

## **Proposed B2H Line Has Not Proven Need**

To: OPUC Commissioners and Staff

While these are not technical remarks, I am sure they will be useful to place your deliberations in a different but equally important context. Thank you for reading them and seriously considering each point. I am well aware you have been inundated with documents from Idaho Power. Being only several pages long, I honestly believe they can refute the barrage of IP's testimony. I have spent the past two years studying Idaho Power's plans for the B2H. I know many of you have been involved with this issue even longer. Every critique here can be backed up with citations. Already evidence has been submitted which substantiates the veracity of these facts.

*Please use your decision making powers to protect the ratepayers. Doing so will simultaneously strengthen Oregon's energy resiliency while also protecting our rich environment and heritage. This is our contemporary Oregon Trail --- we, like the early wagon train folks, are choosing a new path. Boldly moving forward to embrace modern energy delivery has great promise and reward. No doubt this path will also have difficulties and some uncertainty ---- but this our time to make a change: to move forward with our eyes fixed on the prize ahead, because we are certain we can create a better future for ourselves and our grandchildren.*

It is also time to stand back from parsing energy modeling nuances and look at this proposal for what it is:

Unlike most OPUC decisions involving Oregon companies that primarily serve Oregon residents, the B2H involves an Idaho based corporation intent on adding to its profits by negatively impacting five eastern Oregon counties without providing even one kw hour of power in return. Unfortunately, the ODOE and EFSC processes are widely recognized as corrupted by industry influence. We are relying on the Oregon PUC to create an essential barrier to Idaho Power's efforts to prioritize preliminary construction of this questionably needed transmission line project.

Idaho Power and its two virtually invisible partners (Pacific Corp and BPA) have invented this concept of a 305 Mile long clear-cut across Oregon. The truth is, this line, is NOT needed for power transmission now, or in the future. So why would they build it at a cost of approximately 1.2 Billion dollars to rate payers? For profit, that's why. At least \$80 million guaranteed rate of return in this case. Now it becomes clear why they want rapid approval to build this line, even though no one else does. Please read on.

Warren Buffet owns Pacific Corp and owns huge coal holdings in Wyoming. Idaho Power knows it is a buy-out target by Buffet. In any case, the prevailing analysis by energy sector professionals, based on the hard evidence, is that the utilities are in a 'death spiral.' Of course we all will continue to need electricity but the entire system is in an unprecedented transition of incredibly rapid change. We all know these realities.

Electric power corporations have spent many decades and millions of dollars methodically lobbying and funding candidates to craft a system that allows them to bilk ratepayers who are at the mercy of these monopolies. These virtually unknown

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laws and regulations force the ratepayers to fund the construction of capital projects such as this B2H Line.

Monopolies have pushed through self-serving laws which compel rate-payers to pay them a 'profit' on top of facility construction costs. If the projects are so essential and efficient, why would the profit not come from their long-term productivity, like every other business model? This guaranteed profit is particularly disturbing in light of the fact they receive subsidized resources in the form of public lands at virtually no cost and can 'take' private lands for minimal compensation.

So if this line is approved, by the largely 'pro-utility' agencies (like EFSC, that predictably rubber stamps such proposals, then allows expansions under amendments with no hearings), the ratepayers will be obligated to pay the \$1.2 Billion for 300+ miles of destruction across their public and private lands. Then they must also 'reward' the monopolies for this exploitation--to the tune of \$80 Million, or more. Assuredly, rates will escalate as well. It sounds like a rip-off, because it is. Be sure the costs and profits will be much higher than the current projections.

Idaho Power has cooked the books on this proposal every which way. For more than a decade, they have produced over ten thousand pages of proposals, justifications, analyses, options, and endless numbers and graphs. Little of it is based on the latest data, nor on the extremely rapid shifts in the energy reality. It is fundamentally an out-dated proposal. Much, if not most, of the 2017 IRP is little changed from the 2009 proposal. Experts and citizens have combed through this massive library of smoke and mirrors and have found huge mistakes, erroneous assumptions, unsupportable conclusions, half truths and out-right deceptions. After a decade of stuffing the application hopper with the same bad idea, they are quite sure inertia will win them a permit. Just keep checking off the boxes, (kind of) answer the questions, and ask for rapid approval. Simply put, Idaho Power has marshaled its formidable war-chest, and massive paid staff of writers, lawyers, lobbyists, and PR experts to construct a big lie. We all know the goal is no secret, corporate profit.

