

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. IPC-E-21-37
OF IDAHO POWER COMPANY FOR)
AUTHORITY TO ESTABLISH A NEW) NOTICE OF APPLICATION
SCHEDULE TO SERVE SPECULATIVE)
HIGH-DENSITY LOAD CUSTOMERS) NOTICE OF
) INTERVENTION DEADLINE
)
) ORDER NO. 35241

On November 4, 2021, Idaho Power Company (“Company”) applied to the Commission for authority to establish a new schedule to serve speculative high-density customers—specifically, large-scale cryptocurrency mining operators. Application at 1. The Company reports that it “has received increased prospective customer interest of approximately 1,950 megawatts (“MW”) in the last few months”—an additional load that, if interconnected with the Company’s system, “would exceed the Company’s ability to serve total system load during the summer season” *Id.*

The Commission now issues this notice of the Company’s Application and Notice of Intervention Deadline, setting a 21-day intervention deadline for persons wishing to be joined as parties.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company’s Application states that cryptocurrency mining, also known as digital currency mining and including the mining of Bitcoin (“BTC”) and other cryptocurrencies, consumes vast amounts of energy. *See Id.* at 2-3.

YOU ARE FURTHER NOTIFIED that the Company states that “recent Chinese restrictions on Bitcoin (“BTC”) mining have created a resurgence of interest in Idaho Power’s service area largely due to the Company’s favorable rates, open parcels of land in the Company’s service area, and high reliance on hydroelectric power that can supply operations with desired clean energy.” *Id.* at 4.

YOU ARE FURTHER NOTIFIED that the Company states that attributes of cryptocurrency mining operations are high energy use and load factor, ability to relocate and disaggregate equipment to obtain favorable rates, volatile load growth and load reduction,

sensitivity to short-term economic signals or volatility, and lack of demonstrated financial viability. *Id.* at 3.

YOU ARE FURTHER NOTIFIED that the Company states that “BTC price increases and demand to establish new mining operations in the last few months closely resemble the period beginning in mid-2017 to the end of 2017 when BTC price increased nearly ten-fold, from approximately \$2,000/BTC in June 2017 to nearly \$20,000/BTC, by December 2017.” *Id.* at 10. From 2017 through 2020, as the price of BTC declined from its December 2017 peak, new market entrants canceled development of large-scale projects “or declared bankruptcy with electric service providers listed as creditors and owed multimillions of dollars.” *Id.* at 9.

YOU ARE FURTHER NOTIFIED that the Company states that increasing electricity demand in the Company’s service area coupled with limited capacity will likely constrain the Company’s ability to meet demand during the summer-season peak until at least 2026.

YOU ARE FURTHER NOTIFIED that the Company is “concerned that it will acquire new resources that may ultimately become stranded when the economics of cryptocurrency change.” *Id.* at 14. The Company proposes to implement a new Schedule 20 “[t]o mitigate that risk while meeting its obligation to reliably serve all customers.” *Id.*

YOU ARE FURTHER NOTIFIED that the proposed Schedule 20, attached to the Company’s Application, incorporates three modifications to Schedule 9’s and Schedule 19’s rate design including: (1) fully interruptible service during the summer peak season between 1:00 p.m. and 11:00 p.m. Monday through Friday; (2) a proposed reallocation of the portion of cost-of-service derived summer generation capacity costs currently collected in an on-peak demand charge; and (3) a proposal to “price energy at a marginal cost in all pricing periods, based on Avoided Cost Averages as listed in . . . the Company’s most recently acknowledged Integrated Resource Plan.” *Id.* at 14-15.

YOU ARE FURTHER NOTIFIED that the Company’s Application is available for public inspection during regular business hours at the Commission’s office. These documents are also available on the Commission’s web site at www.puc.idaho.gov. Click on the “ELECTRIC” icon, select “Open Cases,” and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission’s jurisdiction under Title 61 of the Idaho Code.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons who wish to intervene in this matter to obtain the rights of party (e.g., to file formal discovery, or present evidence, or cross-examine witnesses at a hearing) must file a Petition to Intervene with the Commission under the Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and .073. **Persons who wish to intervene as a party must file a Petition to Intervene no later than 21-days from the service date of this Order.** Such persons shall also provide the Commission Secretary with their email address to facilitate further communications. After the intervention deadline runs, the Commission Secretary shall issue a Notice of Parties that identifies the parties and assigns exhibit numbers to each party. Once the Notice of Parties has issued, Commission Staff shall informally confer with the Company and any intervening parties about how to further process this case, and shall then report back to the Commission on a proposed case schedule.

YOU ARE FURTHER NOTIFIED that persons who would like to present their views without parties' rights of participation and cross-examination do not have to intervene but may present their views by submitting written comments to the Commission.

YOU ARE FURTHER NOTIFIED that the following people are designated as the Company's representatives in this matter:

Lisa D. Nordstrom
Connie G. Aschenbrenner
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
lnordstrom@idahopower.com
caschenbrenner@idahopower.com
dockets@idahopower.com

ORDER

IT IS HEREBY ORDERED that persons desiring to intervene in this matter must file a Petition to Intervene no later than 21-days from the service date of this Order. Once the deadline has passed, the Commission Secretary shall prepare and issue a Notice of Parties.

IT IS FURTHER ORDERED that, after the Notice of Parties has issued, Commission Staff shall confer with the parties regarding a procedural schedule for this matter.

IT IS FURTHER ORDERED that parties should continue to comply with Order No. 35058, issued June 3, 2021. All pleadings should be filed with the Commission electronically and shall be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between parties should also be accomplished electronically. Voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 1st day of December 2021.



PAUL KJELLANDER, PRESIDENT

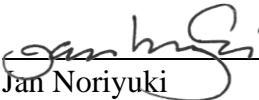


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

I:\Legal\ELECTRIC\IPC-E-21-37 New Schedule\orders\IPCE2137_NtcApp_Int_rm.doc