e-FILING REPORT COVER SHEET

Send completed Cover Sheet and the Report in an email addressed to:
PUC.FilingCenter@state.or.us

REPORT NAME: New Construction Budget Report for 2019

COMPANY NAME: Idaho Power Company

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? ☐No ☒Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: ☒RE (Electric) ☐RG (Gas) ☐RW (Water) ☐RO (Other)

Report is required by: ☒OAR 860-027-0015
☐Statute
☐Order
☐Other

Is this report associated with a specific docket/case? ☐No ☒Yes

If yes, enter docket number: RE 35

List applicable Key Words for this report to facilitate electronic search:

DO NOT electronically file with the PUC Filing Center:

- Annual Fee Statement form and payment remittance or
- OUS or RSPF Surcharge form or surcharge remittance or
- Any other Telecommunications Reporting or
- Any daily safety or safety incident reports or
- Accident reports required by ORS 654.715

Please file the above reports according to their individual instructions.

LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

March 28, 2019

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301

Re: Idaho Power Company's New Construction Budget Report for 2019

Attention Filing Center:

Pursuant to OAR 860-027-0015, Idaho Power Company ("Idaho Power") herewith transmits for electronic filing its New Construction Budget Report for 2019.

The redacted forecast financial information in this report, given its magnitude and level of detail, is commercially sensitive and potentially material non-public information under federal securities laws, and if disclosed freely could subject Idaho Power or its customers to risk of competitive disadvantage, legal harm, or other business injury. The redacted forecast financial information should be treated as confidential until Idaho Power publicly discloses the information in a broad, non-exclusionary manner consistent with the requirements of Regulation FD of the U.S. Securities and Exchange Commission (for example, via a national press release or public filing with the U.S. Securities and Exchange Commission).

A confidential unredacted version of the report will be provided via U.S. Mail. If you have any questions, please call me at 208-388-5825.

Very truly yours,

Lisa D. Nordstrom

Lisa D. Nordstrom

LDN:kkt

Enclosure

PUBLIC UTILITY COMMISSION OF OREGON
PO BOX 1088, SALEM, OR 97308-1088
PUC.FilingCenter@state.or.us

ELECTRIC COMPANY NEW CONSTRUCTION BUDGET FOR 2019

GENERAL INSTRUCTIONS

1. Each energy utility operating within the State of Oregon and having gross operating revenues of $50,000 or more per year is required to file a New Construction Budget annually on or before March 31st and report information on new construction, extensions, and new additions to property of the utility in accordance with Oregon Administrative Rule 860-027-0015.

2. The New Construction Budget Report should be completed and filed with the Public Utility Commission of Oregon Filing Center. Complete the e-Filing Report Cover Sheet found at http://www.puc.state.or.us/eFiling/eReports/efiling_report_cover_sheet_FM050.pdf. Email both the report and the cover sheet to PUC.FilingCenter@state.or.us, no later than March 31st.

PROJECT NARRATIVE

For major projects (the three largest projects in terms of cost and all projects greater than $10 million) a narrative supplying the following information is required:

1. Project Description: Include a brief technical specification of the project, ownership, if jointly owned, operating date, stage of construction, and other relevant information.

2. Need for the Project: Attach all prepared information documenting the need for the project, including the specific need the project is intended to fill. Economic comparisons with alternatives are to be attached. All the underlying assumptions of the economic analyses are to be specified.

3. Contingencies: Attach a listing of existing or potential future problems which might impact the final cost or successful completion and operation of the project, such as licensing problems, labor difficulties, litigation, etc.

4. Reconciliation with Prior Budget: Each successive year's budget can be expected to reflect differing estimates of project costs as the project progresses. For each major project, prepare a reconciliation with the prior budget's estimates and provide specific reasons for the changes.

In addition, please attach copies of prepared documentation or plans describing generation transmission, and general plant projects exceeding $1,000,000 in total cost and for which construction will commence in the budget year. Information submitted should contain:

1. A Brief Project Description: Include the project function (e.g., production, transmission, distribution, general plant, thermal, hydro, or other), project identification.

