

IN THE MATTER OF IDAHO POWER)	
COMPANY'S APPLICATION FOR)	CASE NO. IPC-E-15-13
APPROVAL OF SPECIAL CONTRACT AND)	
TARIFF SCHEDULE 32 TO PROVIDE)	NOTICE OF APPLICATION
ELECTRIC SERVICE TO J.R. SIMPLOT)	
COMPANY'S CALDWELL FACILITY)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 33280

the Company to initially provide Simplot's Caldwell facility with 25,000 kW of electricity per month (the "Contract Demand"). During the first year of the contract, Simplot may increase or decrease its Contract Demand so long as the changes for the year collectively do not exceed 10,000 kW, absent Company agreement. After one year, Simplot may increase or decrease its monthly Contract Demand in 1,000 kW increments, but it may not change the Contract Demand by more than 15,000 kW in any 12-month period. The contract caps Simplot's ability to increase its total demand under the contract to 50,000 kW of electricity per month (the "Total Contract Demand"). *See* Application at 4-5. If Simplot's Billing Demand (i.e., the kW supplied to Simplot during the coincident 15-consecutive minute period of maximum use in a month, as adjusted based on a "power factor" described in Section 7.2 of the contract) exceeds the established Contract Demand, the Company may satisfy Simplot's excess demand as described in Schedule 32, or the Company may, in its discretion, curtail service to Simplot's Caldwell facility. *Id.* at 4, 8.

YOU ARE FURTHER NOTIFIED that the Company explains that it calculates rates for new special contract customers by accounting for factors like existing operational conditions and the impact the new load will have on the Company's system. Here, Simplot intends its new Caldwell facility to replace Simplot's existing facilities in Aberdeen, Nampa, and Caldwell, and the Company expects that the Caldwell facility will consolidate the load from these facilities, plus add up to 5,000 kW of additional load. Based on these circumstances, the Company developed fully-embedded, cost-based prices to serve the Caldwell facility according to the class cost-of-service study that the Company used for its 2011 rate case, Case No. IPC-E-11-08. The Company then adjusted these rates to reflect changes that have occurred since the 2011 rate case. *Id.* at 5-7. As the new Caldwell facility primarily consolidates existing load, the Company claims the new rates will appropriately recover the Company's cost to serve the Caldwell facility while limiting upward rate pressure on other customer classes. The Company maintains that it developed the new rates according to the Commission's direction to use the 2011 cost-of-service study (*see* Order No. 33038, Case No. IPC-E-13-23), and that the new rates are reasonable and in the public interest. The new rates will be identified by billing component in the then-current Schedule 32, and Simplot has agreed to pay those rates. *Id.* at 7-8.

YOU ARE FURTHER NOTIFIED that Section 3 of the contract contains a termination provision. In summary, Simplot and the Company may terminate the contract for

convenience and without cause by notifying the other party of the impending termination 12-18 months before the proposed termination date. Simplot will reimburse the Company for the Company's costs associated with terminating the contract, minus any credits the Company owes to Simplot under the contract. *Id.* at 8-9.

YOU ARE FURTHER NOTIFIED that the Company asks the Commission to approve the contract and Schedule 32 "effective on or before June 1, 2015, with service under Schedule 32 applicable the first day of the month in the first month in which the aggregate power requirement at the new Caldwell facility exceeds 20,000 kW." The Company explains that Simplot is uncertain about when it will first exceed the 20,000 kW aggregate power requirement (*see* page 1, above), and that the flexible applicability section of Schedule 32 will allow the new facility to remain on Schedule 19 until it no longer is eligible for service under Schedule 19. *Id.* at 9.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to "Open Electric Cases," and then 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, including *Idaho Code* §§ 61-501 and -503. The Commission may enter any final Order consistent with its authority under Title 61.

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 MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a **written comment in support or opposition with the Commission by**

Friday, May 15, 2015. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and Idaho Power at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, Idaho 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Lisa D. Nordstrom
Regulatory Dockets
Idaho Power Company
121 West Idaho Street (83702)
PO Box 70
Boise, ID 83707
Email: lnordstrom@idahopower.com
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Boise, ID 83707
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These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Company at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Company shall file reply comments, if any, by **Thursday, May 21, 2015.**

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

ORDER

IT IS HEREBY ORDERED that this Application be processed under Modified Procedure, Rules 201-204, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments must do so by May 15, 2015. The Company may file a reply no later than May 21, 2015.

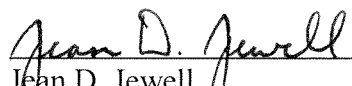
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 17th day of April 2015.


PAUL KJELLANDER, PRESIDENT


MACK A. REDFORD, COMMISSIONER


KRISTINE RAPER, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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