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Subject: Idaho Power's 2024 WECC Annual Supplemental Progress Report

Tom and Doug:

Attached is Idaho Power's 2024 WECC Annual Supplemental Progress Report. Please contact me if you have any questions.

Sincerely,

Patrick 7. Perry

Patrick T. Perry Senior Engineer

Enclosure

cc: Jared Ellsworth (IPCO) Erik Schellenberg (IPCO) Curtis Westhoff (IPCO)

Annual Progress Report Update

Boardman to Hemingway Transmission Project

The Boardman to Hemingway Transmission Line Project (B2H) is a planned 500-kilovolt (kV) transmission project that would span between the Hemingway 500-kV substation near Melba, Idaho, and the proposed Longhorn Substation near Boardman, Oregon. Once operational, B2H will provide Idaho Power increased access to reliable, low-cost market energy purchases from the Pacific Northwest. Idaho Power's planned capacity interest in B2H is 750 MW in the west to east direction and 182 MW in the east to west direction.

B2H (including early versions of the project) has been a cost-effective resource identified in each of Idaho Power's integrated resource plans (IRP) since 2006 and continues to be a cornerstone of Idaho Power's 2023 IRP preferred resource portfolio. In the 2023 IRP, as has been the case in prior IRPs, the B2H project is not simply evaluated as a transmission line, but rather as a resource that will be used to serve Idaho Power load. As a resource, the B2H project is demonstrated to be the most cost-effective method of serving projected customer demand.

As can be seen in the 2023 IRP, the lowest-cost resource portfolio includes B2H. When compared to other individual resource options, B2H is also the least-cost option in terms of both capacity cost and energy cost. As a resource alone, B2H is the lowest-cost alternative to serve Idaho Power's customers in Oregon and Idaho. As a transmission line, B2H also offers incremental ancillary benefits and additional operational flexibility.

Idaho Power is the project manager for the permitting phase of the B2H project. The B2H project achieved a major milestone nearly 10 years in the making with the release of the Bureau of Land Management (BLM) Record of Decision (ROD) on November 17, 2017. The BLM ROD provides the ability to site the B2H project on BLM-administered land. Idaho Power also received a ROD from the U.S. Forest Service (USFS) in 2018 and a ROD from the U.S. Navy in 2019. Idaho Power also obtained Certificates of Public Convenience and Necessity from the IPUC and OPUC in June 2023.

For the State of Oregon permitting process, Idaho Power submitted the amended application for Site Certificate to the Oregon Department of Energy in summer 2017 and the Oregon Department of Energy issued a Draft Proposed Order on May 22, 2019. Oregon's Energy Facility Siting Council (EFSC) is tasked with establishing siting standards for energy facilities in Oregon and ensuring certain transmission line projects, including B2H, meet those standards. The EFSC completed the contested case proceeding in 2022. In late September 2022, the Oregon EFSC held its final hearing and its final vote on Idaho Power's application for a site certificate for B2H. The EFSC approved the site certificate by a unanimous vote. Three limited parties filed appeals to the Oregon Supreme Court asking them to overturn EFSC's approval of the B2H site certificate. The Oregon Supreme Court issued its decision on March 9, 2023, affirming the B2H site certificate. Idaho Power submitted Request for Amendment 1 to ODOE in December 2022 which was approved by EFSC on September 22, 2023. One party has filed an appeal. Idaho Power filed Request for Amendment 2 in June 2023.

Although Idaho Power has non-appealable right-of-way grants from the BLM and the site certificate from ODOE, both entities require additional steps prior to authorizing construction.

Idaho Power is working through the BLM's process to secure Notice(s) To Proceed approvals and with the ODOE to obtain Pre-Construction Compliance Determinations. Idaho Power expects these authorizations to be granted in 2024. Additionally, Idaho Power is in the process of securing material and construction bids and awarding contracts for the various aspects of the project to move into the construction phase. Subject to the ongoing permitting requirements, Idaho Power is targeting a 2026 in-service date.

In addition to the transactions directly related to construction and operation of B2H, Idaho Power and PAC have agreed to exchange certain assets and take other actions as follows upon completion of B2H, conditioned on reaching definitive agreements. This includes two system upgrade projects identified to reinforce Borah West and Midpoint West.

- Midpoint-Kinport 345 kV Series Capacitor Addition
- Midpoint 500/345 kV Second Transformer Addition

WECC Path 14 (Idaho-Northwest) transfer capacity ratings with the B2H Project facilities are expected to increase to 2250 MW west to east and 3400 MW east to west.