Of course we all need and enjoy electricity, and utilities need a fair incentive to provide it. That very incentive creates the essential need for PUC oversight. Corporations want maximum profit in the shortest term with least input. This is not the same as consumers' interests of "least risk and least cost." (Not to mention their preference for a Planet that isn't cooking.) Corporations, by law, have a fiduciary responsibility to maximize profits for share holders. At the last OPUC hearing in 2018, Idaho Power said straight faced, that one of their options is to "sell the line." It is very likely this is their actual goal, if not selling out completely. How might that serve the ratepayers?

Idaho Power has lost credibility. They have made so many misleading, confused and out-right false statements that every single assertion by their hired guns is now suspect and should be scrutinized carefully for intent and accuracy. They should be held to the highest standards and should be required to provide incontrovertible justification, not vague guesses and "projections" based on dubious modeling. Every statement they make should be seen for what it is, an attempt to achieve their single minded goal. It is a fact: they are a for-profit corporation---and they have but one incentive, and it is not 'least risk, least cost.'

Idaho Power has a history of bad ideas. Amazingly, even the IPUC thwarted an 'essential' coal plant just out of Boise that for year after year, Idaho Power had claimed was necessary and pushed hard to build. That 'Pioneer' coal plant would

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have cost the rate payers dearly as well as polluted the entire area that is infamous for inversions. The public and the courts stopped Idaho Power from their adamant quest to dam the last free-flowing stretch of the Snake River in the deepest canyon in the USA ---Hells Canyon. Fortunately these efforts protected one of premier and spectacular natural treasure of our nation.

Absolutely no one else is advocating for this scourge of a project. If the children of Boise or Portland could not study at night because of impending electricity shortages and black outs, we would all be looking for solutions--and would consider fast-tracking new transmission lines if they were in any way part of a reasonable solution. This is certainly not the case.

Energy consumption and projections of future demand have been declining – not increasing -- across our region and the nation. The world, from the developing nations to the most advanced countries are in an extremely rapid transition to local and alternative energy sources, as we should be. Conservation efforts are the least expensive way to gain more energy. Technological efficiencies, like the incredible changes in solar and battery storage, and simultaneous plummeting costs, are here now. These and other technologies are projected, by all observers, to transform even faster in the near future.

These changes are similar to recent shifts in the transition from telephone landlines to cellular phone technology. The significant difference is of course, that the energy transformation is even more rapid, and still accelerating. It is real and it has long since begun. It is an exploding, billions of dollars global industry. We must insist Idaho Power and other utility monopolies stop dragging their feet, and rapidly catch up, or we will literally pay the price.

Almost unbelievably , the facts show that Idaho Power is doing the exact opposite. It has repeatedly lobbied and unfortunately succeeded in most of its efforts to obstruct common-sense alternatives that other utilities are pro-actively pursuing. IP is so desperately committed to make it look like the B2H scheme is needed, they have been constantly miring their ratepayers in last-century technology and therefore will be saddling them with huge costs long into the future. They have repeatedly blocked solar energy development (recently lobbying to give solar companies only 2 year contracts that are untenable), thwarted co-generation buy-back scenarios and more.

Their actions are regressive, but they are carefully and legalistically promoting their own bottom line at the expense of energy security for the tens of thousands of paying customers. The cost of this profiteering to the ratepayers will be massive. The costs to both the environment and to the climate are another very serious subject--and should be included in this calculus. The truth is that if the B2H were built, it would primarily carry electricity from fossil fuels---the opposite direction we all need to go. Imagine the actual realistic options of spending well over a billion dollars on maximizing all the current, and increasingly efficient energy options for rate payers? The positive effects would pencil for rate payers and the environment long into the future, but apparently not for share holder portfolios. Energy analysts around the world all comprehend the obvious choice forward and the clear direction. No one would be wasting time even considering such bankrupt concepts like the B2H except that Idaho Power insists on promoting it.

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As is well documented, transmission lines are exceedingly vulnerable to natural and terrorist disruptions as well as being wastefully inefficient. These are real risks: Cascadia subduction zone earthquakes, hacking, terrorism, EMPs, etc. Evidence is clear that larger grids experience larger cascading failures---they are not more resilient. Idaho Power is pushing hard to sell this outdated technology just like an old typewriter salesman shilling his dying technology when everyone is buying newfangled computers. We know of course, that the CEO, top administrators and Board of Directors are heavily invested in IP stocks. This proposal is dinosaur thinking and would be obsolete before it was even finished --- in fact it already is. Corporate conscience? Public good?

Would Oregon siting agencies (EFSC) allow such a fraud upon the public? In fact, they predictably do and almost certainly will in this case. But why would they?

