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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER COMPANY'S PETITION FOR APPROVAL OF A CUSTOMER SURCHARGE AND MODIFIED LINE ROUTE CONFIGURATION FOR CONSTRUCTION OF A NEW 138 kV TRANSMISSION LINE IN THE WOOD RIVER VALLEY

Case No. IPC-E-21-25

COMMENTS ON CASE

Kiki Leslie A. Tidwell, Intervenor, hereby files comments on Case IPC-E-21-25 pursuant to Rules of Procedure 71 through 75 of the Idaho Public Utilities Commission, ID APA 31.01.01.071-.075 as follows:

1. The name and address of this Intervenor is:

Kiki Leslie A. Tidwell 704 N. River St. #1 Hailey, ID 83333 (208)578-7769 ktinsv@cox.net

2. While Idaho Power ignores that there is an appeal ongoing at the Idaho Supreme Court on the legality of the Blaine County Commissioners' actions on this transmission line, the company is requesting that all Idahoans pay for undergrounding transmission lines in the city of Ketchum for approximately \$14 million, as well as undergrounding from the County hospital area to Ketchum for another couple \$ million. Yet in the same case it contends that only Blaine

County residents must pay for undergrounding distribution lines between Hailey and the hospital. How can Idaho Power possibly make the two arguments in the same case? The Idaho PUC's staff Michael Morrison, in his May 5 2017 testimony, wrote that the undergrounding in Ketchum is primarily for aesthetic reasons. A strong case has not been made that all Idahoans should pay for this non-essential undergrounding of transmission lines in the City of Ketchum. Idaho Power has vaguely referred to power poles in Ketchum creating traffic hazards or the cost of securing new easements. However, just as between Hailey and Ketchum, Idaho Power already has distribution lines in Ketchum on which it could mount transmission lines through existing easements on stacked configurations like it designed between Hailey and the hospital.

- 3. In contrast, Idaho Power has clearly taken the stance that the tariff to Blaine County residents to underground distribution lines between Hailey and the hospital is non-essential to electrical service through their attorney Donovan Walker's letter to Blaine County, "This 3 percent threshold is consistent with the current 3 percent cap on franchise fee collection by city. If implemented, many city residents within Blaine County (Bellevue, Hailey, Ketchum, and Sun Valley) would pay a total of 6 percent of their Idaho Power bills toward costs not required for the provision of safe, reliable electric service."
- 4. All Idaho ratepayers are being asked not only to pay for approximately \$17 million of undergrounding costs, but an additional \$13-\$20 million for a second transmission line between Hailey and Ketchum. This project was started initially approximately 15 years ago to repair the existing transmission line. Now the project does not even contain the costs of repairing the initial line. A lot of testimony by Idaho Power has been on the need to create redundancy, but if the first line is still in such dire danger of failure, how has true redundancy been achieved? Michael Morrison, in his May 5 2017 direct testimony in case IPC-E-16-28, stated that "Full

redundancy comes at a high cost because it requires the Company to fully duplicate the existing transmission line... it would only have provided a very small benefit for its \$30 million cost." Idaho Power has not made the financial case that all Idaho ratepayers should pay for a second transmission line to Ketchum; it would be much less expensive to run a temporary line and repair the first one.

- 5. Meanwhile over the last 15 years, energy storage costs have come down exponentially and many, many communities in other states are finding that it is cheaper to install "non-wires" solutions of backup generators and batteries at all substations close to loads than to install transmission lines. In the largest power outage of Blaine County Christmas eve 2009, no power reached the Hailey Wood River substation, so no power could be transmitted north, no matter how many transmission lines there are. Idaho Power is incorrect in stating that a transmission line is a source of power; it is only conduit for power transmission and does not produce power in and of itself. In fact, and although it is late to the table, Idaho Power now has a plan to install megawatts of battery installations at sub-stations in Idaho in its latest IRP preferred plan. If there is such a dire situation that the original transmission line is in danger of failure, Idaho Power should begin to immediately install some of these MWs of batteries in all the substations north of the hospital.
- 6. Idaho Power's IPC-E-21-25 request is a regressive tariff request; the smallest ratepayers in the most modest of homes in Blaine County will be paying proportionally more of their income towards this tariff for the next 20 years. What will a homeowner in Carey, Idaho get for this undergrounding of distribution lines between Hailey and Ketchum and the undergrounding of transmission lines in Ketchum? Certainly not improved electrical security for themselves.

7. Maybe it is difficult for Idaho Power to relate to homeowners who struggle with financial insecurity as they seem to compensate themselves well. IdaCorp's chairman Richard J. Dahl resides in Hawaii and received \$308,976 in board director compensation in 2020. The nine directors of IdaCorp, Inc. each earned from \$183,655 to \$269,363 total compensation in 2019. Darrel Anderson received significant compensation for many years as CEO, up to \$8,271,701 million in total compensation as CEO in 2019. Anderson did well for himself over the years, increasing his salary to these astronomical heights. Darrel Anderson's total annual compensation without change in Pension Value doubled in the 6 years from 2014 to 2020. His total annual compensation with Pension Value was noted in the 2012 proxy as \$1,836,644 and in 2019 had grown to \$8,271,701. In contrast, CEO LaMont Keen's 2011 base salary was \$634,423 and "Mr. Anderson's November 2011 promotion"..." resulting in a significant increase in the market median base salary from \$383,000 in 2011 (for his prior position) to \$505,000 in 2012." The amount paid to CEO Darrel Anderson from 2014 through 2020 was \$33,600,330. According to IdaCorp. Inc's Proxy Statements 2011-2020, Darrel Anderson earned the following amounts of total compensation once he became CEO in 2014 through in June 2020, when he stepped down from the CEO position, but remained on the Board of Directors:

