Underground to Ketchum			
Overhead 138-kV (w/ Engineering)		\$	3,969,048	
Uncrossing T Line @ Wood River Sub		\$	300,000	
Distribution Underbuild		\$ \$ \$	1,345,517	
Underground 138kV (w/engineering)		\$	9,156,175	
Wood River 138-kV Line Terminal			996,616	
Communications		\$	1,133,000	
138-kV Line Switches		\$	680,701	
138-kV Line Terminals		\$	1,956,069	
IPC Management / Inspection		\$	400,000	
Surveying	19	\$ \$ \$ \$	200,000	
Sub-Total 1		\$	20,137,126	
Contingency	30%	\$	6,041,138	
Overheads*	15%	\$	3,020,569	
Expenses to date (w/OH)		\$	2,230,286	
Sub-Total 2		\$	31,429,119	
AFUDC*	8%	\$	2,514,329	
Significant Possible Conceptual Variances:				
Right-Of-Way / Easements		\$	935,000	
Underground Bore		\$	200,000	
Total Over/Underground Transmission Option:		\$	35,078,448	

#### Notes:

All costs are preliminary and subject to change.

Costs are based on conceptual design level estimates and may increase or decrease as the design is developed.

Costs include contingency, current overheads, and estimated AFUDC.

Overheads and AFUDC are subject to change based on current / future rates.