

## Regulatory Assistance Project Electric Resource Long-range Planning Survey<sup>1</sup>

State: **Idaho**                      Date: 6/19/03  
Name of Agency:                  Idaho Public Utilities Commission (PUC)  
Source :                              Phone Interview; NWPPC Reliability Forum notes, email  
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### Policies

1. Is any form of long-range electrical resource and/or investment planning required?

Yes

2. What is it called?

Integrated Resource Planning (IRP)

3. What is the process?

Three investor-owned utilities file IRPs with the PUC every two years. Individual dockets are opened once plans are filed. There is a public comment period that lasts about 4 weeks. Although hearings are allowed, historically they have not been held. The utilities request and are granted a “modified procedure,” where all comments must be in writing. Plans are available online at the PUC’s and utilities’ websites.

Most of the work happens before the plans are filed. Some utilities start work on the plans a year or more before they are filed. PUC staff participate in the planning process. If there are no new resource acquisitions proposed in the IRP, there is often little public interest, and there may be few public comments. The usual parties that might respond to the plans include major customers, individuals, environmental groups (e.g. Idaho Rivers United) and PUC Staff.

4. Describe the analysis required by the regulatory body

Since the IRP process culminates only in acknowledgement by the PUC, the standards are not strict and detailed. However, the utilities are expected to provide load forecasts, a comprehensive list of alternative resources, risk analysis and DSM alternatives. They also respond to concerns raised by PUC staff in the process.

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<sup>1</sup> All responses written from notes compiled and edited by Cathie Murray at RAP. The corrections to the draft document suggested by the contact persons have been incorporated.

5. Is it statewide or utility-specific planning? What types of entities are required to participate?

It is utility-specific. PacifiCorp files in January. Idaho Power files in April, and Avista files in July. Avista also prepares a gas IRP, although the other two regulated gas utilities do not. All electric utilities submit multi-state service-area IRPs.

6. This form of planning has been required since what date?

Since 1/27/89

### **Required Elements**

7. Which of the following resources must be evaluated/included:

Generation	Yes
Transmission	Yes*
Distribution	Yes*
Energy efficiency	Yes
Load Management	Yes

\* "Significant differences in transmission and distribution costs should certainly be identified for diverse resource alternatives at least in a general way absent detailed size and siting information. The cost of various types of distributed generation should be evaluated as a resource alternative with the opportunity for T&D cost savings." NWPPC Reliability Forum notes

8. Is a comparison of supply and demand side options/resources required?

The Commission requires a level playing field for DSM and supply-side options. However, a head-to-head comparison is not always possible or practicable. Recent PUC Orders shed some light on the importance given to demand side options. The first ordering clause in Order No. 22299, dated 1/27/89, requires that IRPs "Give balanced consideration to demand side and supply side resources when formulating resource plans and when procuring resources." p. 20. That order also notified "regulated electric utilities that in future rate cases we will take into account the utility's commitment to energy conservation in determining the allowed rate of return. A utility that aggressively addresses the issues and concerns found in this Order, all other things being equal, may expect the allowance of higher return than might otherwise be allowed."

More recently, in Order No. 29189, dated 2/11/03, Idaho Power was told that its "...separate treatment of conservation prevents...meaningful consideration of conservation in the IRP process." pp.20-21 This statement in the order was followed by what could be called a warning by the Commission to Idaho Power that it should



judged based on the conditions at the time the decision is made, not compared to the IRP. However, companies must be prepared to justify significant deviations from the acknowledged plan or deviations that did not occur when conditions changed.

16. Are environmental issues considered in the planning process? Yes

Idaho's rules are not explicit regarding factors to be considered. However, environmental considerations must be weighed. Alternative scenarios must include costs of potential environmental regulation. The fact that the IRP rules are not that explicit is seen as a planning advantage. Idaho's rules have allowed the PUC to operate within their guidelines even with changing circumstances.

### **Agency Process**

17. Agency holds public hearings on utility plans? No, although they could.

18. Other ways public participates and comments on plans are:

Utilities are encouraged to involve the public. Although they make an effort, there is often little public participation by Idaho consumers. PacifiCorp has a lot of involvement regionally, due to activity and interest in other states. They hold meetings in two different locations (neither in Idaho) linked by video. The public may submit written comments once the plans are filed.

19. What action does the Commission take on the plans?

Acknowledges the plans as filed or with relatively minor modifications or suggestions, and "accept[s] for filing".

20. Have resource acquisition decisions changed as a result of the planning process?

Yes, but it is the process that results in changes, not the final decision of the Commission. The final IRP submitted for acknowledgement integrates changes that come about during the process. For example the amount of wind in a PacifiCorp portfolio changed during the IRP process. There may have been additional reasons for the change, but the IRP process had an impact.

21. Are competitive processes used to acquire new resources? Yes

22. Do utilities file an energy efficiency or DSM plan? Yes

For PacifiCorp and Avista, it is integrated with the IRP. For Idaho Power, a separate DSM plan is prepared and submitted along with the IRP.

23. Is competitive bidding used to acquire EE resources? Sometimes

Avista has used RFPs to solicit DSM proposals. All the utilities contract with the Northwest Energy Efficiency Alliance (NEEA). NEEA has used both RFPs and Unsolicited Proposal processes. Some programs are done in-house.

24. Does the regulatory agency have open dockets, or is it considering opening a docket investigating any long-range electrical investments? Yes

25. Citation and description:

Case No. PAC-E-03-2, PacifiCorp IRP, Acceptance of Filing issued June 20, 2003.  
Case No. AVU-E-03-2, Avista IRP filed, schedule for review and comment pending.  
In addition some RFPs will be released soon for new generation. A utility may come before the PUC seeking endorsement to proceed up to an agreed upon cost limit once it selects a contractor and gets a price estimate.

26. Are filed plans available on-line?

Yes, at <http://www.puc.state.id.us/FILEROOM/electric/elec.htm>, or at the utility websites, which can also be reached through the PUC site.

27. Citation and description of State policies (legislation, rules/regs, PUC orders) governing planning:

Order 22299 from Case # U-1500-165 (1989)  
Order 24729 from Case #GNR-E-93-1 (1993)  
Order 25260 from Case #GNR-E-93-3 (1993)

28. Do you anticipate any changes to this process in the near future? No

29. Does your state do performance-based regulation? No

### **State Energy Plan**

30. Is there a State Energy Plan? No

31. Is it connected to the planning described above? N/A

32. If yes, who is responsible for the Plan? N/A

33. What is included in the Plan, apropos of long-range electrical planning? N/A

Note: The verbatim responses of Idaho regulators and plan practitioners to similar survey questions can be seen at

<http://www.nwcouncil.org/energy/powersupply/adequacyforum/Default.htm>