

McDowell & Rackner PC



WENDY MCINDOO
Direct (503) 595-3922
wendy@mcd-law.com

April 24, 2009

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: Docket UM ____

Enclosed for filing are an original and five copies of Idaho Power Company's Application for Modification of the Filing Date for its 2009 Integrated Resource Plan ("IRP").

A copy of this filing has been served on all parties to Idaho Power's Application for Acknowledgement of February 2009 Addendum to its 2006 Integrated Resource Plan (LC 41) as indicated on the attached Certificate of Service.

Very truly yours,

A handwritten signature in black ink that reads "Wendy McIndoo".

Wendy McIndoo
Legal Assistant

Enclosures

cc: Service List

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CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket LC 41 on the following named persons on the date indicated below by e-mail addressed to said persons at his or her last-known address indicated below.

Robert Jenks
Citizens' Utility Board of Oregon
bob@oregoncub.org

G. Catriona McCracken
Citizens' Utility Board of Oregon
catriona@oregoncub.org

Gordon Feighner
Citizens' Utility Board of Oregon
Gordon@oregoncub.org

PacifiCorp Oregon Dockets
oregondockets@pacificorp.com

Cory Scott
Pacific Power
Director, Commercial Customer
Accts & Policy
cory.scott@pacificorp.com

Ryan Flynn
PacifiCorp
Legal Counsel
ryan.flynn@pacificorp.com

Adam Bless
Senior Facility Analyst
Oregon Department Of Energy
adam.bless@state.or.us

Vijay A Satyal
Senior Policy Analyst
Oregon Department Of Energy
vijay.a.satyal@state.or.us

Kip Pheil
Oregon Department Of Energy
kip.pheil@state.or.us

Phil Boyle
Public Utility Commission
PO Box 2148
Salem, OR 97308-2148
phil.boyle@state.or.us

Janet L Prewitt
Assistant Ag
Department of Justice
Natural Resources Section
janet.prewitt@doj.state.or.us

Jason W. Jones
Assistant Attorney General
Department of Justice
1162 Court St NE
Salem OR 97301-4096
jason.w.jones@state.or.us

Stephanie Williams
Office of County Counsel
Malheur County Courthouse
swilliams@malheurco.org

The Honorable Dan P. Joyce
County Court Judge
Malheur County Courthouse
djoyce@malheurco.org

Brian Silverstein
Bonneville Power Administration
blsilverstein@bpa.gov

Charles H. Combs
Bonneville Power Administration
chcombs@bpa.gov

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Patrick Hager
Portland General Electric
Rates & Regulatory Affairs
121 SW Salmon St. 1WTC0702
Portland, OR 97204
pge.opuc.filings@pgn.com

V. Denise Saunders
Portland General Electric
121 SW Salmon St. 1WTC1301
Portland, OR 97204
denise.saunders@pgn.com

Bill & Jeanie Coffman
555 Stanton Blvd.
Ontario, OR 97914

Julie Fulgate
2320 Hwy 201
Nyssa OR 97913

Thomas H. Nelson
PO Box 1211
24525 E. Welches Road, Suite 7
Welches, OR 97067-1211
nelson@thnelson.com

John W. Stephens
Esler Stephens & Buckley
stephens@eslerstephens.com

Suzanne Leta Liou
Renewable Northwest Project
Suzanne@rnp.org

Cameron Yourkowski
Renewable Northwest Project
Cameron@rnp.org

Katie Kalinowski
Renewable Northwest Project
Katie@rnp.org

Milo Pope
Yervasi Pope, PC
milo@thegeo.net

Nancy Peyron
Move Idaho Power
nancypeyron@msn.com


Fred Warner
Baker County, Oregon
fwarner@bakercounty.org

Heidi Martin
Baker County, Oregon
hmartin@bakercounty.org

Burnt River Irrigation District
c/o Floyd C. Vaughan
1950 3rd St.
Baker City, OR 97814

Jerry Franke
Burnt River Irrigation District
19498 Hwy 245
Hereford, OR 97837

DATED: April 10, 2009



Wendy McIndoo
Legal Assistant
Attorney for Idaho Power Company

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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM _____

IN THE MATTER OF IDAHO POWER
COMPANY'S APPLICATION FOR
MODIFICATION OF THE FILING DATE FOR
ITS 2009 INTEGRATED RESOURCE PLAN
("IRP").