2. Location: Include a starting and ending date.

3. Total budgeted cost.

FULL NAME OF ELECTRIC COMPANY			
Idaho Power Company			
ADDRESS: PO BOX OR STREET NUMBER	CITY	STATE	ZIP CODE
1221 W Idaho St.	Boise	ID	83702

CERTIFICATION: I CERTIFY THAT THE INFORMATION REPORTED IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

SIGNATURE	TITLE	DATE
Tami White	Budget and Revenue Manager	3-22-19

Schedule B: Electric Company New Construction Budget (System)	COMPANY: Idaho Power Company	BUDGET YEAR: 2019

INSTRUCTIONS

1. **Report size of major production projects only, and percent ownership, scheduled operating dates, and expenditures required to complete project for major production, transmission, and general plant projects.**
2. **Major projects are defined as those projects having a total estimated cost to completion exceeding $10 million.**
3. **Under "Distribution," report specific line item expenditures for the budget year only. All expenditures for distribution following the budget year should be aggregated for the year and only total distribution expenditures reported for the period.**
4. **Non-major project expenditures within each category should be aggregated and only the totals reported.**
5. **Report all expenditures in thousands of dollars.**

DESCRIPTION	SIZE	PERCENT OWNERSHIP %	SCHEDULED OPERATING DATE (MO / YR)	EXPENDITURES (B.Y. = BUDGET YEAR; B.Y.+ 1 = THE FIRST YEAR AFTER THE BUDGET YEAR, ETC.)							
				PRIOR TO B.Y.	B.Y.	B.Y. + 1	B.Y. + 2	B.Y. + 3	B.Y. + 4	REQUIRED TO COMPLETE	TOTAL
Major Production Projects:											
Brownlee Turbine Runner Replacement - This project is to replace the runners and refurbish the turbines for Brownlee units 1 through 4. Beginning in 2016, one unit per year has been completed, with the final unit scheduled for completion in 2019. In addition to resolving damage due to cavitation, the new runners will improve generation efficiency.	NA	100%	2019	53,209	5,715						[redacted]
Hells Canyon Complex Relicensing - This project includes amounts incurred for the ongoing relicensing efforts for the Hells Canyon Complex (HCC). IPC continues to work closely with various agencies and stakeholders to resolve issues associated with Section 401-Clean Water Act certification.	NA	100%	Unknown	296,644	7,706	[redacted]	[redacted]				[redacted]
Hells Canyon Complex License Early Mitigation and Compliance - This project represents the capital expenditures to comply with the anticipated terms of a new Hells Canyon Complex license order. Early mitigation projects began in 2005 based on necessity or opportunity to address expected compliance requirements. Receipt of the license is not expected until sometime in the future.	NA	100%	Various	65,765	4,518	[redacted]	[redacted]				[redacted]
Shoshone Falls Unit 1 and Unit 2 Replacements – This project includes replacing units 1 and 2 with a single 3.2 MW unit, a new step-up transformer, equipment and personnel access improvements to the powerhouse intake, and a warehouse. The work will address aging infrastructure and improve operation and maintenance.	NA	100%	2019	12,410	11,223						[redacted]

Lower Salmon Units 1 & 3 Turbine Refurbishments – This project will replace the fixed pitch turbine and refurbish mechanical components. The generators will be refurbished with new stator iron and coils, and the rotor poles will be refurbished. The project will increase unit efficiency and extend the life of the units.	**NA**	**100%**	**2022**		**602**	**1,376**	[redacted]	[redacted]				[redacted]
Hells Canyon Turbine Refurbishments – This project refurbishes the turbine units for Hells Canyon units 1 through 3. The project will include replacing the runner and wicket gates, refurbishing the rest of the turbine unit and repairing existing cavitation. The project will also reinsulate the generator rotor poles. This project will result in improved efficiency, improved cavitation resistance, and unit reliability.	**NA**	**100%**	**2024**		**67**	**4,392**	[redacted]	[redacted]				[redacted]
Jim Bridger Flue Gas Desulfurization Pond – Coal Combustion Residual Rules (CCR) established by the EPA require the unlined flue gas desulfurization (FGD) pond #2 at the Jim Bridger plant stop receiving scrubber waste in 2023. The FGD pond receives waste liquor from the scrubbers which remove sulfur dioxide from the emitted flue gas. This project will create a Subtitle-D compliant CCR pond.	**NA**	**33%**	**2022**			**287**	[redacted]	[redacted]				[redacted]
Non-Major Production Projects						**51,513**	[redacted]	[redacted]				
Total Production Projects						**86,730**	[redacted]	[redacted]				
Major Transmission Projects: **Due to FERC Standards of Conduct, IPC has presented its major and non-major transmission projects in total, and without year by year amounts for the projects discussed.**												
Boardman-to-Hemingway Transmission Line - The Boardman-to-Hemingway line, a proposed 300-mile, 500-kV transmission project between a station near Boardman, Oregon and the Hemingway station near Boise, Idaho, would provide transmission service to meet future resource needs. The Boardman-to-Hemingway line was included in the preferred resource portfolio in Idaho Power's 2017 IRP.												
Hemingway 230-kV Integration Projects - These projects are required to integrate the Boardman-to-Hemingway 500-kV line into the Idaho Power system to allow the capacity of the Boardman-to-Hemingway line to be fully utilized.												

