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IDAHO PUBLIC UTILITIES COMMISSION

PAC-E-08-03

August 31, 2008

Idaho Public Utilities Commission
PO Box 83272
Boise, ID 83720-0074

Dear Sirs;

This is a second letter regarding Rocky Mountain Power, the proposed Populus Transmission Hub Substation and the associated new transmission lines. After contacting local, state and federal elected or appointed officials, I have discovered that no one feels accountable or responsible for monitoring Rocky Mountain Power's actions. A brief summary is as follows:

1. Bannock County feels it can only affect projects by its zoning ordinances. Bannock County Planning and Zoning did specifically require that any future power generation projects must have a public hearing process prior to approval. However, the current projects, Populus and the transmission lines will be constructed based on existing zoning requirements. The Bannock County Commissioners have expressed an interest in establishing utility corridors using a model from Utah, but no other action has been taken on this issue.
2. Idaho State Representatives for our area have made some contacts with Rocky Mountain Power and seem satisfied that they are using appropriate methods. The other Representatives in the state have not replied to any correspondence. They also feel that the interstate nature of the projects preclude any significant state action. The fact that the main campaign contributor for most of these representatives is electrical utilities most certainly is a factor in this decision.
3. Governor Otter has not replied to the letter sent to him on April 15, 2008 and has taken no action regarding Idaho Public Utilities Commissioner Marsha Smith who is also co-chairman of the Western Tier Energy Group. The Western Tier Energy Group is a group of 5 major utilities that plans and sites transmission line projects in the Western States. Obviously, he does not feel that this constitutes a violation on the statutory ban of political activities by commissioners.
4. The Idaho Public Utilities Commission is only concerned about rates and need, not behavior or complaints regarding Rocky Mountain Power's conduct. They have limited comment to the topics of need, reliability and meeting customer demand, per Case No. PAC-E-08-03, Order No. 30597. They don't

have conduct requirements or seem to care about conduct for expansion or construction projects. And since one of the commissioners is the co-chairman of the group that planned this project, there won't be any opposition.

5. Senators Crapo and Craig do not feel that this is a federal issue. Both regional directors stated this when we met in July 2008 and there has been no additional communication from them.

I recognize the need for power grid stability and related construction projects, however there must be standards required of these huge interstate projects. The Energy Act of 2005 has opened the floodgates, and Idaho has not met the challenge. As private landowners, we should be able to expect basic communication and respect as these projects move forward. This is not the last large project on the immediate horizon and we need to make changes and corrections to legislation based on the experiences of landowners to ensure that the next set of affected landowners are treated better. Below is a list of areas that need to be addressed BY SOMEONE!

Public participation in the planning stage. As landowners, we were not aware of this project until survey markers appeared on our property in March 2008. The route was established at this point and there had been no public input on it at all. Rocky Mountain Power did hold a public meeting in January, but NO ONE in Downey knew about it. Rocky Mountain Power stated that the attendance was 5 people, and I have not been able to determine who they were. No one that I have spoken with knew about the meeting. We had a meeting in April, after we found out about the project that was attended by over sixty (60) people. There was obviously an interest and that meeting was advertised by flyers only. Rocky Mountain Power also put out a press release in May 2007 that was so generically worded that not one of our local media outlets knew that it affected our area, so they did not pick it up.

Mandatory landowner contact. Rocky Mountain Power did not make reasonable attempts to contact landowners. They blamed Bannock and Oneida Counties for the lack of communication stating that they used the addresses from county records to send letters. The basic flaw in this explanation is that our property tax bills arrive each year, yet we received no communication from Rocky Mountain Power regarding this project until AFTER they had started surveying. The Sunstone pipeline project has already begun contacting POSSIBLE affected landowners and they won't be surveying for at least 18 months. They made phone calls and went door to door to be sure that all landowners were aware of the project. This shows that timely landowner contact is possible.

Effective Public Meetings. We attended a public meeting in Malad in July. At that meeting Rocky Mountain Power had stations set up and people at the stations. They did not conduct it as a meeting, rather we each moved from station to station. The people at these stations were not able to answer specific questions regarding the project; they just read us the information off the boards. We deserve answers, or at least a place to contact to get specific answers. Our home is less than 800 feet from the 320 acre Populus substation and there will be at least 9 transmission lines going on both the east and west

side of our home. I have specific questions about this, our domestic well and the affects. I deserve specific answers that are backed by more than Rocky Mountain Power's word. Most of the landowners are farmers and some consideration of the affect on their fields should be mandatory. This affects not only the value of the land, but the ability to use it to make our living.

Power Company and Subcontractors standards of conduct. We have been ignored, lied to and trespassed on by Rocky Mountain Power. There is NO excuse for this kind of behavior. They are a for profit company that has the benefit of operating in a monopolistic environment with the benefits of eminent domain. They WILL get what they want, the route they want and the timeline they want, it should be mandatory that they treat landowners honestly and with respect. They should be financially punished for lack of communication, lying and trespassing. We told surveyors to leave several times and contact us BEFORE they went on our land. They finally admitted that Rocky Mountain Power told them to just go on the land and survey, don't worry about contacting the landowners.