Without change in Pension Value	<u>Total</u>
2020, half year \$3,704,448	\$6,318,342
2019, \$4,733,097	\$8,271,701
2018, \$4,474,464	\$5,376,529
2017, \$3,933,876	\$6,695,596
2016, \$3,548,020	\$5,594,126
2015, \$2,476,533	\$3,617,649

- 8. In IdaCorp., Inc.'s 2021 Proxy Statement¹, the Company noted that the Quarterly Dividend has increased 137% since 2011. It seems that the Idaho PUC's Stipulation No. 30978 and rate case settlement of 2011 have enriched Idaho Power and IdaCorp., Inc. coffers, and in particular, the compensation of senior management, board directors, and most egregiously, Darrel Anderson, in the years since.
- 9. Due to the federal Covid economic relief legislation, federal funds have been distributed to the states, and Idaho's Governor has since provided tax relief to many Idaho ratepayers. Is this a windfall to Idaho Power? Anderson's 2011 testimony discussed a prior repairs allowance tax benefit which occurred in 2010 and its positive effect on their ROE. Could not a similar situation be ongoing now with tax relief in the state of Idaho? The Company should disclose how such beneficial tax relief may be increasing their ROE higher than the authorized ROE of 10.5%.
- 10. A federal infrastructure bill has been passed with federal funds for transmission and other infrastructure projects. Why should the most financially struggling ratepayer in Idaho pay for a gold-plated transmission line project in Blaine County just so that Idaho Power can earn an increased ROE of 10.5% on this project cost? Why should the most financially struggling Bellevue ratepayer also pay the extra egregious ~10% interest rate charged by Idaho Power to Blaine County residents for undergrounding distribution lines between Hailey and the hospital?
- 11. There are numerous studies on the benefits to the grid and to all ratepayers when onsite generation and micro-grids can reduce load at peak power demands. As Idaho Power conducts its 2021 Integrated Resource Planning process, additional generation resources are

¹ https://s26.q4cdn.com/720254477/files/doc_financials/annual/2020/prxy2021.pdf

being explored to be built to cover increased peak loads. 900 MWs of generation has been identified to be built. All Idaho ratepayers benefit when Idaho Power is knowledgeable up to 2021 levels of information about the benefits of microgrids and battery storage which reduce the need to build additional peaker plants. The company should be required to research and provide such studies.

- 12. Idaho Power did not do an adequate exploration of non-wires alternatives, the price of which has declined exponentially in the last ten years, and which are being installed in lieu of transmission in many states and countries today. Microgrids, batteries, backup diesel generators, and other distributed generation close to loads provide larger resilience to communities than overhead wires vulnerable to fire or ice storms. IPCo's plan has the second proposed transmission line located within yards of the first on Buttercup Road; if a fire or ice storm impacts the original line, there is the strong probability that it will impact the second line as well.
- 13. I was an Intervenor in IPC-E-16-28. In documents provided to me as an Intervenor, Idaho Power provided internal meeting minutes which detailed how IPCo carefully selected CAC members to ensure "the committee's support of our desired outcomes." As well Idaho Power gave the CAC only selected materials and guided the CAC to only proposals that were in boundaries that IPCo had determined, "the committee will know right off the bat if we weren't willing to accept their proposals." Idaho Power stacked the deck of their hand-selected Citizens Advisory Committee in order to achieve a financial outcome for themselves, a 10.5% percent return on project costs of \$30-\$35 million.
- 14. Idaho Power, as a for-profit corporation, benefits financially from this project at the expense of Idaho ratepayers. Idaho ratepayers would be better served by a cost effective project of distributed generation; batteries and generators at sub-stations which provide true resiliency

and more financial benefit to all Idaho ratepayers through microgrids which would alleviate the need for expensive and under-utilized peaker plants. Idaho ratepayers would benefit greatly by the Idaho PUC also undertaking a new base rate case in parallel at this time as it is long overdue and small ratepayers are subsidizing outsized salaries and profits at Idaho Power and IdaCorp.,

Inc.

15. The Idaho PUC may dimiss my pro-se comments as only annoying. Yet, I spoke up in 2008 when Idaho Power wanted to build a coal-fired power plant in Idaho. Due to my successful shareholder initiative alerting the company to the business risk of building this fossilfuel asset and requesting the company reduce carbon in its power production portfolio, the company pivoted away from coal. As a result, the company and ratepayers were not stuck with costs of stranded assets of coal plants in the new normal of climate change. Idaho Power has been attached to this new \$35 million transmission line, including ~\$17 million for undergrounding north of the hospital, for at least the past ten years as it sees the financial benefit to itself. However, the PUC may want truly represent the ratepayers of Idaho in denying this request that ratepayers pay for this gold-plated windfall for Idaho Power.

DATED this 14th day of December, 2021.

Leslie A. Tidwell

Pro Se

CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE I HEREBY CERTIFY that on the 14th of December 2021 I served a true and correct copy of IDAHO POWER COMPANY'S PETITION FOR APPROVAL OF A CUSTOMER SURCHARGE AND MODIFIED LINE ROUTE CONFIGURATION FOR CONSTRUCTION OF A NEW 138 kV TRANSMISSION LINE IN THE WOOD RIVER VALLEY upon the following named parties by the method indicated below, and addressed to the following:

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