Planned B2H facilities include:

- Hemingway-Boardman 500 kV line, 300 miles with approximately 50% series compensation
- Hemingway 500 kV Line Terminal with Shunt Reactors and Series Capacitor
- Midline Series Capacitor near North Powder, Oregon
- Longhorn 500 kV Line Terminal with Shunt Reactors and Series Capacitor
- Hemingway-Bowmont #2 230 kV line, 13 miles
- Bowmont-Hubbard 230 kV line, 16 miles
- Midpoint-Kinport 345 kV Series Capacitor Addition
- Midpoint 500/345 kV Second Transformer Addition

The B2H Project has been studied in the annual NERC TPL-001-5.1 study and conforms to the reliability standard and other corresponding regional System Performance requirements, and the WECC "Overview of Policies and Procedures for Project Coordination Review, Project Rating Review, and Progress Reports."

See the project website (<u>www.boardmantohemingway.com</u>) or the <u>2023 Idaho Power IRP</u> Section 7 for additional information.

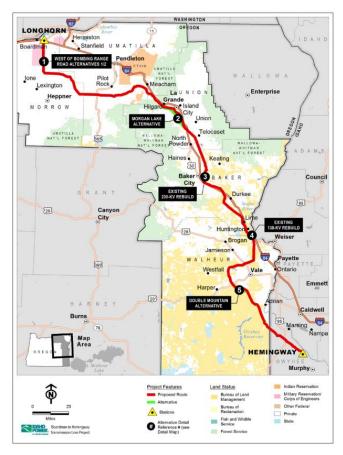


Figure 1: B2H Route Submitted in 2017 EFSC Application for Site Certificate.

B2H Project History

2007

- Idaho Power initiated B2H.
- Idaho Power began collecting existing data for the preliminary routing process.
- Idaho Power filed an Application for Transportation and Utility Systems and Facilities on Federal Lands (Standard Form 299 or SF-299) with BLM on **December 19**.

- Idaho Power filed an SF-299 with the U.S. Forest Service on March 28.
- Idaho Power met with county planning and zoning staff, community leaders and elected officials to brief them on the project.
- Idaho Power met with staff from the Bureau of Land Management (BLM) and the Oregon Department of Energy (ODOE) to discuss the project and potential routes.
- Idaho Power hosted the Baker Valley Stakeholder Meeting on **July 22** with Baker Valley representatives to share information on how the preliminary routes are being developed, and to collect feedback on concerns and opportunities.
- In **August**, Idaho Power presented a proposed route and alternate routes to BLM and ODOE.

- On **August 28**, Idaho Power submitted its Notice of Intent (NOI) to submit an Application for a Site Certificate to ODOE.
- On **September 12**, BLM published its <u>Notice of Intent to Prepare an Environmental Impact Statement</u> in the Federal Register.
- Public scoping meetings were jointly held by BLM and ODOE from **October 21-30**. Idaho Power participated in the public scoping meetings.
- Idaho Power met with interest groups, communities and elected officials.

2009

- ODOE published its Project Order on **January 26**.
- On **March 9**, Idaho Power announced its Community Advisory Process (CAP).
- On **April 3**, Idaho Power removed the Northwest Source Station (formerly known as the Sand Hollow Substation) from the project proposal.
- On **April 10**, BLM published its Public Scoping Report.
- On **May 14**, ODOE held a project informational meeting in Baker City, Oregon, and participated in a tour of Malheur County.
- In **May**, BLM and ODOE jointly mailed the first issue of the *B2H Newswire* (project newsletter).
- On **May 21, May 27 and June 4**, Idaho Power convened the first round of meetings with the South, Central and North Project Advisory Teams (PAT) as part of the CAP.
- On **July 28, 29 and 30**, Idaho Power held the second round of PAT meetings for the North, Central and South PATs, focusing on the development of community siting criteria. Idaho Power announced public meetings as part of the CAP process in August.
- From **August 19 27**, Idaho Power conducted its first series of public meetings as part of the CAP process.
- In **September**, Idaho Power held the third round of PAT meetings for the North, Central and South PATs, focusing on preliminary mapping of routes based on resource and community criteria.
- Idaho Power conducted CAP open houses in John Day and Burns, Oregon, on **October 21-22**.
- In **November**, Idaho Power held the first and second round of Grant and Harney County PAT meetings.
- Idaho Power held a Project Order and Idaho Routing Meeting on **November 30**.
- In **December**, Idaho Power held the fourth round of meetings for the North, Central and South PATs, which included a presentation on the status and analysis for each PAT-proposed route and the analysis methods used to evaluate the routes.
- Idaho Power continued meeting with interest groups, communities and elected officials.