Simply because their work is 'overseeing development' of major energy facilities proposals. That is what they do. Councilors tend not to come equipped as experts in these exceedingly complex energy applications. Therefore, as you are familiar with, they tend to rely heavily on experienced professional staff. They also commonly have higher turn-over than the staff. The staff work side by side with corporate staff of course (Idaho Power in this case), and naturally build professional and personal relationships over time. The staff itself has significant turnover, and so the corporate staff and lobbyists almost always out-last the agency personnel on these long term proposals. So who holds the 'institutional knowledge?' Who are the most experienced and influential people in the room? And who has the most to gain?

In addition, as hard as this is to believe, the public agency staff (at EFSC) is actually paid by the energy companies. Of course this situation appears to enable a conflict of interest, and promotes a bias, and the specter of a 'revolving door' of staff from agency moving to higher paying corporate work. And doesn't it seem like all this might injure the interests of the millions of citizens and ratepayers? The effect is real -- how many proposed projects have been rejected or seriously modified by DOE's EFSC, or successfully contested, in the last ten years? Few, if any.

Over the decades, Big Energy's corporate influence has resulted in laws and rules that favor them and almost completely disenfranchise the public. This is a fact. Another fact is that EFSC can deny any request or suggestion by the public, can deny contested case requests, and if there ever were one, they choose the Hearings Officer. Currently, Senator Olsen is conducting an investigation into the wholesale corruption of this supposedly public process and lack of any redress within the process. The Council has been systematically shutting out public influence by 'rule-making' which exclusively favors developers, resulting in fast-tracking huge projects like this one. It is virtually impossible to have any effect at all on this extremely important decision making process, unless, of course, you are a developer.

A few more facts and considerations.

If there were a true need for more transmission capacity, (for which there is no demonstrable proof) there are numerous alternatives that have not been adequately investigated. Idaho Power essentially dismisses upgrading existing lines with no real substantiation. Upgrades are a practical and cost effective solution. If a need is ever documented, this alternative should be thoroughly investigated. Do we really know the actual capacity utilization or actual upgrade options and costs of these lines? No.

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Alternative technologies and the least expensive option, conservation, are clearly the real answers. Utilizing local micro production and grids, smart metering, co-generation, and storage technologies are well documented to be superior for the customers and the environment in numerous ways. Idaho Power claims all kinds of efforts but their actual track record indicates their actual motivations. Their lack of substantive efforts and results are clearly indicated by the abysmal ranking they hold compared to Oregon and Washington, and the majority of other states.

Transmission line projects across the nation are being canceled because they are not needed in this new energy reality. They have been surpassed by other modern technological solutions. Just months ago, BPA canceled the I-5 Corridor Reinforcement Project. The statement by the Director of the BPA (a purported partner in B2H) on why they canceled this proposed line is germane. The rationale for canceling the line is applicable to B2H as well.

Idaho Power was mandated to pay the BLM about \$40 million to make an exhaustive study, not of the need for the line, but determining the best route for such a line. Idaho Power ignored most of the conclusions from these hundreds of scientists and years of work, and submitted their route before the BLM even finished their report (even though they had promised they would not). There are designated energy corridors in Oregon most of which have existing power line infrastructure. These predetermined, obvious routes were ignored by Idaho Power.

Idaho Power chose a route that criss-crosses the iconic Oregon Trail at least 8 times and parallels much of it----and would put 180' towers in front of the tourism magnet of the Oregon Trail Interpretative Center near Baker City. The Center celebrates the pioneers' visionary yet grueling quest and was intentionally built high on a hill-top so all could view the beautiful and difficult landscape the trail follows. But Idaho Power, at its own whim, chose to deface this location. No opportunity for changing the route was provided. Does this choice alone not make you question their motives and decision making abilities on all other aspects of this proposal?

Near the town of La Grande, Idaho Power had a choice. Several potential routes were investigated and mapped. Some of the alternatives were miles away from town. IP chose the one on a ridge that almost borders the city limits. All 15,000 residents of La Grande and thousands more tourists would have their beautiful view blighted. The proposed line would bisect and befoul a critical nearby refuge before also defiling the city's most loved hill-top Morgan Lake City Park ---- which currently is blessed with panoramic 'big-sky' views.

Their chosen route would then re-cross and then follow the Oregon Trail route and ruts, to again compound the harm to this important historical and scenic treasure. It appears to be outrageous, doesn't it---that THEY get to choose where to damage both public and private lands and values? Idaho Power chooses to completely disregard the BLM study, and hundreds of thoughtful suggestions submitted by locals who know this land best. Is this the best process and outcome for rate payers and citizens?