Environmental Considerations. Private ground is targeted due to the requirements for environmental testing when public ground is used. However, the possible impacts both to wildlife and the environment are the same for both private and public ground. The 320 acres of the Populus substation will need to be clear of ALL vegetation and rodents. This will be achieved by frequent spraying of chemicals. We have a domestic well that will be affected by this as well as the contents of the transformers. Populus is also sited on the winter range for several hundred deer and the transmission lines will cross both deer and grouse habitat. The deer habitat is critical transition range habitat. Idaho Fish and Game (IDFG) have expressed concerns over the sites, but they have no "official" power to object. IDFG has numerous studies to back up their concerns. The most that IDFG can do right now is write a letter stating their concerns and it is up to Rocky Mountain Power to consider them. I have no confidence that Rocky Mountain Power would ever address these concerns without regulation. There needs to be baseline or uniform MINIMUM environmental requirements for these projects. Since these are interstate projects, states should be allowed to increase the requirements as needed for their state.

Reconciliation of other requirements already on property. A significant amount of this property is in CRP. As landowners, we are restricted and regulated as to the activities on our contracted ground. We can't plow or spray in the spring or early summer due to nesting birds, yet construction is planned for these times. What about the nesting birds? Either the requirements on farmers are unnecessary or Rocky Mountain Power is exempt from them no matter what it will do to the birds. Why?

Idaho legislators need to change Title 61 of the Idaho Statues. All of the requirements included in Title 61 – Public Utilities Regulation are based on the designation of a National Interest Electric Transmission Corridor (NIETC) by the federal government. This will not always be the case, as demonstrated by the current project. It covers multi states, utilizes multiple utility companies, yet is circumvents Idaho statues because it was not designated a NIETC. Either this designation needs to be made mandatory by the Federal government, or Idaho needs to have Title 61 changed to include ALL

transmission line projects irrespective of the NIETC designation. My interpretation of the Energy Act of 2005 is that the NIETC designation is not standard; rather a tool to be used if states cannot work together to move a project forward. Idaho needs to be protected in either case. Rocky Mountain Power has taken none of the steps set forth in Title 61 because the NIETC designation was not made by the Department of Energy. Based on the requirements set forth in Title 61, Idaho legislators must believe that public information and landowner contact is important, it just needs to be enforceable without the NIETC designation.

Based on the fact that the Energy Act of 2005 has made this situation blurry and regulation responsibility falls through the cracks and that the nature of this project and others around the country are interstate rather than intrastate; I believe that a set of federal regulations should be created and utilized. Using the interstate highway system as a guide, a minimum set of federal standards for conduct; construction and environmental regulation should be established. The ability for states to have stricter regulations, if desired, needs to be included with sanctions or penalties for not enforcing the federal standards. But landowners should have the security of a uniform minimum set of regulations. The mere fact that no one seems to feel like they can affect the current situation with Rocky Mountain Power is proof that changes need to be made. There needs to be someone that the public can address issues to and not be told that it is not their area to regulate.

Below is the original set of questions and concerns from my letters dated April 15, 2008 that have yet to be addressed.

QUESTIONS AND CONCERNS

1. The recommendations made by the multiple contributors to the **Rocky Mountain Area Transmission Study** clearly show use of the existing Treasureton substation and the new southern transmission line running down the existing Franklin County corridor. There is a second substation being shown west of Pocatello, with nothing shown in Downey. According to the associated documentation, the study was conducted within the reliability requirements of the Western Electricity Coordinating Council (WECC) and its Planning Coordination Committee. WECC is being cited as the reason for moving the southern transmission line out of Franklin County and into Oneida County. **If WECC's requirements were used in the study compilation, why is WECC being used to justify the relocation of the southern transmission line to Oneida County? Why was the substation/transmission hub relocated from the recommended location of Treasureton to Downey?** Clearly, the accuracy of the information being provided by Rocky Mountain Power is questionable. WECC has been involved with the Rocky Mountain Area Transmission Study from the onset in 2003 and their concerns should have been addressed before the study was published.