Gateway West Transmission Line - Idaho Power and PacifiCorp are pursuing the joint development of the Gateway West project, a 500-kV transmission project between a station located near Douglas, Wyoming and the Hemingway station near Boise, Idaho. **Wood River-Ketchum 138-kV Redundant Transmission Line –** This project will provide redundancy and improve reliability for the Ketchum and Sun Valley areas, which are currently served by a single 138-kV transmission line. In addition to improving reliability for the area, this project will reduce future maintenance and repair costs by providing greater outage management flexibility for the north Wood River Valley. **T950 Midpoint-Borah 345-kV Transmission Line -** This project rebuilds the line and replaces wood poles nearing the end of their anticipated useful lives. Several other issues with the line such as grounding failures, insulator flashovers, leaning structures, National Electric Safety Code structural capacity, and ground clearance will be resolved. Idaho Power will rebuild the line using 345-kV construction standards, which will increase reliability and decrease future maintenance and capital costs. **2-Way Radio Upgrade -** This project upgrades the existing 2-way radio system and provides enhances employees' ability to operate the electrical system safely and effectively. This project will improve the incoming call process for dispatch by adding a call queueing system; eliminating one-sided communication between field personnel and dispatch, automating base station selection for dispatch and field personnel; and improving radio coverage gaps. **Integrated Volt-Var Control System and 700 MHz Field Area Network -** This project replaces the Automate Capacitor Control System, approaching its end of useful life in 2020, with an Integrated Volt-Var Control System. Additionally, the FCC requires a broadcast signal at the 700 MHz frequency cover a minimum of 50% of the population covered by the license for the recently acquired 700 MHz spectrum by June 2019. These implementations will aid in reducing instability of voltage in distribution lines and maintaining power quality for our customers, while mitigating operational problems and cyber security violations.											

Boise Bench Substation C231 & C232 Replacements - This project replaces the two remaining 230-kV series capacitor banks on the Boise Bench to Brownlee lines. The capacitors are well beyond their reliable service life, are difficult and expensive to maintain, and parts are no longer economically available. This project will increase reliability and reduce maintenance and capital costs.											
Cloverdale 230-kV Integration Project - This project will extend 230-kV service into the Cloverdale substation. The project is needed to meet load growth and improve transmission reliability. The project solves several issues identified in the 2015 North American Electric Reliability Corporation Transmission System Planning Performance Requirements.											
Non-Major Transmission Projects											
Total Transmission Projects					**61,925**	[redacted]	[redacted]				
Distribution (See Instruction 3):											
Station Equipment					**14,559**						
Poles, Towers, and Fixtures					**15,551**						
Overhead Conductors and Devices					**8,041**						
Underground Conductors and Devices					**15,796**						
Underground Conduit					**2,990**						
Line Transformers					**33,632**						
Services					**3,544**						
Meters					**5,342**						
Street Lighting and Signal Systems					**263**						
Other:					**2,868**						
Total Distribution					**102,586**	[redacted]	[redacted]				
Major General Plant Projects:											
BOC Site Expansion - This project will improve the skills training center to aid employees in continuing to operate the electrical system safely and effectively. The project includes upgrading the existing skills training yard to include a simulated substation, a facility providing workspace, classrooms, training lab, computer/testing room, learning resource center, equipment and tool storage, and consolidated parking for Company vehicles. The increase in apprenticeship training will help meet the demands created by retirements of highly-skilled field personnel and an increasingly complex system.		**100%**	**Various**	**4,186**	**1,277**	[redacted]	[redacted]				[redacted]
Non-Major General Plant Projects					**38,453**	[redacted]	[redacted]				
Total General Plant Projects					**39,730**	[redacted]	[redacted]				
Total New Construction Budget					**290,971**	[redacted]	[redacted]				

