

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	CASE NO. IPC-E-23-01
COMPANY’S APPLICATION FOR A)	
CERTIFICATE OF PUBLIC)	NOTICE OF APPLICATION
CONVENIENCE AND NECESSITY FOR THE)	
BOARDMAN TO HEMINGWAY 500-KV)	NOTICE OF INTERVENTION
TRANSMISSION LINE)	DEADLINE
)	
)	ORDER NO. 35674

On January 9, 2023, Idaho Power Company (“Company” or “Idaho Power”) applied to the Idaho Public Utilities Commission (“Commission”) requesting an order granting a Certificate of Public Convenience and Necessity (“CPCN”) for the purpose of constructing “a 300-mile long, overhead 500-kV high voltage line” (“Application”). Application at 1. In support of its Application, the Company filed the Direct Testimony of two employees. The Company asked for an order approving its Application by June 30, 2023.

With this Order, the Commission provides notice of the Company’s Application and sets a deadline for interested parties to intervene.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the line would be between the proposed Longhorn Substation near Boardman, Oregon, and the Hemingway Substation in southwest Idaho (“B2H line”). The Company asserted that the B2H line would be crucial to meet the Company’s capacity deficiency in 2026. The Company asserts that it must begin construction of the B2H line in the summer of 2023 to meet its obligation to reliably service customers and is necessary to provide adequate service to its customers in 2026 and thereafter.

YOU ARE FURTHER NOTIFIED that the Company stated that the B2H line has been identified as a cost-effective resource in the Company’s Integrated Resource Plans since 2009. The Company further stated that the B2H line is “the lowest-cost alternative to serve Idaho Power’s customers in Idaho and Oregon.” *Id.* at 4.

YOU ARE FURTHER NOTIFIED that the Company stated that the existing Boise to McNary line was insufficient to accommodate the expanded transmission that the Company expects. The Company stated that the B2H line would add needed capacity to the Idaho/Northwest

path. Specifically, the Company stated that the line would add “1,050 [(megawatts (“MW”))] of capacity in the west-to-east direction” and “1,000 MW of capacity in the east-to-west” direction. *Id.* at 7. The Company suggested that the B2H line would thus facilitate synergy between Bonneville Power Administration’s (“BPA(s)”) winter focused capacity needs and Idaho Power’s summer focused capacity needs. *Id.* at 12.

YOU ARE FURTHER NOTIFIED that the Company asserted that it conducted various forms of community outreach to inform—and seek feedback from—those who will be affected by the Company’s proposed project. The Company asserted that it collectively held dozens of various types of meetings, and that nearly 1,000 people attended them. The Company stated that this outreach helped inform the proposed B2H route.

YOU ARE FURTHER NOTIFIED that the Company asserted that the Bureau of Land Management (“BLM”) granted a right-of-way necessary to construct and maintain the B2H line on BLM land.

YOU ARE FURTHER NOTIFIED that the Company stated that its original ownership share was 21.21% of the B2H line; BPA’s original ownership share was 24.24%; and PacifiCorp’s original ownership share was 54.55%. Idaho Power represents that it and BPA have agreed that “Idaho Power will increase its B2H project ownership from 21.21[%] to 45.45[%] by acquiring BPA’s B2H project capacity.” *Id.* Idaho Power stated that in January of 2023 the parties “conclude[ed] negotiations on final agreements that memorialize and effectuate the changes in ownership.”¹ *Id.* Additionally, Idaho Power has entered into an agreement with PacifiCorp that there will be undivided ownership of certain assets on the B2H line.

YOU ARE FURTHER NOTIFIED that the Company estimated that its most cost-effective portfolio without the B2H line is still approximately \$266 million more expensive than the Company’s preferred portfolio (which includes the B2H line).

¹ Idaho Power and BPA have agreed that the parties will take the next steps in executing these agreements after BPA’s public outreach process is complete in approximately March of 2023. Idaho Power will compensate BPA for BPA’s permitting interest and the costs that BPA expended to get those permits; Idaho Power will also take on BPA’s obligation to fund 24.24% of the B2H line. Idaho Power will pay for the value of BPA’s permitting costs over time. After these agreements have been executed and BPA’s ownership interest has been acquired by Idaho Power, Idaho Power would then use the B2H line to provide transmission service to BPA’s customers. Direct Testimony of Jared L. Ellsworth, 8-15; *See* Application at 12-13.

YOU ARE FURTHER NOTIFIED that the Company asserted that it will pay for its share of the B2H line's cost through a "combination of available cash and operating cash flow, available facilities and borrowing and debt issuances, and potential future equity issuances." *Id.* at 16.

YOU ARE FURTHER NOTIFIED the Company requests that the Commission find that Idaho Power has met the requirements of *Idaho Code* § 61-526 and issue an order granting a CPCN to construct the B2H line to meet the identified capacity deficiency in 2026. The Company asserts it will make a future filing to address the cost recovery associated with the B2H line.

YOU ARE FURTHER NOTIFIED that the Company's Application and accompanying information are available for public inspection during regular business hours at the Commission's office. These documents are also available on the Commission's homepage at www.puc.idaho.gov. Click on the "ELECTRIC" tab in the left-hand column of the homepage, then select "Open Cases" and then locate and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted under the Commission's Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter to obtain parties' rights of participation must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and .073. **Persons who wish to intervene as a party must file a Petition to Intervene no later than 21 days after the date of service of this Order.** Such persons shall also provide the Commission Secretary with their email address to facilitate further communications. After the intervention deadline runs, the Commission Secretary shall issue a Notice of Parties that identifies the parties and assigns exhibit numbers to each party. Once the Notice of Parties has issued, Commission Staff shall informally confer with the Company and any intervening parties about how to further process this case and shall then report back to the Commission on a proposed case schedule.

YOU ARE FURTHER NOTIFIED that persons who would like to present their views without parties' rights of participation and cross-examination do not have to intervene but may present their views by submitting written comments to the Commission.

YOU ARE FURTHER NOTIFIED that the following persons are designated as the Company's representatives in this matter:

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ORDER


IT IS HEREBY ORDERED that persons desiring to intervene in this case for the purpose of obtaining parties' rights of participation must file a Petition to Intervene with the Commission, under Rules 72 and 73, IDAPA 31.01.01.72-73, no later than 21 days after the service date of this Order.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. See Rule 14.02. Service between parties should continue to be accomplished electronically when possible. However, voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 1st day of February 2023.



ERIC ANDERSON, PRESIDENT



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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