APPLICATION

8 Idaho Power Company ("Idaho Power" or "Company"), in accordance with OAR 860-
9 027-0400(1), hereby requests that the Public Utility Commission of Oregon ("Commission")
10 issue an order relieving Idaho Power of its obligation under OAR 860-027-0400(3) to file its
11 next full integrated resource plan ("IRP")—the 2009 IRP—by September 12, 2009, and
12 instead allowing the Company an extension of time until December 29, 2009 (the last
13 business day in December) to file its 2009 IRP. The requested delay is in the public interest
14 because:

15 1. Recent permitting delays have pushed completion of the Boardman to
16 Hemingway 500 kV transmission project (the "B2H Project") beyond the 2012 timeframe, as
17 stated in Idaho Power's 2008 IRP update. This delay provides the Company with extra time
18 to procure the necessary regulatory approvals for the project, which in turn allows the
19 Company extra time to perform the additional analyses necessary to treat the B2H Project
20 as an uncommitted resource in the 2009 IRP. As an uncommitted resource, the 2009 IRP
21 will address whether the B2H Project continues to merit inclusion in the Company's near-
22 term resource action plan; and

23 2. Substantial changes in economic conditions have occurred since September
24 of 2008 when the load forecast currently being used for the 2009 IRP was completed.
25 Slowed local and national economic growth may impact the future growth of Idaho Power's
26 customers' electric loads and the Company believes it would be prudent to update the load

1 forecast prior to completing the 2009 IRP. Idaho Power expects to complete the new load
2 forecast in August 2009.

3 Granting the Company's request to delay the 2009 IRP to include the B2H Project as
4 an uncommitted resource would render the Company's recently filed 2006 IRP Addendum
5 ("Addendum") moot. For that reason, if the Commission grants this Petition, the Company
6 will request leave to withdraw the Addendum.

7 **I. BACKGROUND**

8 **A. Procedural Background**

9 On October 23, 2006 Idaho Power filed its 2006 IRP. The Commission
10 acknowledged the IRP on September 12, 2007.¹ Pursuant to OAR 860-027-0400(3), Idaho
11 Power must file its next IRP within two years of the date 2006 IRP's acknowledgment order,
12 September 12, 2009.

13 As required in Order No. 07-394, the Company filed its 2006 IRP Update on July 7,
14 2008.

15 On February 5, 2009 the Company filed its IRP Addendum, requesting that the
16 Commission acknowledge and include the B2H Project as part of its previously-
17 acknowledged 2006 IRP.

18 **B. Boardman To Hemingway Project**

19 Idaho Power has discussed possible transmission upgrades linking the Company's
20 load center to the regional energy market in the Pacific Northwest since the 2000 Integrated
21 Resource Plan. Idaho Power discussed potential Idaho to Pacific Northwest transmission
22 upgrades in general terms in both the 2000 and 2002 IRPs and identified the 225 MW
23 McNary to Boise transmission project in its preferred resource portfolio in the 2006

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25 ¹ *Re Idaho Power Co. 2006 Integrated Resource Plan*, Docket LC 41, Order No. 07-394
26 (Sept. 12, 2007).

1 Integrated Resource Plan. In the 2006 IRP, Idaho Power identified the 225 MW McNary to
2 Boise transmission project as part of the Company's twenty-year resource plan with a
3 projected completion date of 2012. The Commission acknowledged Idaho Power's 2006
4 Integrated Resource Plan in Order No. 07-394.

