

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER) CASE NO. IPC-E-24-44
COMPANY’S APPLICATION FOR)
APPROVAL OF SPECIAL CONTRACT AND)
TARIFF SCHEDULE 28 TO PROVIDE) ORDER NO. 36547
ELECTRIC SERVICE TO MICRON IDAHO)
SEMICONDUCTOR MANUFACTURING)
(TRITON) LLC)
)
)

On December 6, 2024, Idaho Power Company (“Company”) applied for approval of (1) its Special Contract for electric service with Micron Idaho Semiconductor Manufacturing (Triton) LLC, for its new memory manufacturing fabrication complex (“Micron FAB”); and (2) rates proposed in tariff Schedule 28.

On January 27, 2025, the Idaho Public Utilities Commission (“Commission”) issued a Notice of Application and Notice of Modified Procedure, establishing public comment and Company reply deadlines. Order No. 36446. Subsequently, Micron Technology, Inc. (“Micron”), the Idaho Irrigation Pumpers Association, Inc. (“IIPA”), and the Industrial Customers of Idaho Power (“ICIP”) intervened. Order Nos. 36460, 36479, and 36483.

On February 20, 2025, IIPA filed an Objection to this case being processed by Modified Procedure and moved to consolidate this case with two other cases seeking a Certificate of Public Convenience and Necessity for certain new Company resources, specifically Case Nos. IPC-E-24-45 and IPC-E-24-46, (“CPCN Cases”). ICIP concurred with IIPA’s objections and requested relief. All other parties to the case, including Commission Staff (“Staff”), opposed IIPA’s objection and motion.

On March 25, 2025, the Commission held a hearing on IIPA’s objection to Modified Procedure and motion to consolidate.

Having reviewed the record, the Commission issues this Order sustaining the IIPA’s objection to Modified Procedure but denying its motion to consolidate.

I. IIPA'S OBJECTION TO MODIFIED PROCEDURE AND MOTION TO CONSOLIDATE

The IIPA objected to processing this case by Modified Procedure and demanded a technical hearing and moved to consolidate this case with the CPCN Cases. To support these requests, the IIPA asserted that Modified Procedure moves too quickly to properly scrutinize the Special Contract. According to the IIPA, thorough analysis of the Special Contract is necessary to ensure it does not result in other customers subsidizing Micron. Specifically, IIPA is concerned that up to \$147 million in annual costs attributable to Micron will be passed on to other customers if the Company serves Micron by procuring new resources, instead of making market purchases.

The IIPA argued that the Company's applications for new resources in the CPCN Cases indicate that the Company intends to acquire resources that will result in Micron paying less than its entire marginal cost of service. In Case No. IPC-E-24-45, the Company seeks a CPCN for battery capacity resources that IIPA contends will not economically serve Micron's anticipated load and, due to the pricing terms in the Special Contract, results in other customers subsidizing Micron. In IPC-E-24-46, the Company seeks a CPCN for a 35-year power purchase agreement with Jackalope Wind, LLC for 300 megawatts of wind generation. However, the IIPA did not explain why this wind generation is not an economical way to serve Micron. Nevertheless, the IIPA asserted that the CPCN Cases should be consolidated with this case so that the effect of the new resources can be considered in light of the terms of the Special Contract.

The ICIP concurred with IIPA's objections and requested relief discussed above. The ICIP contended that the Company should be required to present testimony and exhibits supporting the terms of the Special Contract in a full technical hearing. According to the ICIP, this will facilitate the gathering and evaluation of evidence necessary to fully evaluate the combined impact of the pricing terms of the Special Contract and the Company's resource acquisition on other rate classes.

II. OPPOSITION TO CONSOLIDATION AND A TECHNICAL HEARING

The Company, Micron, and Commission Staff (collectively "Opposing Parties") opposed consolidating this case with the CPCN Cases and processing them via a technical hearing. The Opposing Parties believe Modified Procedure provides an appropriate framework to obtain sufficient public input and adequately evaluate the Special Contract. The Opposing Parties also noted that the Commission could assuage concerns that there is insufficient time to evaluate the Special Contract via Modified Procedure by extending the current comment deadlines for a reasonable period.

Regarding the request to consolidate this case with the CPCN Cases, the Opposing Parties noted that the other two cases seek approval for resources that will serve all Idaho customers. Consequently, the Opposing Parties believe it is inaccurate to characterize the resources at issue in the CPCN Cases as necessary only to serve Micron. Additionally, Micron observed that cost recovery for those resources is not at issue in those cases but rather will be determined in subsequent cases. Accordingly, the Opposing Parties contended that the CPCN Cases should not be consolidated with this case so they remain focused narrowly on whether the resources at issue are the least-cost, least risk options to satisfy known system needs. In sum, because consolidation would unnecessarily expand the scope of both this case and the CPCN Cases, the Opposing Parties contend that the request to consolidate this case with the CPCN Cases should be denied.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over the Company's Application and the issues in this case under Title 61 of the Idaho Code including *Idaho Code* §§ 61-301 through 303. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of all public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provisions of law, and to fix the same by order. *Idaho Code* §§ 61-501 through 503.

Having reviewed the record, including the oral arguments of the parties, we find it fair, just, and reasonable to sustain the IIPA's objection to processing this case by Modified Procedure. Based on the IIPA's current calculations, the Special Contract could result in other customers effectively subsidizing Micron by millions of dollars annually. Evaluation of precisely how the terms of the Special Contract interact with the Company's proposed resource acquisitions and other potential alternative avenues for serving Micron's anticipated load is a critical issue in this case. We believe this can be most effectively accomplished through the presentation of evidence developed through the direct and cross-examination of witnesses in a technical hearing. Moreover, the record does not indicate that processing this case through a technical hearing would substantially prejudice any party. We direct the parties to confer and propose a procedural schedule for processing this case, including proposed technical hearing dates.

Although the pricing terms of the Special Contract may affect the recovery of the Company's investment in resources at issue in the CPCN Cases, we do not believe that to be sufficient reason to consolidate the CPCN Cases with this case. The function and effect of the

pricing terms of the Special Contract can be evaluated and addressed in this case regardless of whether the CPCN Cases are consolidated. Furthermore, the focus of the CPCN Cases is whether the resources at issue are the least-cost, least risk resources to satisfy system requirements. Thus, consolidating the CPCN Cases with this case would expand the scope of those cases and unnecessarily slow their processing. Accordingly, we find it fair, just, and reasonable to deny IIPA's motion to consolidate the CPCN Cases with this case.

ORDER

IT IS HEREBY ORDERED that IIPA's objection to the processing of this case by Modified Procedure is SUSTAINED. The issues in this case shall be resolved through a technical hearing.

IT IS FURTHER ORDERED that IIPA's motion to consolidate Case Nos. IPC-E-24-45 and IPC-E-24-46 with this case is DENIED.

IT IS FURTHER ORDERED that Staff shall consult with the other parties to this case and then propose a procedural schedule to promptly resolve this case.

THIS IS AN INTERLOCUTORY ORDER, not a final and appealable order of the Commission. The period of reconsideration will not begin until the final order issues.

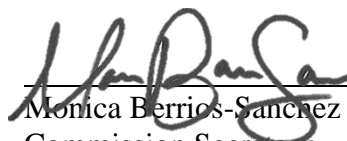
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15th day of April 2025.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Berrios-Sanchez
Commission Secretary

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