

## **Transmission Needs Driven by Public Policy**

Idaho Power received no stakeholder submissions for transmission needs driven by Public Policy Requirements (PPRs) and Public Policy Considerations (PPCs) during Quarter 1, as of the date of this posting. Please refer to the Idaho Power OATT Attachment K for definitions of capitalized terms herein and a description of the planning process.

Idaho Power considered the following Public Policy Requirements and Public Policy Considerations:

### **Public Policy Requirements**

#### **Renewable Energy Requirements**

Idaho Power has retail service in the state of Idaho and the state of Oregon. The state of Idaho does not have a renewable portfolio standard or any other public policy associated with renewable energy. The state of Oregon has a renewable portfolio standard; however, Idaho Power will not be required to construct any further renewable resources in Oregon over the planning horizon to meet current standards.

Under the Oregon Solar Photovoltaic Program, Idaho Power is mandated by the state of Oregon to install 500 kW of utility scale solar generation in the state of Oregon by the year 2020. Idaho Power is also mandated by the state of Oregon to incorporate a specified amount of customer installed photovoltaic panels.

#### **PURPA**

Idaho Power is subject to the Public Utility Regulatory Policies Act (PURPA), which dictates that Idaho Power must purchase energy from independent power producers at a rate equivalent to the company's avoided cost .

### **Public Policy Considerations**

#### **Carbon Emissions**

As part of Idaho Power's IRP process, sensitivity analysis assuming a tax on carbon is conducted on all resource portfolios. Idaho Power's preferred resource portfolio in its 2013 IRP accounted for a potential future carbon tax. Idaho Power's 2013 IRP twenty-year preferred resource portfolio is comprised of the Boardman to Hemingway (B2H) 500 kV transmission line with associated market purchases from the Pacific Northwest and demand response programs to cover peak summertime capacity deficits. No specific supply-side resource is planned in the 2013 IRP's preferred portfolio over the twenty-year planning horizon. Idaho Power's 2015 IRP will be filed with the Idaho Public Utilities Commission and the Public Utility Commission of Oregon in June 2015.

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Idaho Power evaluated the above PPRs and PPCs. It was determined that each of the aforementioned PPRs and PPCs is already incorporated into the IRP process and that the preferred resource portfolio selection accounts for each requirement and consideration. Consequently, the Local Transmission Planning process will not need to extend analysis to explicitly consider transmission needs beyond those that went into the IRP process. Further, no PPR or PPC sensitivity analysis will be conducted in the development of the Local Transmission Plan.