ROCKY MOUNTAIN POWER
A DIVISION OF PACIFICORP

1407 W. North Temple, Suite 330
Salt Lake City, UT 84116

February 6, 2025

VIA ELECTRONIC DELIVERY

Commission Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd
Building 8 Suite 201A
Boise, ID 83714

RE: CASE NO. PAC-E-25-01
IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER FOR APPROVAL OF THE DECOMMISSIONING AND SALE OF THE PARIS HYDROELECTRIC PROJECT GENERATING FACILITIES

Attention: Commission Secretary

Pursuant to Idaho Code § 61-328, Rocky Mountain Power, a division of PacifiCorp, submits its application to the Idaho Public Utilities Commission requesting approval of the decommissioning and disposition of the Paris Hydroelectric Project and generating facilities.

Informal inquiries may be directed to Mark Alder, Idaho Regulatory Manager at (801) 220-2313.

Very truly yours,

Joelle Steward
Senior Vice President, Regulation

Enclosures
CC: Chris McEwan

Joe Dallas (ISB# 10330)
PacifiCorp, Senior Attorney
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: joseph.dallas@pacificorp.com

Attorney for Rocky Mountain Power

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER FOR APPROVAL OF THE DECOMMISSIONING AND SALE OF THE PARIS HYDROELECTRIC PROJECT GENERATING FACILITIES	)	**CASE NO. PAC-E-25-01** **APPLICATION OF ROCKY MOUNTAIN POWER**

Comes now PacifiCorp, d/b/a Rocky Mountain Power ("Rocky Mountain Power" or "Company") pursuant to Idaho Code (I.C.) § 61-328 and IDAPA 31.01.01.052 hereby submits this application to the Idaho Public Utilities Commission ("Commission"). Rocky Mountain Power respectfully requests an order approving the decommissioning of the Paris Hydroelectric Project generating facilities ("Paris Project") and determining that the decommissioning and property disposition is in the public interest.

The Paris Project, originally constructed in 1910 and operating under a Federal Energy Regulatory Commission ("FERC") conduit exemption, has served the region for over a century. As part of this filing, PacifiCorp proposes the decommissioning of the facility, removal of infrastructure, and restoration of Paris Creek to its natural flow. This initiative is guided by the Paris Creek Restoration Agreement, a collaborative effort between PacifiCorp and stakeholders within the Bear River Hydroelectric Project Environmental Coordination Committee ("ECC"). The Paris Creek Restoration Agreement and proposed decommissioning provides for a reduction

in minimum stream flow requirements at the Grace Hydroelectric Development, offsetting the loss of generation from the Paris Project and represents the most cost-effective solution to address aging infrastructure, operational limitations, and evolving resource management needs.

In support of this Application, Rocky Mountain Power states as follows:

I. NAME AND ADDRESS OF THE APPLICANT

1. Rocky Mountain Power, a division of PacifiCorp, an Oregon Corporation, whose address is 1407 West North Temple, Suite 320 Salt Lake City, Utah 84116, is authorized to do and is doing business in the state of Idaho. The Company provides retail electric service to approximately 91,000 customers in the state and is subject to the jurisdiction of the Commission. The Company's retail certificated service territory encompasses portions of Fremont, Madison, Teton, Clark, Jefferson, Lemhi, Oneida, Bannock, Franklin, Caribou, Butte, Bingham, Bear Lake and Bonneville counties. Rocky Mountain Power is a public utility in the state pursuant to I.C. § 61-129.

2. Formal correspondence and requests for additional information regarding this matter should be addressed to:

By email (preferred): datarequest@pacificorp.com

By regular mail:

Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

With copies to:

Mark Alder
Idaho Regulatory Affairs Manager
1407 W. North Temple, Suite 330
Salt Lake City, Utah 84116
Telephone: (801) 220-2313

Email: mark.alder@pacificorp.com

Joe Dallas
Attorney
Rocky Mountain Power
825 NE Multnomah, Suite 2000
Email: joseph.dallas@pacificorp.com

Informal inquiries related to this Application should be directed to Mark Alder, Idaho Regulatory Affairs Manager, at (801) 220-2313.

