

TALKING POINTS

July 26th –Idaho PUC Public Hearing re Wood River Valley redundant transmission line proposal

IPUC docket & additional information: [IPC-E-16-28](#)
[MT Express op-ed from Sierra Club](#)

Overview: Idaho Power Company has argued for a second, redundant transmission line connecting the Hailey transmission station to the Ketchum substation since 1973. Sierra Club agrees with recent Public Utility Commission (PUC) staff testimony conclusion that the company has not demonstrated a need for a second line. On July 26th, the PUC will be holding a public hearing to collect public testimony on Idaho Power's request for a Certificate of Convenience and Necessity (CPCN). If granted, issuance of the CPCN would allow the project to move forward regardless of the pending decision before the Blaine County Commission whether to overturn Planning and Zoning's denial of the conditional use permits needed to move forward.

Sierra Club does not believe that the Company has provided an adequate review of relevant costs and technical alternatives and think the public interest would be best served by holding off on final decision at the PUC until additional analysis can be performed. On July 26th, the Public Utilities Commission will host a public hearing in Ketchum to provide an opportunity for the public to weigh in.

You don't have to be an expert to weigh in on this issue meaningfully. Please join us make your voice heard!

WHEN: WEDNESDAY, JULY 26, 2017 AT 7:00 P.M.

WHERE: AT KETCHUM CITY HALL, 480 EAST AVENUE N, KETCHUM, IDAHO.

WHY: The purpose of the public hearing is to take testimony from customers and other interested members of the public. Testimony will be made part of the Commission's formal record.

How the process works: When you arrive there will be a sign up sheet to get in the cue to deliver testimony. When you are called upon, you will be sworn in to assure that your testimony is truthful. You will also be asked to spell your name, give your address, and tell whether you are a customer of the utility whose case is being considered. Although very unlikely, you may be questioned by the Commissioners or a formal party to the case. However, unless you have formally intervened in the case and become a formal party yourself, you may not ask questions of other parties or members of the public who testify.

Tips:

- **You're doing an important civic duty:** Being a little nervous is completely understandable, but remember that your state regulators want to hear from you. No one expects you to be an expert, that's why this is a public hearing and not a technical hearing.
- **Remember what is at issue:** Keep comments focused on issue at hand and hit the main points.
- **Avoid being combative or accusatory:** You are more likely to be heard if you are respectful.
- **Keep it short:** It's ok to speak for only a minute or two, but its advisable to keep your comments under 5 minutes.

Below you will find a breakdown of major talking points to help guide your testimony. If you have any questions, please contact zack.waterman@sierraclub.org or 208.515.6719.

TALKING POINTS

1. Idaho Power's proposal could saddle local communities with an \$11.5 million bill.

- a. In 2007, Idaho Power's community engagement process (Community Advisory Committee (CAC)) was given the goal of siting redundant transmission lines in the WRV. The only portion of the valley without redundant transmission at that time was the area north of Hailey. Thus, the CAC's work was from the start focused on siting a redundant line from Hailey to Ketchum. The CAC was not designed to answer technical questions related to power engineering or whether additional grid infrastructure is needed.
- b. For years the CAC struggled with how to balance exposing locals to pay substantial costs for undergrounding all or portions of such a Hailey-Ketchum line against a desire to underground the line in order to mitigate the line's visual impacts.
- c. In 2015, Idaho Power proposed a new "creative accounting" approach that supposedly eliminated any local financial exposure for almost all of those undergrounding costs.
- d. May 2017- PUC staff see through the creativity and recommend that if the Commission ultimately deem a second line necessary, that locals be required to foot the incremental difference in cost required to place those facilities underground, currently estimated at more than \$11 million (Morrison direct testimony pg 4)

2. The existing line is extremely reliable. A rebuilt line can be even better.

- a. Since 1980 the existing line has experienced only 3.3 hours of unplanned outages – one hour of outage per decade. The existing line has operated reliably and without an unplanned outage 99.999% of the time. Since a redundant line is only needed when the existing line is down, projected future use of a redundant line is likely negligible.
- b. Outages due to maintenance have only totaled 17 hours over the past 37 years and have been scheduled during low load months and at night to minimize impacts.
- c. Approximately 80 percent of past maintenance outages were caused by problems associated with wooden poles (decay and woodpecker damage) which can be eliminated through rebuilding with steel poles.
- d. Mitigation for other potential threats:
 - i. Avalanches: The existing line has never had an outage due to avalanches. Power Engineers analysis indicated that the existing wooden line is strong enough to withstand 50-year avalanches. A rebuilt line with steel structures can be engineered to be even more resilient.
 - ii. Extreme winds- While the outage in Jackson, WY this winter shows the risks that winds can pose to transmission lines, a review of records collected at Friedman airport shows that the more narrow and sheltered Wood River Valley is not subjected to the same extreme wind conditions that caused the Jackson outage. The Wood River Valley is relatively protected from extreme winds. If there is a risk of winds taking out relevant transmission lines, it is much more likely to occur south of the WRV where the lines feeding Hailey come up from Hagerman and Jerome.
- e. After reviewing the Company's application the PUC Staff concluded that Idaho Power has failed to provide a compelling case for redundancy as the proposed second line is "a very expensive means to achieve a relatively small reliability improvement" (Morrison direct p11 lines 4-5)

3. Redundancy does not increase grid resiliency and does nothing to address the need for backup emergency generation.

- a. A second line would have done nothing to mitigate the infamous December 24, 2009 outage that left the Wood River Valley without power. Unlike local generation and storage alternatives, a second line does not provide an independent source of power.
- b. Independent sources of power (grid edge resources) can cover critical load during a variety of low probability events. Combining a rebuilt line on steel poles along the existing right-of-way, paired with distributed energy resources can increase resiliency at a lower total cost than Idaho Power's proposed redundant transmission eliminate concerns about local costs for undergrounding and compliance with county comprehensive plans.

4. Sufficient Analysis Has Not Been Completed for Alternatives

- a. Given PUC Staff's concerns regarding the proposed line's high cost / small reliability improvement, how can it be possible for the Commission to determine that the proposed redundant line is a cost-effective alternative for the NWRV until other options are on the table? Issuance of a CPCN on the current record is not in the public interest.
- b. When grid-edge/distributed energy resources were reviewed by Idaho Power, the analysis made the inappropriate assumption that the entirety of winter peak load must be backed up for a duration of 24 hours. Given the existing line's exceptional record of reliability, we believe these assumptions greatly over-estimated the cost of possible alternatives.
- c. If fairly evaluated grid-edge/distributed energy resources can offer increased resiliency via truly independent power sources at a better cost/benefit ratio than Idaho Power's proposed redundant line.
- d. The company argued that they need the redundant line to provide power while they rebuild the existing line. But they did not consider using a temporary ("shoe-fly") line to facilitate rebuilding of the existing line because it did not comport with their goal of redundancy. The temporary alternative would cost around \$9.4 million compared to the company's proposal at \$36.2 million. Some portion of those \$26.8 million of savings can be better spent on grid-edge resiliency improvements.

5. Planning and Zoning got it right.

- a. The Blaine Co Planning and Zoning commissioners voted overwhelmingly against issuing the permits Idaho Power needs to move forward with this project.
- b. While the Blaine County Commission is currently considering Idaho Power's appeal, it would be beneficial to say that you support P&Z's determination that this project is not right for the Wood River Valley.

Conclusion: It's not possible for the Commission to determine what the best alternative for the NWRV is until all of the options are on the table. Issuance of a CPCN right now is not in the public interest.