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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	CASE NO. IPC-E-21-17
COMPANY’S APPLICATION FOR)	
AUTHORITY TO INCREASE ITS RATES)	REPLY COMMENTS OF MICRON
FOR ELECTRIC SERVICE TO RECOVER)	TECHNOLOGY, INC.
COSTS ASSOCIATED WITH THE JIM)	
BRIDGER POWER PLANT)	

Micron Technology, Inc. (“Micron”), pursuant to the Commission’s Notice of Amended Application dated March 10, 2022, submits its reply comments regarding Idaho Power Company’s (“Idaho Power”) Amended Application in this proceeding.

I. Micron agrees with initial comments that the Commission should not approve a rate increase at this time and should direct Idaho Power to further analyze potential rate mitigation options.

Micron appreciates the thoughtful initial comments filed in this proceeding by Commission Staff and a diverse group of interested parties. In general, Micron agrees with parties’ comments that a rate increase is inappropriate and unnecessary at this time and that Idaho Power should further analyze and present to the Commission options to mitigate potential rate increases due to the anticipated early retirement of Jim Bridger coal-related facilities (“Bridger”).

First, Micron agrees with parties' comments that Idaho Power has not established that a rate increase is necessary or appropriate at this time. As discussed by Commission Staff, there is still substantial uncertainty regarding the terms of a potential exit agreement between Idaho Power and PacifiCorp, the co-owner of the Bridger plant, PacifiCorp.¹ The contractual terms of such exit agreement, once determined, may impact the closure costs and may shift the economics of Idaho Power's planned Bridger closure date.² This is especially true as the Bridger exit dates presented in Idaho Power's 2021 Integrated Resource Plan vary significantly from PacifiCorp's planned exit dates.³ It would be unreasonable to burden customers with increased rates at this time given such uncertainty.

Second, Micron agrees with Commission Staff's analysis that Idaho Power will not be harmed financially by deferring to a future rate case recovering accelerated depreciation rates.⁴ Based on Idaho Power's filed financial reports, Idaho Power is currently earning a healthy return on equity and Commission Staff's analysis shows that denying Idaho Power's proposed rate increase will not materially impact the Company's financial position.⁵ Should Idaho Power feel differently, the utility has the right to file a general rate case at any time to allow a comprehensive review of its costs and revenues. Such a comprehensive review would be more appropriate than piecemeal rate increases with no review of the Company's overall financial results.

Finally, Micron agrees with other initial comments that Idaho Power has not adequately analyzed potential options to mitigate rate increases resulting from an early Bridger retirement. As a large consumer, Micron relies on Idaho Power providing service at just and reasonable rates

¹ Comments of the Commission Staff (April 27, 2022), pp. 9-10.

² *Id.*

³ *Id.*

⁴ *Id.* at p. 11.

⁵ *Id.*

to effectively operate and remain competitive in the global marketplace. As noted in the comments, the proposed Bridger rate increase would be “pancaked” with another impending large rate increase due to the Power Cost Adjustment (“PCA”) the Company filed on April 15, 2022.⁶ Micron agrees with initial comments that, to the extent the Commission determines a Bridger depreciation rate increase is appropriate now or in the near future, that the Commission should require Idaho Power to first analyze and present options to mitigate the rate increase, such as securitization. In initial comments, parties present persuasive arguments that securitization may be a useful tool to prevent rate shock, and that authority exists in Idaho law to support such an approach.⁷ Micron supports Idaho Power’s reasonable transition away from coal-fired generation and toward more sustainable generation options, and securitization can be a useful approach to such a transition without unduly burdening customers. While securitization presents pros and cons that must be weighed by the Commission, and Micron *does not* assert that it is necessarily the best approach for Bridger, the Commission should at least require Idaho Power to analyze and present all options before approving an accelerated depreciation rate increase.

II. Conclusion

Micron appreciates various initial comments presented by Commission Staff and the other parties in this proceeding and the opportunity to provide these reply comments. Micron looks forward to reviewing Idaho Power’s reply comments and continuing to engage with Idaho Power, other stakeholders, and the Commission in this proceeding.

⁶ Comments of the Industrial Customers of Idaho Power (April 27, 2022), pp. 1-2.

⁷ *See Id.* at pp. 2-5; Joint Comments of Idaho Conservation League and Sierra Club (April 27, 2022), pp. 27-36.

Respectfully submitted May 13, 2022.

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CERTIFICATE OF SERVICE

I hereby certify that on May 13, 2022, a true and correct copy of the within and foregoing REPLY COMMENTS OF MICRON TECHNOLOGY, INC. was served in the manner shown to:

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