5 Since acknowledgement of the 2006 IRP, Idaho Power has refined and finalized
6 plans for the Idaho-Pacific Northwest transmission upgrades. Idaho Power is now
7 proposing to construct and operate a new 300-mile long single circuit 500 kV electric
8 transmission line between a new switching yard at the Boardman power plant near
9 Boardman, Morrow County, Oregon, to the new Hemingway substation, to be located in
10 Owyhee County, Idaho. Collectively they are identified as the Boardman to Hemingway
11 project or the B2H Project.

12 The Commission is aware of the fact that there has been substantial public
13 opposition to the Company's proposed routes for the B2H Project. To respond to the
14 concerns of the Company's customers and others regarding how the construction of the
15 project might impact their various communities, the Company has commenced a
16 comprehensive and inclusive public process called the Community Advisory Process
17 ("CAP") to develop alternative routes for the B2H Project. This process will involve local
18 citizens in the determination of line routes to submit to the Bureau of Land Management
19 ("BLM") for its review consistent with the requirements of the National Environmental Policy
20 Act ("NEPA") and to the Oregon Energy Facility Siting Council ("EFSC") for its review under
21 Oregon state law.

22 The CAP membership will be determined through consultation with project
23 stakeholders. Three local area Project Advisory Teams ("PAT") will be formed with
24 representation from: private property owners, community groups, land use organizations,
25 environmental organizations, and local, state, and federal government agencies. These
26 teams will begin in May with the goal of developing acceptable routes by the end of 2009.

1 Public open houses will be held allowing the team members to gather community concerns
2 and provide updates on the process. The CAP members will develop routing criteria with
3 Idaho Power. Then the members will apply these criteria to detailed maps and generate
4 route options. Once the route options are developed, the members will evaluate them
5 against the agreed-upon criteria to determine the routes to take forward in the process.

6 Additionally, the CAP will include a Project Coordinating Team to bring together the
7 criteria and routes of the three CAPs. They will gather the CAP routes and align them
8 across the length of the project. Finally, these aligned routes will be submitted to the
9 government siting processes described above.

10 As part of its review of the B2H Project siting process, the Company has decided to
11 delay the Sand Hollow substation to serve the western Treasure Valley electrical load. This
12 delay has resulted in the removal of the substation from the Boardman to Hemingway
13 Project. Idaho Power will continue to monitor and forecast the western Treasure Valley load
14 and recommend the timing for construction of a future substation in order to reliably meet
15 customer electrical demands.

16 The Company recognizes that undertaking this extensive collaborative approach will
17 delay the permitting process. As discussed in earlier filings in this case, because the B2H
18 project route traverses land in the state of Oregon, the project is subject to the jurisdiction of
19 the EFSC. Idaho Power can satisfy the EFSC's need requirement with a Commission
20 determination that a particular energy resource is part of the utility's acknowledged IRP.
21 Therefore, the Commission's acknowledgement of an integrated resource plan, including a
22 full analysis of the B2H Project, is a critical path item in the process of obtaining permits for
23 the B2H Project. The Company has suspended its pending EFSC permitting process to
24 allow the project CAP to complete its task.

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1 The fact that the EFSC process will be delayed provides some additional time for the
2 Company to examine the B2H Project in its 2009 IRP as an uncommitted resource subject
3 to review for continued inclusion in the Company's near-term resource plan.

4 While Idaho Power believes that the transmission project from the Pacific Northwest
5 to the Boise area load center has been a part of its acknowledged IRPs since the
6 Company's 2000 and 2002 IRPs, the Company now has firmed up many of the details of the
7 proposed B2H Project, including its updated size and transfer capabilities. To fully reflect
8 the best available data concerning the B2H Project in the resource planning process, the
9 Company proposes to include the B2H Project as a resource alternative and obtain
10 acknowledgement of an IRP that specifically addresses the B2H Project as currently
11 configured.