2. In PacifiCorp's filings with the Idaho Public Utilities Commission, Case No. PAC-E-07-11, three (3) new natural gas combined cycle combustion turbine (CCCT) power generation plants are being planned by 2016. The document shows two plants being built in the eastern side of the territory and one in the western side. There are no specific areas given. **Where are these CCCT power generation plants being located and is one slated for the Populus site in Downey?** Idaho Power announced that they are looking to have a CCCT power generation plant constructed in the Boise area; this is in addition to the three (3) power generating plants to be constructed by PacifiCorp. **What protections are in place for our land, natural resources and properties when these four (4) power generation plants are constructed? Are there any coal-fired plants slated for construction in our state by any of the participants in the Rocky Mountain Area Transmission Line Study?**
3. CCCT power generation plants use large quantities of water for operation. Water becomes steam for the second phase of the plant cycle. **Where is the water going to come from and how will this affect the agricultural user?**
4. All of the documentation for the Rocky Mountain Area Transmission Study cites the need for power in California, Oregon, Utah and Nevada. Idaho's growth is much lower than these areas and the majority of the power goes to the other states. **Why is Idaho building power generation plants and constructing new transmission lines to provide power to other states? Why are these states not being required to build in their own "backyards" instead of using ours?**
5. Stated in the **Protocol Among the Members of the Western Governors Association, The U.S. Department of Interior, The U.S. Department of Agriculture, The U.S. Department of Energy and The Council on Environmental Quality Governing the Siting and Permitting of Interstate Electric Transmission Lines in the Western United States** signed by all named parties in June of 2002; there is a streamlined process in place for using public lands for some of the transmission lines. Given this fact, **why are all transmission lines sited on agricultural lands and no lines on any public ground even when it is a more direct route?**
6. Idaho Fish and Game officers have spoken at several meetings about the impact of roads and construction on the winter and transition ranges of mule deer and elk as well as the impact on sharp-tailed grouse leks. The environmental process is completely subverted when private ground is used for these projects. Our wildlife is not only key to our State's economy, but also something that all of us enjoy. Consolidation and use of existing transmission corridors and use of existing substations would dramatically reduce the projected impact on deer, elk and grouse. **Why is the impact on wildlife ignored?**

7. The Utilities combining forces for this project are not true **public utilities**; rather they all are **private investor owned, for profit energy businesses**. There are no expectations or requirements that these businesses operate efficiently, control costs, limit profit generation or reinvest profits. They are granted rate increases merely by submitting the required forms and citing "energy cost increases". Yet, they are being given all of the rights of eminent domain with no requirements that they show they are truly working for the **greater public good**. The total lack of any effort to communicate with affected landowners exhibits total arrogance. Rocky Mountain Power has placed the blame for its communication failure on Bannock County. They have stated that they were given the wrong addresses off the property tax roles. The problem is, we have always received our property tax notices from the county. Rocky Mountain Power has never initiated any contact with us and we are greatly impacted by this project. When they have been contacted, information is restricted. Karen Gilmore, VP of Community Relations for Rocky Mountain Power told me that they did not want to release **too much** information about a project due to public stress and worry. I guarantee you that **NO INFORMATION** is far more stressful and frustrating. I have yet to get a straight answer to any question about the project specifics. In fact, Rocky Mountain Power will not comment on any part of the project that is in part or wholly managed by another utility. This leaves much of the project out of discussion. **Why are these companies not required to have a minimum communication standard for affected landowners and potentially affected landowners and face penalties if they fail to communicate? Why are these investor owned companies given all of the benefits awarded to true public utilities and they don't answer to any of the public that they serve? Why is the profit motive of the companies not considered when rate increases are sought and the cash flow and earnings looked at more closely to insure that we are not paying for large bonuses, high profits or inefficient operation out of our pockets?**
8. Rocky Mountain Power has cited terrorism and natural disasters, such as fire, as reasons for the Populus transmission hub and the new transmission line corridors, especially headed south. **If these are real issues, isn't a transmission hub a really bad idea? Wouldn't a catastrophic failure of Populus impact the entire western grid?**
9. Former Rocky Mountain Power employees have informed us that Idaho has a less restrictive regulatory environment than surrounding states. Montana, California and Oregon are very restrictive and this discourages utility development in their states. Wyoming and Idaho are easier targets for large construction projects. **Have the necessary steps been taken by our Legislature to ensure that any development by utilities in our State will cause the least impact? Can't the Legislature modify the regulatory environment to bring Idaho in line with neighboring states so that we aren't always the first choice for new utility construction?**

I firmly believe that each of you has a role in solving these issues and making the situation better for the next set of landowners that have to deal with construction of transmission lines. In Idaho alone, there are at least 5 more new transmission lines that will be constructed using the Populus substation as the base. Two coming in from Wyoming, two headed west to the coast and one coming down from the wind farm in Bonneville County. There will be more upset and frustrated landowners when Rocky Mountain Power and Idaho Power start working on these lines. We, as landowners, understand the need for power. And to quote Governor Otter's response to another landowner, we are trying to be team players and look at the greater good, but the current situation needs to be corrected. Our questions need to be answered and if Rocky Mountain Power does not have the answers, we should all be asking why not.

We have a large group of concerned citizens and we have had numerous meetings to try and deal with this situation. I can arrange for all or part of us to meet with you to discuss a plan of action. We will not let this situation end without resolution and we look forward to working with you.

Sincerely,

A handwritten signature in black ink that reads "Debbie Jensen". The script is cursive and somewhat informal.

Debbie Jensen

cc: attached list

Mailing List for Letters

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