NEW CONSTRUCTION BUDGET - 2019
IDAHO POWER COMPANY
OTHER PROJECTS EXCEEDING $1 MILLION

Project	In Service Date	B.Y. Cost	B.Y. + 1	B.Y. + 2	3 Year Total	Description
PRODUCTION						
Hells Canyon Penstock Coupling Refurbishment	2020	$ 668	$ [redacted]	$ [redacted]	$ [redacted]	This project will remove corrosion of the steel couplings at the penstocks. Corroded parts will be replaced to avoid potential need of an unplanned shut down of the units, and to mitigate the risk of failure of the coupling.
Bridger U4 SCR Catalyst Replacement 20	2020	$ 185	$ [redacted]	$ [redacted]	$ [redacted]	This project will install an additional level of Selective Catalytic Reduction (SCR) as defined in the catalyst management plan. The current SCR design requires replacement of catalysts on a 3-year cycle. The project will help to reduce NOx emissions and enable compliance with permitted levels.
Brownlee U5 Generator Refurbishment	2020	$ 2,185	$ [redacted]	$ [redacted]	$ [redacted]	This project will refurbish the generator with new Roebel bars and refurbished rotor poles. Condition based testing of the coils show them to be in need of replacement. The coils are 38 years old and have exceeded their expected useful life of 30 years.
Bliss Concrete Deck Rehabilitation	2019	$ 1,302	$ [redacted]	$ [redacted]	$ [redacted]	This project will rehabilitate multiple areas of deteriorating concrete on the top deck at Bliss by resurfacing the intake deck and "spot" repairs on other areas. These "spot repair" areas include top edges undermining handrail posts, edges showing exposed reinforcing bar and conduit, concrete surrounding crane-rail bolts, and spalling concrete adjacent to spillway stoplog slots.
Upper Salmon - Stabilize Stacked Rock Wall	2019	$ 1,114	$ [redacted]	$ [redacted]	$ [redacted]	This project will improve and add stability to the stacked rock wall below the Upper Salmon A powerhouse. Work will include engineering design and construction of a wall stabilization intended to prevent further deterioration and failure of the wall. This hand-stacked rock wall forms the tailrace wall and also acts as a retaining wall for the access road and switchyard above the tailrace. This wall is original to construction and has deteriorated. The wall is constructed of a soft type of rock which has eroded and shows signs of instability.
Lower Salmon Turbine Refurbishment	2019	$ 6,831	$ [redacted]	$ [redacted]	$ [redacted]	This project will refurbish the Kaplan turbine and mechanical components to gain a life extension of 50 years. The generator will be refurbished with new stator iron and coils, and refurbishment of rotor poles. This project will increase unit efficiency and will reduce long-term maintenance costs. Increased generation is expected to qualify for tax credits and/or renewable energy credits (RECs).
HCC - Major Remodel of Existing Homes	2019	$ 2,240	$ [redacted]	$ [redacted]	$ [redacted]	This project remodels existing housing in the Hells Canyon Complex. The remodels will improve the overall condition of the houses, provide insulation in walls and ceilings, and provide adequate eating space, storage and garage space, and improved livability through better utilization of space.
HCC - Circle C Bunk Houses and Mess Hall	2019	$ 1,100	$ [redacted]	$ [redacted]	$ [redacted]	This project will build a bunk house to house up to 12 persons, accommodate meals, and provide boat storage. The project supports the effort required for the renewal of the Hells Canyon Complex licensing. Efficiencies will be realized due to no longer launching boats from Lewiston and traveling upriver to complete necessary field work.
Twin Falls - Replace Governor Programmable Logic Controller	2020	$ 895	$ [redacted]	$ [redacted]	$ [redacted]	This project will replace the governor PLCs (Programmable logic controller), driver hardware, and create in-house software to perform turbine flow control. The excitation systems for both units will also be upgraded to IPCO's standard Basler Static Exciters, and a plant DCS will provide a local historian and GUI upgrade. The plant protection will also be upgraded to the standard SEL300G and Beckwith relay package replacing the old GE DGP protection. The programming in these units is proprietary, and also very expensive to have repaired or reprogrammed. There is only one company that is in the business of supporting them, and they have problems keeping people employed who have experience with them. Our plan is to purchase off-the-shelf PLCs that can be programmed by Company employees and then we will have this program and support in-house.
Langley Gulch Water Supply Expansion	2019	$ 4,292	$ [redacted]	$ [redacted]	$ [redacted]	This project includes expansion of the water / wastewater supply system at Langley to provide some additional treatment capacity and redundancy to the existing system. The project includes installation of a new on-site well and piping to provide flow to the existing system; installation of a new RO treatment system and installation of a new clarifier as well as revisions to the water supply system to the raw water tank.
TRANSMISSION	**See Note at the Major Transmission Project section of this report.**					
GENERAL PLANT						
M&E - New HVAC and Controls for Common Areas and Offices	2019	$ 1,250	$ [redacted]	$ [redacted]	$ [redacted]	This project will replace the current HVAC ductwork and system. In the current HVAC ductwork and system, much of the ductwork is crumbling or falling apart. There is also years-and-years of dust and grime coating the inside of the ductwork. System is original to the M&E and requires replacement to prevent air quality issues.
AMI Expansion to Remaining Territory	2022	$ 232	$ [redacted]	$ [redacted]	$ [redacted]	This project will install powerline carrier communication equipment at 41 selected substations using salvaged TWACs equipment. The change out of equipment is scheduled over a 3 year time frame 2019-2021. During the 2009 - 2011 AMI installation, it was cost prohibitive to equip the substations in remote locations with broadband communications. The acquisition of salvaged equipment makes this feasible.
CHQ - Upgrade Bathrooms and Hallways	2020	$ 750	$ [redacted]	$ [redacted]	$ [redacted]	This project will upgrade areas that currently have low lighting and are outdated. Bathroom tile and grout that appear to be dirty due to age will be replaced. New carpet and wallpaper in circulation corridors will be installed.
BOC - Expansion of the Woodhead Conference Room	2020	$ 90	$ [redacted]	$ [redacted]	$ [redacted]	This project will expand the Woodhead conference rooms, providing for larger conference rooms with the ability to separate into smaller conference rooms. The expansion will aid in training and facilitating employee meetings.

