

September 1, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Filing Center
P.O. Box 1088
201 High Street S.E., Suite 100
Salem, OR 97308-1088

Re: Docket No. PCN-5 – Idaho Power Company’s Notice of Intent to File a Petition for Certificate of Public Convenience and Necessity.

Attention Filing Center:

Idaho Power Company (“Idaho Power” or “Company”) hereby provides notice to the Public Utility Commission of Oregon (“Commission”) of its intent to file a Petition for a Certificate of Public Convenience and Necessity (“CPCN”) for Construction of Overhead Transmission (“Petition”) authorizing construction of an approximately 300-mile long, overhead, 500-kV high voltage transmission line between the proposed Longhorn Station near Boardman, Oregon, to the existing Hemingway Substation in southwest Idaho (“B2H project”). ORS 758.015 requires utilities proposing to construct transmission lines to petition the Commission for a CPCN if a transmission line will necessitate condemnation of land or an interest therein. It is Idaho Power’s plan to file the Petition, with supporting testimony, approximately 30 days after the date of this filing, requesting issuance of the CPCN no later than May 5, 2023.

The B2H Project. Once operational, the B2H project will help meet the Pacific Northwest and Mountain West’s need for reliable, low-cost market energy purchases year-round and is expected to provide a total of 2,050 megawatts (“MW”) of bidirectional capacity.¹ The new transmission line will provide many benefits, including (1) greater access to the Pacific Northwest electric market, (2) improved system reliability and resiliency, (3) reduced capacity limitations on the regional transmission systems as demands on the system continue to grow, and (4) flexibility to integrate renewable resources and more efficiently implement advanced market tools, such as the Energy Imbalance Market. The benefits of the B2H project in aggregate reflect its importance to the achievement of Idaho Power’s goal to provide 100 percent clean energy by 2045 without compromising the Company’s commitment to reliability and affordability.

The Resource Need. The B2H project was first included in the preferred portfolio of Idaho Power’s 2006 Integrated Resource Plan (“IRP”), and subsequently identified as part of the preferred

¹ B2H is expected to provide 1,050 MW of capacity in the West-to-East direction, and 1,000 MW of capacity in the East-to-West direction.

resource portfolio in the Company's 2009, 2011, 2013, 2015, 2017, 2019, and most recently, in the 2021 IRP. The Commission has acknowledged the B2H project in Idaho Power's 2017 IRP and 2019 IRP. Acknowledgement of the 2021 IRP is pending with the Commission. In addition to the IRPs, the B2H project has been identified as a regionally significant project, producing a more efficient or cost-effective plan in the Northern Tier Transmission Group's ("NTTG") 2007, 2009, 2011, 2013, 2015, 2017, and 2019 biennial regional transmission plans, and in the NorthernGrid, NTTG's successor regional planning organization, 2021 biennial regional transmission plan. In the 2021 IRP, as has been the case in prior IRPs, the B2H project is not simply evaluated as a transmission line, but rather as a resource that will be used to serve Idaho Power load. That is, the B2H project, and the market purchases it will facilitate, are evaluated in the same manner as a new gas plant, or a new utility-scale solar plus storage project. The B2H project has proven to be a cost-effective resource through successive IRPs and, as a transmission line, offers incremental ancillary benefits and additional operational flexibility.

Permitting of the B2H Project. In 2018, Idaho Power submitted its complete application for an Energy Facility Siting Council ("EFSC") site certificate to construct the portions of the B2H project located in Oregon. As part of that application, the Company has requested that the site certificate include and govern the local land use approvals related to siting. In July 2020, the Oregon Department of Energy issued its proposed order, proposing approval of the B2H project subject to certain conditions. Certain members of the public objected to aspects of the proposed order, and EFSC initiated a contested case hearing process to consider the issues raised. On May 31, 2022, at the conclusion of the contested case, the hearing officer issued a proposed contested case order, proposing approval of the B2H project subject to certain conditions.² The matter is now pending before EFSC, which will make the final decision on the site certificate. Idaho Power expects EFSC to issue its final decision and site certificate before the end of 2022. In accordance with ORS 469.401(3), following issuance of the site certificate, the state and local agencies will issue the permits and land use approvals governed by the site certificate without further hearings or other proceedings.

Construction of the B2H Project. The B2H project is moving into the preliminary construction phase. On January 18, 2022, and after significant discussions, study efforts, and negotiations, the three B2H permit funding participants, Idaho Power, PacifiCorp, and Bonneville Power Administration, executed a Non-Binding Term Sheet that addresses B2H ownership, transmission service considerations, and asset exchanges. In April 2022, the Company awarded a contract for constructability consulting services which indicated that construction must start in the summer of 2023 to ensure energization in time to meet the 2026 resource deficit identified in Idaho Power's 2021 IRP. Idaho Power anticipates issuing a Request for Proposals for materials and subcontractors necessary for construction to commence in the first quarter of 2023. Contract pricing will be subject to guaranteed maximum pricing ("GMP") and tied to a schedule that the Company and the contractor will have developed together. The first GMP payments will likely be required in June 2023.

² See *In re the Application for Site Certificate for the Boardman to Hemingway Line*, OAH Case No. 2019-ABC-02833, Proposed Contested Case Order at 296 of 337 (May 31, 2022), available at <https://www.oregon.gov/energy/facilities-safety/facilities/Facilities%20library/2022-05-31-B2HAPP-Hearing-Officer-Proposed-Contested-Case-Order-w-Bookmarks.pdf> ("I propose the Oregon Department of Energy, Energy Facility Siting Council, issue a Final Order granting the requested site certificate consistent with the Department's Proposed Order dated July 2, 2020, including the recommended site certificate conditions, and incorporating the following amendments to recommended conditions: . . .").