- Idaho Power held the third round of meetings for the Grant and Harney County PATs on **January 19 20**.
- Idaho Power continued meeting with interest groups, communities and elected officials.
- In **March**, Idaho Power held the fifth round of meetings for the South, Central and North PATs and the fourth round of meetings for the Grant and Harney PATs to present

- analysis of revised routes and proposed alternative routes and requested comments on its three route alternatives.
- On **April 6**, Idaho Power announced it will submit the eastern route alternative as its proposed route in its revised applications to BLM and USFS and its notice of intent to ODOE.
- In **April and May**, Idaho Power held the sixth round of meetings for the South, Central and North PATs and the fifth round of meetings for the Grant County PAT to discuss the proposed route and share information about future public participation opportunities.
- On **May 14**, EFSC held a meeting in Baker City, listened to public comments on B2H, and toured Malheur County agricultural operations.
- Idaho Power continued meeting with interest groups, communities and elected officials.
- In **June**, Idaho Power submitted its revised <u>Standard Form-299 Application</u> (SF-299) and <u>Preliminary Plan of Development</u> to BLM and USFS to reinitiate the federal review process.
- In **July**, Idaho Power submitted a <u>new Notice of Intent to Apply for a Site Certificate</u> to ODOE.
- In **July**, Idaho Power hosted CAP open houses.
- On **July 16**, ODOE, BLM and USFS reopened the public scoping and comment period and announced public meeting dates. The agencies requested comments from the public and other agencies on Idaho Power's routes and related documents.
- In **August**, ODOE, BLM and USFS hosted a series of public scoping and information meetings about the project.
- On **September 27**, BLM, USFS and ODOE's public scoping period closed.
- The state and federal agencies began their review of public comments for their separate processes.
- Idaho Power met with individual landowners to discuss their routing concerns.

- On January 24, Idaho Power hosted a landowner meeting in Ione, Oregon, to discuss routing updates.
- On March 22, Idaho Power hosted a landowner meeting in La Grande, Oregon, to discuss routing alternatives near La Grande and Glass Hill.
- On **May 9**, BLM and USFS published the revised scoping report. BLM reviewed all new comments and published a revised scoping report documenting comments from the 2008 and 2010 comment periods, as well as comments submitted to Idaho Power's CAP.
- In **July**, BLM developed a <u>Spotlight on Historic Properties</u> fact sheet describing the National Historic Preservation Act (NHPA) Section 106 consultation process.
- On **August 16**, BLM hosted the first in a series of meetings for the NHPA Section 106 consultation process.
- Throughout the summer Idaho Power field crews conducted field operations.
- In **October**, B2H was <u>named a pilot project</u> for the federal Rapid Response Team for Transmission.

2012

- In **January**, Idaho Power, PacifiCorp and Bonneville Power Administration agreed to jointly fund the environmental review and permitting process for B2H.
- On March 22, ODOE reviewed public and agency comments and issued the <u>Project</u>
 Order, informing Idaho Power of the issues, regulations and impact analysis areas it must address in its ASC.
- Throughout the spring and summer, Idaho Power field crews conducted field operations.
- In **July**, BLM staff met with landowners along several potential new alternatives.
- On **July 26**, BLM, USFS, and ODOE distributed the <u>Summer 2012 Newswire</u>.
- In **August**, BLM, USFS, ODOE and Idaho Power staff hosted open houses along the B2H route to update the public on new alternatives being considered by BLM, next steps for the federal and state review processes, upcoming documents for public review and future public comment opportunities.
- On **October 2**, BPA identified B2H as its preferred option and <u>top priority</u> for serving BPA customers in southeastern Idaho.

2013

- In **February**, Idaho Power submitted its preliminary Application for Site Certificate (pASC), which ODOE is currently reviewing for "completeness."
- In **April**, BLM and USFS shared preliminary environmentally preferred alternatives with tribes and cooperating agencies and requested any new information that may not have been considered during the alternatives identification process.
- In **May**, BLM and USFS shared preliminary environmentally preferred alternatives with the public noting the publication of the draft EIS will initiate an opportunity to comment on the analysis and the preferred alternatives.
- On July 26, BLM, USFS, and ODOE distributed the <u>Summer 2013 Newswire</u>.

2014

- On August 25, BLM, USFS, and ODOE distributed the Summer 2014 Newswire.
- BLM released the DEIS on December 19, beginning a 90-day public comment period that ended on March 19, 2015.

2015

- BLM hosted seven public open houses along the project route to provide information on the DEIS and an opportunity for the public to ask questions, view the document, and provide written comments.
- The DEIS public comment period concluded on March 19, 2015.

2016

• BLM released the Final EIS and Proposed Land Use Plan Amendments on November 25, beginning a 30-day availability period and land use planning protest period

2017

• BLM released its Record of Decision for the project on November 17.