II. BACKGROUND

3. The Paris Project is a 715-kilowatt ("kW") hydroelectric project located in Paris Canyon within Bear Lake County, Idaho, which began service in 1910 being operated by the Bear Lake Power Company. The FERC regulated portion of the Paris Project is located on approximately 30 acres of land owned by PacifiCorp. The Paris Project is located within the Bear River watershed in Idaho along with PacifiCorp's Bear River Hydroelectric Project, that includes the Soda Hydroelectric Development with a capacity of 14 megawatts ("MW"), the Grace Hydroelectric Development ("Grace Development") with a capacity of 33 MW, and the Oneida Hydroelectric Development with a capacity of 30 MW.

4. In 1999, PacifiCorp filed an application with the FERC for relicensing of the Bear River Hydroelectric Project ("Bear River Project").[1] After lengthy discussions between PacifiCorp, state and federal agencies, tribes, and non-governmental organizations, a settlement agreement on FERC relicensing was signed by all parties on August 28, 2002. The Bear River Relicensing Settlement Agreement ("Settlement Agreement") was based on resource agency mandates and mutual agreement of the signing parties to employ an ecosystem restoration approach to accomplish resource restoration and enhancement in conjunction with hydropower

[1] The Paris Project is currently operated under a FERC Order granting an exemption from hydroelectric plant licensing.

operations, recreation uses, and other beneficial uses of the Bear River.

5. The ECC, a stakeholder group comprised of signatories to the Settlement Agreement, was formed to consult and make decisions regarding the use of funding and other license requirements for the Bear River Project. These responsibilities include, among other things, facilitating coordination and consultation among the Parties on implementation of the Settlement Agreement measures; proposing and approving restoration and flow measures; establishing monitoring criteria to evaluate the effects of Settlement Agreement measures; and coordinating and implementing Settlement Agreement measures.

6. PacifiCorp has been working with the Parties and entered into the Paris Creek Restoration Agreement with the ECC, which provides for habitat restoration by returning flows back to Paris Creek for the enhancement and restoration of approximately 3.5 miles of high-quality, cold-water habitat for Bonneville cutthroat trout in the currently bypassed reach of Paris Creek. This agreement amended the Bear River Relicensing Settlement Agreement and provides the basis of the Company's request to decommission the Paris Project. A unique component of this agreement is a reduction in minimum stream flow releases at PacifiCorp's Grace Development to provide additional water for generation to offset a portion of the lost generation from the decommissioning.

7. As a result of the Paris Creek Restoration Agreement, the Company filed an application with FERC requesting to decommission and surrender the FERC conduit exemption order (the Paris Project primarily operates on senior irrigation water rights passed through the project) for the Paris Project and a separate application to amend the FERC license for the Bear River Project to reduce the required minimum instream flow at the Grace Development, which will allow for additional generation that will mitigate the loss of hydroelectric generation

associated with the Paris Project.[2]

A. Paris Project

8. Water is diverted from Paris Creek into an earthen canal by a concrete diversion structure that is located approximately 600 feet downstream of Paris Springs, the headwaters of Paris Creek. The canal extends for approximately four miles from the diversion structure to the upstream-most feature of the Paris Project—the forebay. A concrete intake structure at the upstream end of the Paris Project forebay connects the forebay to the canal.

9. The diversion structure near the headwaters of Paris Creek, and the first 0.78 mile of the canal are located on federal lands administered by the United States Department of Agriculture Forest Service ("USFS"). Approximately 0.54 mile of the canal is located on federal lands administered by the United States Department of Interior Bureau of Land Management ("BLM"). The remainder of the canal between the diversion structure and the intake for the forebay is located on privately owned land. PacifiCorp owns the diversion structure and the rights to the canal and currently operates and maintains the canal. See Figure 1 below for a map of the Paris Project.

[2] PacifiCorp proposed to amend Article 408(b) of the FERC license for the Bear River Hydroelectric Project to adjust minimum instream flows at the Grace Development's bypass reach through the remaining term of the Bear River Hydroelectric Project license.