Property values would of course take a substantial hit, affecting the only valuable asset of many residents. The primary goal of most small eastern Oregon communities is to do everything possible to attract new residents, tourists and businesses. Idaho Power would severely degrade this possibility because the stunning natural beauty and the lack of industrial intrusions are the area's main assets. This line, if built, could penalize several communities for decades into the future.

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The line would rip a 250 foot wide gouge for over 300 miles across Oregon. The wasteland of the clear-cut, ensuing annual herbicide spraying, and thousands of massive tower pads and towers would degrade many small farms and valuable, productive crop lands and forests. Of course it would be a terrible visual blight for generations. The hundreds of miles of new or widened roads would cause erosion affecting fish and cause many other wildlife disruptions.

Property would be 'taken' from land owners through eminent domain with the most pitiful compensation (legally proscribed by singularly stingy exceptions granted only to utilities). The utilities have no responsibility besides the actual square footage of the tower pad itself. Not any of the the other lost real values would be compensated for, such as the actual diminished property value, and the endless frustrations for already struggling farmers and ranchers.

Further, it is virtually impossible to quantify the emotional toll on families who have toiled often for generations to steward and improve their land. The visceral long-term damage to families caused by the proposed desecration of the 'Home Ground' would be difficult to over-estimate. Already individuals who are literally losing sleep over this feared possibility, are spending time and money they cannot really afford on retaining legal representation with the intent of stopping the project. Baker County is implementing a plan to inform citizens and to provide them with attorneys. Their hope is tie the plan up in court until common sense overwhelms Idaho Power.

These are but a very few of the many costs and externalities of such a massive industrial project across multiple ecosystems and peoples' communities and homes. Most troubling is that there is no need for it whats so ever.

While each of these individual realities and each criticism has merit, and together are truly damning, the central question is whether this transmission line is needed. It has been clearly demonstrated to the Oregon Public Utility Commission that Idaho Power has not even come close to proving 'need.' The litany of serious questions from OPUC staff and intervenors concerning the unsupported underlying figures, assumptions and algorithms, completely undercut the veracity of the proposal.

Still, Idaho Power pounds the constant drumbeat of the necessity of a quick approval of their deceptive and inaccurate IRP. They continue to ask for approval of Action Items--- so they can move on to EFSC and claim the OPUC recognizes the need and accepts their invented version of 'least cost/least risk'. Would you sink your retirement savings into this project as a safe bet?

No approvals or permits should be granted to Idaho Power. They have not proven 'need.' Idaho Power cannot be believed. Their suspect cherry-picked of modeling choices, utilization of old data, lack of any rigorous investigation of alternatives, and their history of relentlessly thwarting modern solutions, abrogates any public 'trust.'

BPA and Pacific Corps have been virtually silent. No firm agreements are in place. When asked what might happen if their partners back-out, which is quite probable, IP had no real answer. It is a fact that if they obtain approval to build the line, even before construction began, they could sell the right-of-way to a pipeline company, or

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fiber optic corporation or the like. They are likely inflating their corporate portfolio for an impending sell out. Of course they are silent on all of these issues.

The citizens, the rate-payers, all of us who are tasked with protecting not just our energy rates, but our democracy and our state's natural and economic treasures, must not let this travesty occur. Many citizens have dedicated themselves to stepping up to fulfill their civic duty and have spent thousands of unpaid hours to become informed, to discover the facts -- the truth, and then advocate. We ask that you, our fellow citizens representing us all as staff and Commissioners, withhold any approval of this entirely questionable proposition. You are our first and main line of defense in this irreversible situation.

Which will prevail? The virtues of common sense and "do-no-harm?" Waiting until the real facts are in and all reasonable options and scenarios are thoroughly vetted? Will we embrace the challenge to move into the amazing energy future with courage and intelligence? Or, will self-serving corporate profit interests once again trump the noble aspirations of our best intentions and forward-looking optimism? Will selfish deceptions win out and the long term environmental, economic and energy landscape bear the scars for generations to come?

Please use your decision making powers to protect rate payers and to protect Oregon. Guide us toward the promise that the new energy solutions will offer. This is our contemporary Oregon Trail. We are embracing the new energy landscape and are mapping an ambitious path ahead. Of course there is always some uncertainty. We choose to optimistically and responsibly move forward with our eyes fixed on the achievable prize. We are certain that together we can create a better future for our children and all the Oregonians to follow.

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