

DECISION MEMORANDUM

TO: COMMISSIONER ANDERSON
COMMISSIONER CHATBURN
COMMISSIONER HAMMOND
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: MICHAEL ELDRED
RILEY NEWTON

DATE: JULY 5, 2022

SUBJECT: IN THE MATTER OF THE APPLICATION OF IDAHO POWER
COMPANY FOR AUTHORITY TO ESTABLISH A NEW SCHEDULE TO
SERVE SPECULATIVE HIGH-DENSITY LOAD CUSTOMERS
COMPLIANCE FILING – TARIFF SCHEDULE 20
CASE NO. IPC-E-21-37

BACKGROUND

On November 4, 2021, Idaho Power Company (“Company”) applied to the Commission for authority to establish a new schedule, Schedule 20, to serve speculative high-density customers—specifically, large-scale cryptocurrency mining operators (“HDL Customers”). In Order No. 35428, the Commission approved the Application as filed in Case No. IPC-E-21-37, authorizing the Company to establish an HDL new customer classification and implementation of Schedule 20. As a result of Order No. 35428, the Company submitted a compliance filing including new Schedule 20 tariff sheets along with updates to other tariffs referencing the new Schedule 20.

STAFF ANALYSIS AND RECOMMENDATION

Staff recommends that the Commission approve the new and updated tariff sheets included in the Company’s compliance filing with an effective date of June 15, 2022.

The new Schedule 20 tariff sheets in this filing are consistent with the tariff sheets filed in the Application for Case No. IPC-E-21-37 with two exceptions. First, the rates in this filing include the 1.5% increase in rates approved in Case No. IPC-E-21-17. Order No. 35423 at 14.

This change is necessary because the Schedule 20 rates are based on Schedule 9 and 19 rates and should be updated whenever Schedule 9 and 19 rates are updated. Staff reviewed the rates and believes they are consistent with the 1.5% rate increase approved in Case No. IPC-E-21-17.

Second, the marginal energy cost component of the Schedule 20 rates in the compliance filing reflects the 2022 DSM Avoid Cost Averages from the Second Amended 2019 Integrated Resource Plan (“IRP”) instead of the 2021 Avoided Cost Averages filed in the original Application. Staff reviewed the change and believes it is necessary in order to comply with Order No. 35428. In that order, the Commission approved the Company’s Application as filed, which proposed that the marginal energy cost component be updated on January 1 of each year using the latest acknowledged IRP.

The Company also updated tariff sheets that reference the new Schedule 20 and two other changes to the Schedule Index (Sheet No. iii) to ensure that the index accurately reflects the content of the Company’s tariffs.

COMMISSION DECISION

Does the Commission wish to accept the Company’s new Schedule 20 tariff sheets, updated Schedule sheets referencing the new Schedule 20, and changes to the Schedule Index with an effective date of June 15, 2022?



Michael Eldred