



Case No. IPC-E-17-11

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PUC accepting comments on Idaho Power long-range plan, no comment deadline set

BOISE (Sept. 11, 2017) – Idaho Power Company has submitted its resource plan to state regulators outlining its approach to meet growing demand for energy over the 20-year planning period.

In addition to retiring two coal-fired plants and potentially curtailing generation at a third coal facility, the utility's Integrated Resource Plan (IRP) calls for the construction of a 300-megawatt natural gas facility in 2033, and completion of the Boardman to Hemingway (B2H) Transmission Line Project, which the utility expects to provide access to low-cost power on the wholesale electric market.

Regulated utilities are required to file an updated IRP with the Idaho Public Utilities Commission every two years.

An IRP is essentially a status report that outlines the company's ongoing plans for providing adequate and reliable electric service to its customers at the lowest cost and least risk for the next 20 years.

Inclusion of projects in the plan does not necessarily mean the projects will be built, only that they are included in the utility's current plan, which could change as circumstances warrant.

The Commission is accepting comments on Idaho Power's IRP. A deadline has not been set.

According to Idaho Power's 2017 IRP, the utility expects to add about 222,000 customers over the 20-year planning period. Load is projected to grow by 0.9 percent annually through 2036, when the utility expects to serve 756,000 customers.

The company said it analyzed a number of generation sources to meet the growing demand for energy even as it shuts two coal-fired plants (North Valmy's two units in 2019 and 2025, and Boardman in 2020), and considers the early retirement of Units 1 and 2 at Jim

Bridger. Combined, those facilities provide Idaho Power with more than 730 MW of generating capacity.

Keeping the two units open at Jim Bridger would require the company to make significant capital investments in order to bring the Wyoming plant into compliance with environmental regulations.

As a result, the preferred portfolio outlined in the IRP calls for the closure of the two units at Bridger, and for no significant generation resources to be added until the 2030s.

In lieu of additional generation in the near-term, Idaho Power plans to rely on programs intended to cut energy use among its customers and to take advantage of low-cost power available on the wholesale electric market.

The B2H project is expected to ease constraints on the company's transmission system, allowing it to accommodate energy purchased on the wholesale market when the demand for energy peaks or market prices are low. The 300-mile, 500-kilovolt transmission line is projected to be in service in 2024 at the earliest.

The IRP indicates that the utility expects to save on power purchases through participation in the western Energy Imbalance Market (EIM), which Idaho Power plans to join in April.

Formed in 2014, the EIM allows utilities to find and purchase the least-cost energy resources available.

"Since its inception the western EIM has resulted in significant cost savings for its participants and Idaho Power expects that its participation will similarly result in net power supply savings for its customers," Idaho Power said.

Purchased power comprises approximately 27 percent of the total energy that the utility provides to customers.

The balance of the power consumed by Idaho Power customers comes from company-owned generation sources – 39 percent from 17 hydropower facilities, 24 percent from three coal plants and 10 percent from three natural gas plants and a diesel facility.

The company's preferred portfolio calls for the addition of 36-MW reciprocating engine resources in 2031 and 2032, a 300-MW combined-cycle combustion turbine natural gas facility in 2033 and 54-MW reciprocating engine resources in 2035 and 2036.

Idaho Power indicates it will continue to explore options for additional generation, including solar photovoltaics, while monitoring emerging resources such as electromechanical storage that could become more cost-effective as the technology develops.

Comments on the plan can be sent via e-mail by accessing the commission's web site at www.puc.idaho.gov. Click on "Case Comment Form" under the "Consumers" heading, enter the case number (IPC-E-17-11) and enter your comments. Comments may also be mailed to P.O. Box 83720, Boise, ID, 83720-0074 or faxed to 208 334-3762.

The company's application, IRP and supporting documents are available on the commission's web site. To download them, click on "Open Cases" under the "Electric" heading and scroll down to the case number, IPC-E-17-11.