The Petition for a CPCN for the B2H Project. Idaho Power will be submitting its Petition prior to obtaining the outstanding permits and approvals due to scheduling constraints. To begin construction in 2023, the Company will need access to the affected parcels. Idaho Power is currently negotiating with landowners in good faith to obtain options for easements, however, Idaho Power anticipates it may need to initiate condemnation proceedings to gain access to certain parcels along the B2H project. Idaho Power must first obtain a CPCN before initiating condemnation. While the Company will continue to negotiate in good faith with landowners to avoid condemnation wherever possible, Idaho Power must initiate the CPCN proceeding in September 2022, with a request for approval no later than May 5, 2023, in order to obtain the CPCN in time for construction to commence in 2023, and prior to any GMP payment. If Idaho Power waits until the outstanding permits and approvals are issued to submit the Company's Petition, Idaho Power likely will not be able to meet the B2H project's 2026 in-service date and will be faced with GMP penalties when milestone dates slip. It should be noted that the Company's request in this case does not eliminate or circumvent any approval processes associated with the B2H project, but rather allows the processes to run concurrently to ensure the B2H project can be energized by the 2026 in-service date.

The Petition will be filed in accordance with the Commission's updated CPCN rules that will be adopted in Docket AR 626.³ Because of the need for a Commission order by May 2023, and to aid the Commission in its review of the Company's upcoming request, Idaho Power has filed its responses to the Standard Data Requests⁴ on the Commission's Huddle site. In addition, the Company has prepared the following proposed schedule for processing of the Petition:

EVENT	DATE
Idaho Power files Notice of Intent to file Petition and Standard Data Requests	9/1/2022
Idaho Power files Petition for CPCN and Testimony (and Request for Waiver if applicable)	9/30/2022
Commission consideration of Request for Waiver (if applicable)	10/4/2022
Prehearing Conference	10/3/2022 - 10/7/2022
Public Comment Hearing	10/7/2022
Petitions to Intervene	10/14/2022
Staff and Intervenor Opening Testimony	11/23/2022
Company Reply Testimony	1/26/2023
Witness List, Cross-Examination Statements and Exhibits	2/2/2023
Evidentiary Hearing	2/14/2023, 2/15/2023
All Party Opening Briefs	3/7/2023
All Party Reply Briefs	3/21/2023
Final Order	5/5/2023

³ Proposed rules were filed with the Secretary of State on June 30, 2022. While final rules have not been issued at the time of this pre-filing notice, the Docket AR 626 rulemaking process is nearing completion following coordination by the Commission with stakeholders and other agencies, and are anticipated to be issued in September 2022.

⁴ The Standard Data Requests are referenced under proposed OAR 860-025-0030(2)(r). Idaho Power's filing is based on the June 2022 Standard Data Requests; Idaho Power expects to supplement its filing based on any additional Standard Data Requests that are issued when the final rules are approved in AR 626.

Finally, the Company is also mailing a copy of this notice of intent to all landowners for which condemnation may be necessary informing them of Idaho Power's plan to file a Petition with instructions on how to participate in the upcoming proceeding. A copy of the customer communication is attached.

Please address correspondence on this matter to the following:

Donovan Walker
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5317
Facsimile: (208) 388-6936
dwalker@idahopower.com

Jocelyn Pease
McDowell Rackner Gibson PC
419 SW 11th Avenue, Ste 400
Portland, Oregon 97205
Telephone: (503) 290-3620
Facsimile: (503) 595-3928
dockets@mrq-law.com

If you have any questions about this notice filing, please do not hesitate to contact me.

Respectfully submitted,



Jocelyn Pease
McDowell Rackner Gibson PC
419 SW 11th Avenue, Suite 400
Portland, OR 97205
dockets@mrq-law.com

Attorney for Idaho Power Company

Enclosure

TIMOTHY TATUM
Vice President of Regulatory Affairs
ttatum@idahopower.com

September 1, 2022

Landowner
Address
City, State

Re: Docket No. PCN-5 – Idaho Power Company’s Notice of Intent to file a Petition for Certificate of Public Convenience and Necessity

To landowners affected by Boardman to Hemingway,

Thank you for working with Idaho Power and its agents on the Boardman to Hemingway (“B2H”) project. Idaho Power recognizes this is a long-term partnership and we’re committed to finding the best way forward for you and our customers.

To that end, we wanted to send you a copy of a notice submitted to the Public Utility Commission of Oregon (“Commission”) of Idaho Power’s intent to file a Petition for a Certificate of Public Convenience and Necessity (“CPCN”) for B2H. This petition mentions condemnation of property, but we want to assure you that is not Idaho Power’s preferred path forward.

Idaho Power is committed to negotiating fair compensation for landowners in exchange for easements and rights-of-entry to property along the B2H route. We are putting together offer packages, and you should receive one soon, if you haven’t already.

We must file a petition for a CPCN in September 2022, with a request for approval no later than May 5, 2023, in order to meet the Pacific Northwest and Mountain West’s energy needs in 2026. Copies of the petition will be available on the Commission website under the above referenced docket number, [Oregon.gov/puc](https://oregon.gov/puc). If interested, information for participating in the proceeding can be found on the Commission website at [Oregon.gov/puc/news-events/Pages/Formal-Proceedings.aspx](https://oregon.gov/puc/news-events/Pages/Formal-Proceedings.aspx). Also, for additional details about B2H, visit idahopower.com/b2h.

Very truly yours,



Tim Tatum

TEW:sg
Enclosure