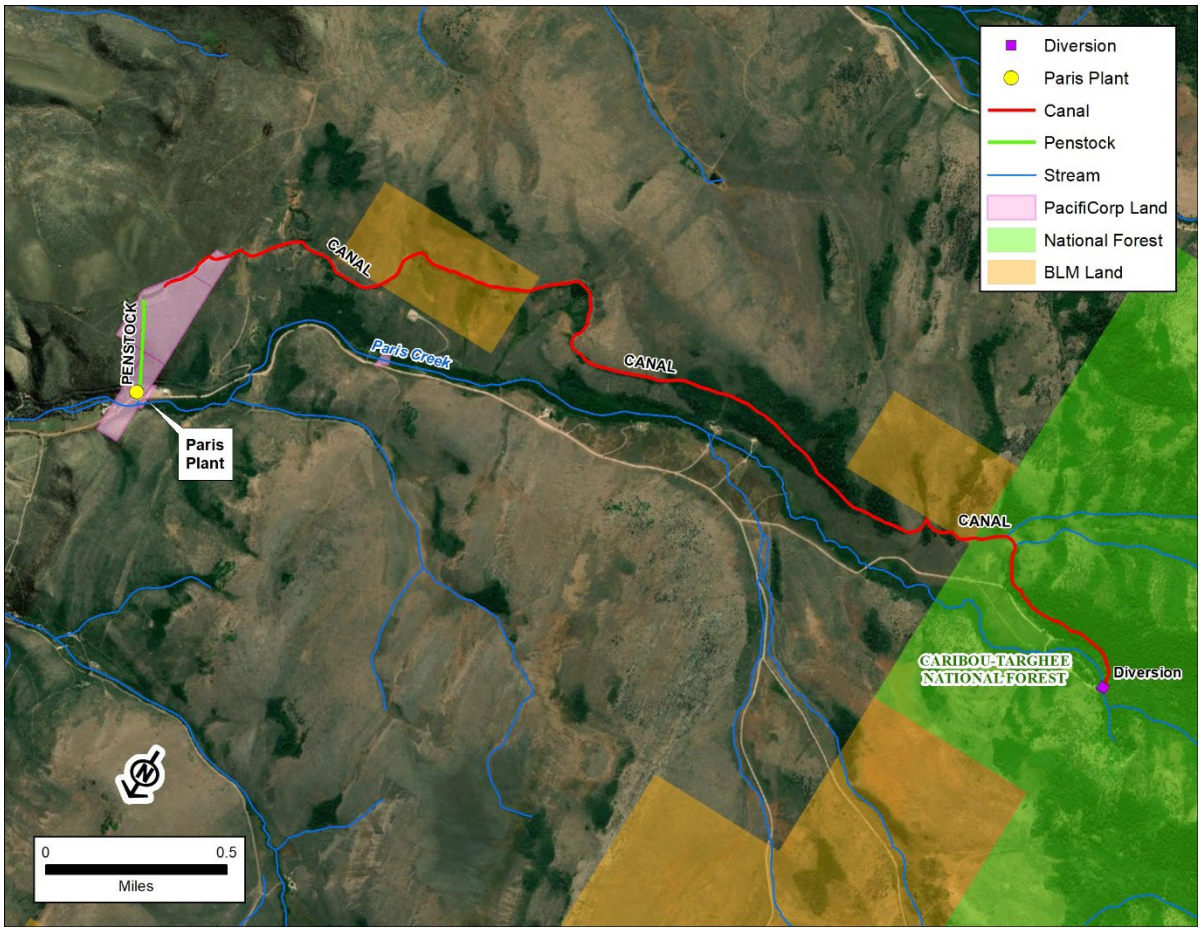


Figure 1. Map of Paris Project

10. Water moves through the Paris Project starting with its diversion from Paris Creek on USFS lands at the location labelled "Diversion" on Figure 1. Water eventually reaches the forebay and enters the "penstock" to the Paris Powerhouse. The penstock is primarily above ground until it nears the powerhouse where it goes underground. The penstock rises through the powerhouse floor and joins the turbine of a horizontal above-floor generating unit. After exiting the turbine the water moves through the tailrace piping that delivers the water directly into Paris Relief Canal Company's irrigation infrastructure or it is returned to Paris Creek.

