Office of the Secretary Service Date July 31, 2009

## **BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION ) OF IDAHO POWER COMPANY FOR A ) TEMPORARY AMENDMENT TO THE ) ELECTRIC SERVICE AGREEMENT WITH ) MICRON TECHNOLOGY, INC. )

CASE NO. IPC-E-09-17 ORDER NO. 30871

On June 15, 2009, Idaho Power Company filed an Application for a temporary amendment to its energy sales agreement with Micron Technology. The proposed amendment requests (1) an extension of the previously approved temporary amendment to the Electric Service Agreement (ESA) between Micron and Idaho Power and (2) an updated Schedule 26A containing the temporary rates and charges for service to Micron.

## THE APPLICATION

Idaho Power asserts that Micron is in the process of restructuring operations at its Boise facility. Micron's ESA with Idaho Power contains a monthly Contract Demand Charge that may reduce Micron's flexibility in managing its electric consumption during the restructuring period. On January 26, 2009, the Commission approved a temporary amendment to the ESA between the parties to be effective January 1, 2009, through June 30, 2009, at which time Schedule 26 rates were to recommence. Order No. 30721.

Idaho Power now requests that the ESA amendment be extended through December 31, 2009. Idaho Power further states that it has entered into a letter agreement with Micron that proposes to reduce the Contract Demand component from 85,000 kW to 75,000 kW for purposes of administering the Daily Excess Demand Charge. Idaho Power also proposes a modification to its Schedule 26A to reflect the change in the Daily Excess Demand Charge.<sup>1</sup>

The proposed changes have been agreed to by both Idaho Power and Micron.

## **COMMISSION FINDINGS**

Having fully reviewed the Application and recommendation of Staff, the Commission grants Idaho Power Company's request to (1) extend the temporary amendment to its Electric Service Agreement with Micron Technology, Inc.; (2) reduce the Contract Demand component from 85,000 kW to 75,000 kW for purposes of administering the Daily Excess

<sup>&</sup>lt;sup>1</sup> The Daily Excess Demand Charge should have been adjusted when Schedule 26A was revised on February 1, 2009, following Idaho Power's general rate case. Order No. 30722.

Demand Charge; and (3) update its Schedule 26A. Based upon the limited scope of the Application, we find that a hearing in this matter is not necessary. We further find that Schedule 26A shall be effective through December 31, 2009, at which time Schedule 26 rates will recommence. The proposed changes are just and reasonable. Moreover, the changes are agreed to by both Idaho Power and Micron.

## ORDER

IT IS HEREBY ORDERED that Idaho Power Company's Application to extend the temporary amendment to its Electric Service Agreement with Micron Technology, Inc., is granted. Schedule 26A shall be effective through December 31, 2009. On January 1, 2010, Schedule 26 rates shall resume.

IT IS FURTHER ORDERED that the temporary amendment include a reduction in the Contract Demand component from 85,000 kW to 75,000 kW for purposes of administering the Daily Excess Demand Charge.

IT IS FURTHER ORDERED that Idaho Power Company update its Schedule 26A to reflect the adjusted Daily Excess Demand Charge.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this  $30^{44}$  day of July 2009.

MM D. KEMPTON, PRESIDENT

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MARSHA H. SMITH, COMMISSIONER

MACK A. REDFORD, COMMISSIONER

ATTEST:

an D. Jewell

Commission Secretary

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