BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER COMPANY'S APPLICATION FOR A PRUDENCE DETERMINATION OF HELLS CANYON COMPLEX RELICENSING COSTS FROM JANUARY 1, 2016, THROUGH DECEMBER 31, 2025	)	**CASE NO. IPC-E-25-35** **ORDER NO. 37087**

On December 24, 2025, Idaho Power Company ("Company") applied to the Idaho Public Utilities Commission ("Commission") requesting an order designating approximately $315 million in expenditures for Hells Canyon Complex ("HCC") relicensing costs from January 1, 2016, through December 31, 2025, as prudently incurred ("Application").

On January 23, 2026, the Commission issued a Notice of Application and Notice of Intervention Deadline establishing a 21-day intervention period. Order No. 36913. The Commission granted intervention to the Industrial Customers of Idaho Power. Order No. 36924.

On March 5, 2026, the Commission issued a Notice of Modified Procedure establishing written comment deadlines. Order No. 36957. Commission Staff ("Staff") filed the only comments in the case.

Having reviewed the record in this case, we now issue this Final Order deeming all costs identified in the Company's Supplemental Application and Supplemental Exhibit No. 1 related to HCC relicensing from January 1, 2016, to December 31, 2025, prudently incurred for future ratemaking purposes.

THE APPLICATION

The Company must relicense the three HCC hydroelectric facilities, which collectively comprise approximately 24 percent of the Company's total generating capacity, through the Federal Energy Regulatory Commission ("FERC") to continue operating HCC. Application at 2. Because the Company's July 2003 application for a new long-term FERC license is still pending, the Company has been operating HCC under annual licenses since the expiration of its previous long-term license in July 2005. *Id.* The Company continues to work with stakeholders to address outstanding issues with the pending long-term license application and anticipates approval "no earlier than 2027." *Id.* at 3.

In 2018, the Commission approved a settlement stipulation regarding the prudency of the Company's HCC relicensing expenditures through December 31, 2015. Order No. 34031; Application at 3. The Company requested an order deeming approximately $305 million in HCC relicensing costs from January 1, 2016, through the third quarter of 2025 as prudently incurred—which would make the costs eligible for inclusion in customer rates in the future. Application at 1, 4. The Company's original Application included expenses through September 2025. *Id.* at 1–2. On February 26, 2026, the Company filed a supplemental application including additional costs incurred through December 31, 2025 ("Supplemental Application"), which raised its total HCC relicensing expenses to approximately $315 million. Supplemental Application at 1. The Company filed testimony and supporting documentation identifying HCC relicensing expenditures by project and by cost element along with the Application and Supplemental Application. Application at 2.

According to the Company, its relicensing efforts since 2015 have generally centered on meeting regulatory requirements necessary to obtain a new long-term license. *Id.* at 4. Specifically, the Company has focused primarily on (1) obtaining Idaho and Oregon Clean Water Act Section 401 certifications; (2) formally consulting with the United States Fish and Wildlife Service and the National Marine Fisheries Service under Section 7 of the Endangered Species Act; and (3) implementing conservation and research programs in support of FERC's review under the National Environmental Policy Act. *Id.*

STAFF COMMENTS

Following review of the Company's Application, Supplemental Application, responses to production requests, HCC relicensing public records, and relevant Commission orders, Staff recommended that the Commission find that all the Company's HCC relicensing costs from 2016 through 2025 were prudently incurred. Staff Comments at 2. Despite discovering negligible discrepancies while auditing the approximately 14,000 transactions comprising the Company's HCC relicensing expenses, overall Staff believed that the costs were reasonable, necessary, and consistent with the Company's HCC relicensing obligations. *Id.* at 2, 6–7.

In addition to FERC requirements, Staff noted that the Company had other HCC relicensing obligations under the Stipulation and Implementation Agreement for Hells Canyon Complex Hydroelectric Project and with the Idaho Administrative Procedures Act and the Oregon Administrative Rules. *Id.* Staff believed that the Company incurred costs associated with the preliminary investigations, design reviews, engineering studies, and testing phases needed to meet the Company's various HCC relicensing obligations. *Id.* at 2. Staff further believed that the Company's project approval processes and cost containment strategies "help ensure compliance with relicensing requirements while maintaining least-cost, least-risk procurement and execution practices." *Id.* at 6.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, 61-502, and 61-503. The Commission is vested with the power to "supervise and regulate every public utility in the state and to do all things necessary to carry out the spirit and intent of the [Public Utilities Law]." *Idaho Code* § 61-501. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and 61-503.

Having reviewed the record and all submitted comments, the Commission finds it fair, just, and reasonable to approve all costs identified in the Company's Supplemental Application and Supplemental Exhibit No. 1 related to HCC relicensing from January 1, 2016, through December 31, 2025, as prudently incurred for future ratemaking treatment. The Company has maintained extensive, substantially accurate records concerning its costs and has implemented sufficient cost containment measures for its HCC relicensing efforts.

ORDER

IT IS HEREBY ORDERED that all costs identified in the Company's Supplemental Application and Supplemental Exhibit No. 1 related to HCC relicensing from January 1, 2016, through December 31, 2025, are approved as prudently incurred for future ratemaking purposes.

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 7th 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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