

LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

September 9, 2016

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97301

RE: AR 599 – Idaho Power Company’s Comments in the Rulemaking to Prescribe
Application Requirements for Transportation Electrification Programs

Attention Filing Center:

Idaho Power Company (“Idaho Power” or “Company”) appreciates the opportunity to provide the following comments in the above-referenced rulemaking.

Idaho Power’s Service Area

While Idaho Power looks forward to participating in Transportation Electrification (“TE”), the Company’s Oregon service territory presents several unique challenges to the adoption and acceleration of TE. First, as of year-end 2015, Idaho Power’s Oregon service area consisted of 18,772 total customers (13,384 residential), in an area largely comprised of rural communities, which the Company expects will have a slower TE adoption rate than urban communities.

Second, unlike major metropolitan areas, the Company’s service territory does not have area organizations or associations, such as environmental nonprofit groups, to help promote TE, and specifically Electric Vehicles (“EVs”). Rather, the area is served by Portland or Boise, Idaho-based chapters.

Third, according to data from the Oregon Department of Environmental Quality (“DEQ”), as of June 30, 2016, there were 14 EVs registered in counties that are partially or fully served by Idaho Power. Additionally, plugshare.com currently reports that five EV charging stations are located within the Company’s Oregon service territory. Of those stations, one is exclusively for Tesla vehicles, three of the stations are RV hookups that are accessible to EVs, and one of the stations consists of a standard exterior wall outlet at a hotel and is exclusively for hotel guests.

Lastly, Idaho Power contacted the five car dealerships located within its Oregon service territory and two dealerships adjacent to its service territory to determine the availability of EVs. Of these dealerships, only one carries EVs, the Toyota Prius Plug-in Hybrid, but does not have any on the lot at this time. The other dealerships cited no plans to carry EVs due to the costly investment for equipment and employee training.

While Idaho Power does see the opportunity to provide education in its rural service territory, the Company’s initial research on the state of the market and market barriers illustrates the distinct position the Company is in. Due to customers’ limited exposure to TE, as well as limited accessibility to EVs and EV charging infrastructure, the Company expects that the adoption of TE will take longer than that of urban areas. The Company is working to develop thoughtful TE program ideas that meet the robust criteria of the rule, but that also make sense

for the service territory. The Company asks that the Public Utility Commission of Oregon ("Commission") be mindful of the characteristics of its service territory when it comes to finalizing the proposed rules, acknowledging the Company's TE plan, approving TE programs, and authorizing cost recovery for TE investments.

Reporting Requirements

Many of the requirements in the proposed rule concerning benefits, cost-effectiveness, and evaluation may be difficult to quantify considering the composition of Idaho Power's service territory and the nature of TE. It is likely that the TE programs proposed by the Company will center on education and awareness of EVs and other TE technologies, the results of which are difficult to quantify. The Company cautions that the traditional metrics and methods used to determine cost-effectiveness in demand-side management programs may not be available or apply to the Company's TE programs and activities.

Cost Recovery

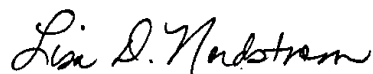
As presented in the section titled "Transportation Electrification Program", subsection (1)(d)(C), a utility is required to include a cost recovery proposal as part of its application for a TE program. Idaho Power is under the impression that Commission approval of a TE program is also an approval of the proposed means of cost recovery, unless otherwise noted by the Commission. Given the rapid development of technology and the speculative nature of investment intended to accelerate TE adoption, these programs present Idaho Power with a greater level of after-the-fact recovery risk if some form of assurance is not provided in advance of investments being made. To promote timely implementation, TE program approval should provide assurance that prudent investment made in the program is authorized for recovery.

First Application for TE Programs

Idaho Power requests a modification to language in the rule under the section titled "Transportation Electrification Plan", subsection (2), as well as under the section titled "Transportation Electrification Program", subsection (2). The Company requests to have the word "programs" altered to "program(s)" within these sections. Given the amount of time between the final approval of the rule (October 2016) and the filing deadline (December 2016), the Company believes that developing multiple TE programs in addition to a TE plan may not be feasible in the allotted time frame. Furthermore, the legislation does not mandate any number of programs.

Idaho Power appreciates the opportunity to comment on this rulemaking docket and looks forward to participating further in this process. Please direct any substantive questions regarding this filing to Regulatory Analyst Nicole Blackwell at (208) 388-5764 or nblackwell@idahopower.com.

Sincerely,



Lisa D. Nordstrom