2018

- USFS published its draft Record of Decision in June and conducted an objection process with a 45-day objection filing period.
- ODOE deemed the ASC complete on September 21 and IPC submitted a final ASC on October 3.
- ODOE and IPC held a series of public information meetings on the complete ASC in each of the five Oregon counties crossed by the proposed transmission line route in October.
- USFS published that agency's Record of Decision November 9. The USFS Record of Decision applies to 6.8 miles of the corridor that crosses National Forest System lands administered by the Wallowa-Whitman National Forest.

2019

- ODOE issued its recommendations on the application in a Draft Proposed Order (DPO) in May. The DPO recommends that EFSC approve Idaho Power's application.
- ODOE held public hearings on the Draft Proposed Order in June.
- The U.S. Department of the Navy released its ROD on October 2.

2020

• ODOE issued a Proposed Order and Notice of Proposed Order and Contested Case in July. The Proposed Order recommends that EFSC approve Idaho Power's application subject to recommended site certificate conditions

- NorthernGrid published the Final Regional Transmission Plan. B2H and a subset of Gateway West (Anticline – Populus – Cedar Hill – Hemingway) are included in the Final Regional Plan. The plan can be found on the NorthernGrid website at www.northerngrid.net
- In August 2021, a federal judge dismissed claims brought by the Stop B2H Coalition challenging the BLM and Forest Service's decisions to approve rights-of-way across federal land for B2H
- Idaho Power, PacifiCorp, and BPA executed a Non-Binding Term Sheet that addresses B2H ownership, transmission service considerations, and asset exchanges. BPA will transfer B2H ownership interest to Idaho Power. PacifiCorp and Idaho Power will jointly own the line PAC 55%, IPC 45%.
- Facilities used by PacifiCorp to serve BPA's customers in SE Idaho will be transferred to Idaho Power. BPA will acquire network transmission service over Idaho Power to serve its customers. PacifiCorp will acquire additional transmission assets across Southern Idaho. Idaho Power will acquire PacifiCorp transmission between Eastern Idaho and Four Corners Substation (200 MW bidirectional).
- Idaho Power and PAC will construct a B2H midline series capacitor substation around the mid-point of the B2H transmission line. This midline series capacitor—identified through joint planning studies by Idaho Power, PAC, and BPA—is required to address interactions between B2H and other existing transmission paths and to meet the three parties' needs. This midline substation was not included in the original project scope and

will require additional permitting. It is anticipated that this additional permitting will not delay the B2H in-service date.

2022

- Oregon Energy Facility Siting Council Approved a site certificate in a 6-0 vote. The decision was appealed to the Oregon Supreme Court.
- Idaho Power met with owners of land along the project route to negotiate easements and rights-of-entry.
- Idaho Power conducted geotechnical and environmental surveys along the project route.
- On September 30th, Idaho Power applied for Certificates of Public Convenience and Necessity (CPCN) from the Idaho Public Utilities Commission and Oregon Public Utility Commission. The CPCNs would recognize that B2H is in the public interest.

2023

- Idaho Power, PacifiCorp and BPA finalized agreements related to B2H.
- Oregon Supreme Court issued a ruling upholding the EFSC's unanimous approval of the B2H site certificate.
- The Public Utility Commission of Oregon and Idaho Public Utility Commission each granted Idaho Power a CPCN to construct Boardman to Hemingway.
- Idaho Power applied for Owyhee County permits to build the eastern end of the line.
- Design, bidding, and contract negotiations are underway to commence construction in 2024.

Looking Ahead

- Idaho Power will continue working with landowners along the B2H route to obtain remaining easement options, easements and rights-of-entry for the project.
- Idaho Power will continue to meet with community members, representatives of government agencies and other stakeholders to discuss B2H.
- Idaho Power will continue to conduct field work as part of the federal and state review processes.
- The BLM will continue NHPA Section 106 consultation.
- Idaho Power continue to prepare for construction.
- Idaho Power will continue to work with BLM and ODOE to obtain Notice(s) To Proceed and Pre-Construction Compliance Determinations required for construction to start.

Gateway West Transmission Project

Please see the Gateway West Transmission Project section in PacifiCorp's 2024 WECC Annual Progress Report for current Gateway West Transmission Project details. Additional information can also be found on PacifiCorp's Energy Gateway website.

Based on the agreement between PacifiCorp and Idaho Power, executed in early 2012, PacifiCorp (Rocky Mountain Power) will assume responsibility for shepherding all Gateway West transmission facilities through the National Environmental Policy Act (NEPA) process and through the project construction phase.

The NortherGrid 2020-2021 Regional Transmission Plan (biannual report) includes the Populus – Cedar Hill – Hemingway 500 kV AC Gateway West segment located in Idaho. For additional details, please see the NorthernGrid Regional Transmission Plan for the 2020-2021 NorthernGrid Planning Cycle Report.

Please direct questions or concerns regarding these projects to:

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