III. DECOMMISSIONING AND SALE

11. PacifiCorp, in collaboration with the ECC, will decommission the Paris Project and

will offer the Company land for sale. In an agreement with the ECC, PacifiCorp will decommission the Paris Project in exchange for a 15 cubic feet per second ("cfs") reduction in the Grace Development's bypassed reach, which will result in increased water available for generation at the Grace Development.

12. The decommissioning activities for the Paris Project include: 1) removing the concrete forebay inlet structure and the slide gate; 2) grading the earthen forebay embankments to resemble natural landforms; 3) removing the concrete outlet structure, gates, and trash racks; 4) removing the steel penstock and support piers; 5) removing the concrete elements of the spillway and flume; 6) decommissioning the power house by removing and disposing of its contents and disconnecting the power house from PacifiCorp's distribution system to leave the structure secure and empty on-site; 7) removing the discharge pipe sections across the road from the power house; 8) removing the concrete tailrace basin and slide gates; 9) leaving the Paris Relief Flume (an iron pipe and trestle structure) in-place; and 10) demolishing the employee house and disposing of the material off-site. All disturbed areas will be graded and seeded.[3]

13. The total cost of decommissioning the Paris Project is approximately $1.6 million. The specific details of the Paris Project decommissioning and reclamation are:

a. Forebay. The forebay is approximately 350 feet-long by 60-feet wide with a total surface area of approximately 0.61 acres. The earthen forebay embankments will be graded to resemble natural landforms. Disturbed areas will be graded and seeded.

b. Inlet Structure. There is a concrete inlet structure at the upstream end of the forebay. This structure has a slide gate where an abandoned irrigation ditch connects to the forebay. PacifiCorp proposes to decommission the inlet structure by removing the concrete structure and the slide gate. Concrete will be broken up and buried on-site. Disturbed areas will be graded and seeded.

c. Outlet Structure. At the downstream end of the forebay is a concrete outlet

[3] The FERC approved the Company's request to decommission the Paris Project and to reduce the required minimum instream flow released at the Grace Development in an Order issued on August 27, 2024.

structure with two bays, one leading to the penstock and one leading to the spillway. PacifiCorp will decommission the outlet structure by removing the concrete, gates, and trash racks. Concrete will be broken up and buried on-site. Disturbed areas will be graded and seeded.

d. Penstock. Downstream of the forebay outlet structure is a 1,366 foot-long, 22-30 inch diameter steel penstock supported on concrete piers spaced approximately every 15 feet. The penstock travels downhill from the forebay outlet structure to the powerhouse. PacifiCorp will decommission the penstock by removing the steel penstock, salvage or dispose of it off-site, remove the concrete piers and break up/bury the concrete on-site. Appropriate erosion control measures will be deployed on the steep slope. Disturbed areas will be graded and seeded.

e. Spillway and Spillway Flume. Downstream of the forebay outlet structure is an overflow spillway channel. The first short portion of the channel is cast concrete, and the remainder of the channel is natural. PacifiCorp will remove the concrete elements of the spillway and flume, and will break up/bury the concrete on-site. The natural channel will not be modified. Disturbed areas will be graded and seeded.

f. Powerhouse. Downstream of the penstock is a rock and brick powerhouse containing one horizontal (above floor) Francis turbine/generator unit with a capacity of 715-kW. The powerhouse will be decommissioned by letter a salvage contract for all equipment within the powerhouse. The penstock entry into the powerhouse and the tailrace pipe will both be filled with concrete. The powerhouse will be disconnected from PacifiCorp's distribution and transmission system. The secure and empty powerhouse structure will remain in place on-site.

g. Discharge Pipe. Exiting the Francis turbine/generator downstream of the powerhouse is a 60-feet long, 30-inch diameter steel discharge pipe. The discharge pipe will be decommissioned by removing the portion of pipe across the road from the powerhouse but will leave in place the approximately 60-feet long section of discharge pipe located under the county road that connects to the powerhouse and will fill this section of pipe with concrete. Disturbed areas will be graded and seeded.