12 **C. Inclusion of the New Sales and Load Forecast in the IRP**

13 Idaho Power completes its annual, full-featured sales and load forecast in mid-
14 August each year. Using that sales and load forecast, the Company prepares its biannual
15 IRP or its biannual update to the previously acknowledged IRP. Numerous analyses and
16 studies used to prepare the IRP documents use the load forecast as the starting point.

17 Unquestionably, the current recession has temporarily slowed economic growth and
18 correspondingly affected Idaho Power's customers and their electric loads. Because Idaho
19 Power will have completed a new load forecast in August 2009, the Company has
20 concluded that the data from the August 2009 forecast should be considered in the
21 development of the 2009 IRP.

22 As previously noted, the starting point for an IRP is the long-term forecast.
23 Substituting the August 2009 load forecast for the August 2008 load forecast means that
24 much of the work that has already been done to bring the 2009 IRP to its nearly-completed
25 status will need to be reviewed and reanalyzed. The inclusion of the B2H Project as an
26 uncommitted resource choice will also require re-performance of number of analyses.

1 These are the principal reasons why Idaho Power needs more time to complete the 2009
2 IRP. The Company recognizes that a delay in the acknowledgement of its IRP will have a
3 ripple impact on other activities the Company and the Commission undertakes;
4 nevertheless, the Company believes that a 2009 IRP that takes a new look at the B2H
5 Project and includes the Company's 2009 load forecast justifies taking the additional time
6 and expending the additional resources.

7 **II. DISCUSSION**

8 The Commission should allow Idaho Power additional time to file its 2009 IRP
9 because it will better serve the underlying purpose of the IRP process and better serve
10 Idaho Power's customers. The IRP process allows the Commission to evaluate a utility's
11 planned resources and ensure they are reasonable, cost effective, and necessary to ensure
12 that Company customers receive adequate services at reasonable rates.² The process also
13 encourages substantial public participation in the plan preparation.³ To this end, energy
14 utilities must file biannual IRPs within two years of the acknowledgement order of the utility's
15 previous IRP.⁴ For good cause, however, the Commission may relieve a utility of the filing
16 deadline and provide additional time to prepare and file its IRP.⁵

17 Here, good cause exists to allow the modification of the filing date. The requested
18 delay will allow additional public participation in the preparation of the plan as it relates to
19 the B2H Project. Additional time will also allow the Company to incorporate the most recent
20 sales and load forecasts. Thus, allowing Idaho Power additional time to prepare and file its

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22 ² *Re Least-cost Planning for Resource Acquisitions*, Docket UM 180, Order 89-507, 102
23 P.U.R.4th 301, 1989 WL 418453 (April 20, 1989); and *In the Matter of Public Utility Commission
Investigation Into Integrated Resource Planning*, Docket UM 1056, Order No. 07-002 (Jan. 8, 2007).

24 ³ Order No. 07-002 at 1.

25 ⁴ OAR 860-027-0040(3).

26 ⁵ OAR 860-027-0040(1) ("Upon application by any entity subject to this rule and for good
cause shown, the Commission may relieve it of any obligations under this rule.").


1 2009 IRP benefits the Commission and Idaho Power customers because it will allow the
2 Commission to evaluate the IRP based upon the most up-to-date load projections and
3 economic conditions. The additional time also benefits the public by allowing more
4 participation in the planning process—one of the goals of the IRP process.

5 **III. CONCLUSION**

6 Based on the foregoing, Idaho Power respectfully requests that the Commission
7 issue its Order modifying the filing date for the Company's 2009 Integrated Resource Plan
8 from September 12, 2009 to the last business day of 2009. This will allow the Company
9 sufficient time to include the B2H Project as a potential, uncommitted resource and to
10 include the best load forecast data available.

11 Respectfully submitted this 24th day of April 2009.

12
13 MCDOWELL & RACKNER PC

14 
15 Lisa F. Rackner

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17
18 IDAHO POWER COMPANY

19 Barton L. Kline
20 Corporate Counsel
21 1221 West Idaho Street
22 P.O. Box 70

23 Boise, Idaho 83707

24 Attorneys For Idaho Power Company
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