

LISA D. NORDSTROM Lead Counsel Inordstrom@idahopower.com

July 24, 2017

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

Re: Transmission Updates: 2nd Quarter 2017

Attention Filing Center:

Enclosed please find the 2nd Quarter 2017 Transmission Updates report regarding the Gateway West and Boardman to Hemingway transmission projects. This update provides a description of the developments that transpired in the second 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 Senior Regulatory Analyst Courtney Waites at 208-388-5612.

Very truly yours,

Lisa D. Nordstrom

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Enclosure

cc: Mitch Colburn

Mark Stokes



Idaho Power Company's Transmission Update for 2nd Quarter 2017 July 24, 2017

In late 2013, Staff of the Public Utility Commission of Oregon ("Commission"), requested that Idaho Power Company ("Idaho Power" or "Company") provide quarterly updates regarding the Energy Gateway West transmission project ("Gateway West") 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. Similarly, in 2017, Commission Staff requested⁴ that Idaho Power provide updates on the permitting or completion of the Boardman to Hemingway transmission project ("B2H"). The Company committed to providing updates as part of this quarterly notification.

Gateway West

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 Record of Decision ("ROD") issued by the Bureau of Land Management ("BLM") 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 were being pursued by Idaho Power until the BLM provided its ROD on these remaining two sub-segments.

Recent Project Developments

On January 20, 2017, the BLM published the ROD for the final two segments, segments 8 and 9. On April 17, 2017, per the request of Idaho Governor Otter, the BLM Washington office remanded the January 2017 Gateway West ROD for Segments 8 and 9 back to the Idaho BLM office for further consideration.

On June 7, 2017, the Idaho State BLM notified PacifiCorp and Idaho Power of their plans to comply with enacted House Resolution 2104. The Congressional action directs the Secretary of Interior to issue a new right-of-way for only the portions of the Companies' preferred routes through the Snake River Birds of Prey National Conservation Area ("NCA"), not the entire

¹ Commission 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, Commission Staff means any federal, state, and local permitting, regulatory, and other events.

⁴ Commission Staff Data Request No. 65, Docket UE 316.

routes. BLM plans to offer a right-of-way grant by August 3, 2017, but will need to conduct an Environmental Assessment to authorize the remaining portions of the preferred routes outside of the NCA. BLM has not provided a schedule yet, but BLM estimates that the process should be complete in early 2018. On June 20, 2017, a Notice of Intent was delivered to the Assistant Secretary of Interior's office awaiting approval to publish in the federal register.

Boardman to Hemingway

The Companies and the Bonneville Power Administration jointly propose to design, construct, operate, and maintain a new, approximately 300-mile-long, 500-kilovolt, single-circuit electric transmission line from the proposed Longhorn Substation near Boardman, Oregon to the Hemingway Substation near Melba, Idaho. Idaho Power is leading the permitting process for the B2H project.

Recent Project Developments

Idaho Power is awaiting approval of the BLM's ROD by the U.S. Department of Interior Assistant Secretary of Lands and Minerals. The ROD, which was due in March, was delayed due to Presidential and Secretarial orders revoking existing permitting requirements. A ROD is now expected in the near future. The U.S. Forest Service ROD and a Navy right-of-way decision will follow the BLM's ROD. Idaho Power continues to coordinate with the Navy on their easement process.

For the state of Oregon permitting process, electronic copies of the amended application were submitted to the Oregon Department of Energy and other reviewing agencies on June 29, 2017, marking a major milestone in the Oregon permitting process. Required hard copies of the approximately 17,000 page application were delivered on July 19, 2017, starting the clock on a 45-day review period. All comments will be due back to the Oregon Department of Energy by Friday, September 1, 2017.

With more certainty around the B2H routes, Idaho Power has begun a robust landowner outreach effort. All impacted landowners along the project route are being contacted and asked to meet in person by year-end. As of the end of June, Idaho Power had already met with several landowners.