h. Tailrace. At the downstream end of the discharge pipe is a concrete tailrace basin with two slide gates. The tailrace will be decommissioned by removing the concrete tailrace basin and associated slide gates, and by disposing of concrete on-site.

i. Paris Relief Flume. Downstream of the tailrace basin is an iron pipe and trestle structure which crosses over Paris Creek and discharges the water that has passed through the Paris Project into an irrigation canal. This structure will remain in place.

j. Employee House and Garage. There is an employee house, an associated freestanding garage, and a drain field located on the Paris Project site. The employee house will be decommissioned by first abating asbestos in compliance with all applicable laws regarding the handling of asbestos and then demolishing the house and disposing of the material off-site. Concrete will be broken up and buried on-site. The free-standing garage will remain in place surrounded and secured by an existing metal fence. The drain field will also remain in place. Disturbed areas will be graded and seeded.

k. Paris Project Lands. After decommissioning the forebay, penstock, powerhouse, discharge pipe, tailrace basin, spillway flume, employee house, garage, and drain field, PacifiCorp will likely divest itself of the Paris Project Lands, including the empty powerhouse and empty garage with surrounding fence.

14. At the conclusion of decommissioning the following assets would be sold: approximately 31.7 acres of land; an empty stone powerhouse; a domestic well; and garage. A request for proposal process will be used to solicit bids to salvage the generation equipment. An additional 4.3 acres will be donated to a public entity for public access to Paris Creek as part of the Paris Creek Restoration Agreement.

IV. REQUEST FOR APPROVAL OF TRANSFER AGREEMENT

15. I.C. § 61-328(1) requires the Company to obtain Commission approval before transferring property used in the generation of electric power to the public. As relevant here, in order to approve a property transfer, I.C. § 61-328(3) requires that the Commission determine: "(a) That the transaction is consistent with the public interest; [and] (b) [T]hat the cost of and rates for supplying service will not be increased by reason of such transaction[.]"[4]

[4] I.C. § 61-328(3)(c) also requires a finding, "That the applicant for such acquisition or transfer has the bona fide intent and financial ability to operate and maintain said property in the public service." Part (c) of is not applicable to this filing since the Company is seeking approval for decommissioning and there will not be a transfer of the sale to another *operating* party.

16. The approval of the disposition and decommissioning of the Paris Project aligns with the public interest for several reasons. The Paris Creek Restoration Agreement and the proposed decommissioning restore 3.5 miles of habitat for Bonneville cutthroat trout while including a reduction in the minimum stream flow requirements at the Grace Hydroelectric Development, helping to offset the generation loss from the Paris Project. This approach offers the most cost-effective solution to address the challenges of aging infrastructure, operational constraints, and evolving resource management priorities. Further background on the alternatives considered, cooperation with the ECC, and the increased generation at Grace Development are described below.

A. Public Interest

17. PacifiCorp began evaluating options to divest of the Paris Project in 2017. A potential sale of the project was the primary alternative initially explored. Several barriers to a sale of the Paris Project were identified. They include an open-ended 1909 canal enlargement and maintenance agreement, a 1936 agreement to use senior irrigation water rights for generation that can be cancelled with 60-day notice, the rights of ranchers watering stock in the power canal, a lengthy interconnect that would cost more than the value of the Paris Project and a special use permit with the USFS that is not assignable or transferable and expired December 31, 2022 (currently operating on yearly extensions). Lastly, the canal crosses BLM lands and no written right-of-way document exists. Thus, a buyer would be exposed to considerable uncertainty around their ability to run the project.

