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October 25, 2016

Public Utility Commission of Oregon
Filing Center
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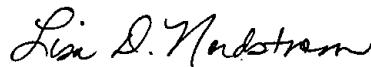
Re: Gateway West Transmission Updates: 3rd Quarter 2016

Attention Filing Center:

Enclosed please find the 3rd Quarter 2016 Transmission Updates report regarding the Gateway West transmission project developed jointly between PacifiCorp and Idaho Power Company. This update provides a description of the developments that transpired in the third quarter of this year.

This filing should be forwarded to Michael Breish, Senior Utility Analyst, and Michael Dougherty, Chief Operating Officer. If you have any questions, please contact Courtney Waites, Senior Regulatory Analyst, at 208-388-5612.

Very truly yours,



Lisa D. Nordstrom

LDN/kkt

Enclosure

cc: Mitch Colburn
Mark Stokes

Idaho Power Company's
Gateway West Transmission Update for 3rd Quarter 2016
October 25, 2016

In late 2013, Staff of the Public Utility Commission of Oregon (“OPUC”), requested¹ that Idaho Power Company (“Idaho Power” or “Company”) provide quarterly updates regarding the Energy Gateway West transmission project developed jointly between PacifiCorp and Idaho Power (“Companies”). Staff requested that, for each sub-segment² of this project, the Company provide a description of the developments³ that transpired in the previous quarter.

Recent Project Developments

In September 2016, the Interior Board of Land Appeals affirmed the Bureau of Land Management’s (“BLM”) 2013 Record of Decision (“ROD”), which was challenged by certain third-parties including:

- Wyoming Coalition of Local Governments (Lincoln County) – specific to segment 4 near Cokeville, WY
- Reed Land and Cattle Company (private property) – Wyoming segment 4
- Western Watersheds Project – ROD, Environmental Impact Statement (“EIS”), mitigation plan and other components – pushing for removal of grazing rights on BLM within sage-grouse habitat

On October 7, 2016, the BLM released the final Supplemental EIS for segments 8 and 9 in southwestern Idaho, which analyzed seven pairs of possible route combinations for segments 8 and 9, identifying two co-preferred alternatives. In the final Supplemental EIS, the BLM selected Alternative 5, which is different from the routes proposed by the Companies and the Boise District Resource Advisory Committee (“RAC”) subcommittee. The RAC subcommittee convened in December 2013 to look at route options for segments 8 and 9 due to concerns about potential impacts within the Morley Nelson Snake River Birds of Prey National Conservation Area and adjacent private lands. The Companies subsequently adopted the RAC’s recommended routes for both segments.

Alternative 5 has a combined length of 321.5 miles, which is the highest total length among the seven alternatives. It would require the removal of existing transmission line along 1.9 miles of the route. The two routes would follow the same alignment, 250 feet apart, for approximately 9.9 miles within the Snake River Birds of Prey. This alternative incorporates route options that would result in segments 8 and 9 paralleling each other for portions of their lengths.

¹ OPUC Staff Data Request No. 1, Transmission Updates Docket, dated December 17, 2013.

² Segment E comprised by the following sub-segments: Hemingway to Cedar Hill, Hemingway to Midpoint, Midpoint to Cedar Hill, Midpoint to Borah, Borah to Populus, Cedar Hill to Populus; and Segment D comprised by the following sub-segments: Populus to Bridger, Bridger to Aeolus, and Aeolus to Windstar.

³ By developments, OPUC Staff means any federal, state, and local permitting, regulatory, and other events.

The draft Supplemental EIS, final Supplemental EIS and supporting appendices can be found on the Idaho BLM website at:

<https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage¤tPageId=53810>

BLM anticipates releasing the ROD for segments 8 and 9 in December 2016.

Segment 8 is located between the Midpoint substation and the Hemingway substation and segment 9 is located between the proposed Cedar Hill substation and Hemingway substation. These segments were not covered by the previous ROD issued on November 14, 2013. Because of their importance to the Gateway West project and to Idaho Power's interest in the project, no additional permitting (state or local), regulatory activities, or other events are currently being pursued by Idaho Power until the BLM provides its ROD on these two sub-segments.