NEW CONSTRUCTION BUDGET - 2019
IDAHO POWER COMPANY
OTHER PROJECTS EXCEEDING $1 MILLION

Project	In Service Date	B.Y. Cost	B.Y. + 1	B.Y. + 2	3 Year Total	Description
Bridger - Purchase 775 Ash Hauler	2019	$ 625	$ [redacted]	$ [redacted]	$ [redacted]	This project will replace an existing 777 ash haul truck with the highest operating hours / in the worst condition with a 775 truck to maintain fleet availability. Ash haul trucks are required for fly ash and bottom ash disposal. Maintenance costs and downtime will be reduced.
Smart Key Project	2019	$ 2,228	$ [redacted]	$ [redacted]	$ [redacted]	This project replaces our current system with a more efficient system. Efficiencies will be gained because all lost, stolen, or keys that are not returned can be removed from the system and denied access to cores located in any enterprise door, gate, or padlock. The new system cores receive power from the keys so there is no need to bring power to any door or gate which reduces infrastructure costs. The new system also has improved data capturing by capturing who accessed any door, gate, or padlock companywide.
Brownlee Security Enhancements	2021	$ 800	$ [redacted]	$ [redacted]	$ [redacted]	This project addresses multiple threats through the installation of additional security infrastructure to better detect, deter, deny, delay, notify, monitor, and respond to potential security threat events.