18. Given the unlikely prospect of receiving a positive acquisition proposal for a project that could lose its generating water with 60-day notice and a potential buyer not knowing under what conditions the USFS would issue a special use permit for the diversion, a best alternative to a sale was developed with the ECC. The ECC proposed that in exchange for decommissioning the

Paris Project (an action that will return senior irrigation water rights to 3.5 miles of the substantially dewatered Paris Creek for the benefit of native fish), they agreed to reduce the Grace Development's bypass reach minimum stream flow requirement by 15 cfs through the end of the Bear River Hydroelectric Project's operating license (2033). This flow reduction would increase generation at the Grace Development. The ECC also took the lead in securing funding for a new irrigation diversion on Paris Creek for the irrigators whose water is diverted through the Paris Project. Other funding sources were used to remove the reliance of stock waterers on the power canal. Prior to PacifiCorp's application submittal to the FERC, agreements were put in place with the ECC, BLM, USFS, Bloomington Grazing Association and Ward Brothers Dairy, and the Paris Relief Irrigation Company and Upper Southfield Irrigation Company. These agreements address actions and funding commitments of all the Parties to assure a clean exit and provide assurance for irrigation and stock water interests that previously relied on PacifiCorp for water delivery and that irrigation infrastructure will be in place for their continued operations. To this end, Trout Unlimited has secured approximately $1.3 million in funding to provide a new irrigation diversion near the Paris Project's tailrace. State of Idaho 319 funding was also used to support new stock water systems.

19. The Paris Project's 0.715 MW of generation capacity is a small part of PacifiCorp's overall portfolio that consists of over 10,000 MW of Company-owned generation capacity consisting of a diverse mix of hydroelectric, wind, natural gas, coal, solar, and geothermal resources.

20. The Paris Creek Restoration Agreement included a reduction in required instream flows at PacifiCorp's Grace Hydroelectric Project bypassed reach to provide an offset to lost generation and decommissioning costs. The extra water, as a result of the reduced bypassed reach, will increase generation at the Grace Development through 2033.

B. Economic Analysis

21. The Company's decision was based on an economic analysis comparing two alternatives, continued operation or decommissioning the Paris Project.[5] For both of these options, the Company compared the costs and benefits of each scenario over a 30-year period. The economic analysis showed that the decommissioning (including the increased generation water at the Grace Development) resulted in a PVRR of approximately $1.4 million and the PVRR of the continued operation of the Paris Project for another 30 years was approximately $1.7 million.

22. The results of the economic analysis are provided within a confidential workpaper filed with this Application.

23. The Paris Project connects directly to the distribution circuit in Paris Canyon. Decommissioning of the Paris Project will have no effect on the quality of service provided to PacifiCorp customers. The minimum streamflow reduction at the Grace Development will potentially contribute to generation 74 percent of the time on a 12-month basis and is projected to contribute an additional 3,298 MWh to annual generation at the Grace Development. The Paris Project base generation is 2,278 MWh.

24. The approval of this transfer will not impact current rates. The Company's present Application seeks authorization for the decommissioning and sale of the Paris Hydro

[5] The decommissioning scenario includes the water swap, allowing for increased generation at the Grace Development.

Project with a PVRR lower than the alternatives considered Therefore, the transfer proposed in this proceeding will not affect current rates.

V. REQUEST FOR MODIFIED PROCEDURE

25. Rocky Mountain Power believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing, in accordance with Idaho Public Utilities Commission Rules of Procedure 201 – 204.

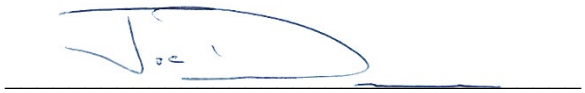
VI. CONFIDENTIAL INFORMATION

26. This filing, specifically the confidential workpaper with the PVRR analysis, includes trade secrets and confidential information exempt from public review under Idaho Code §§ 74-104–109 and Idaho Public Utilities Commission's Rule of Procedure 67.

VII. CONCLUSION

27. WHEREFORE, Rocky Mountain Power respectfully requests an order approving the decommissioning of the Paris Project pursuant to I.C. § 61-328 and determining that the decommissioning and property disposition is in the public interest.

28. Respectfully submitted this 6th day of February 2025.



Joe Dallas (ISB# 10330)
PacifiCorp, Senior Attorney
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: joseph.dallas@pacificorp.com
Attorney for Rocky Mountain Power