BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)

IDAHO POWER COMPANY FOR AUTHORITY)CASE NO. IPC-E-95-4

TO AMEND A SPECIAL CONTRACT FOR)

SERVICE TO MICRON AND CHANGE THE)ORDER NO. 25988

RELATED SCHEDULE 26—MICRON TARIFF)

                                                                   )

On May 2, 1994, Idaho Power Company (Idaho Power) filed an Interim Agreement with the Commission to establish rates and provide service to Micron Semi Conductor, Inc. (now Micron Technology, Inc.).  The agreement was necessary because Micron was expanding its manufacturing facility and its load was projected to exceed 25,000 kW.  Idaho Power’s tariff requires special service contracts for loads exceeding 25,000 kW.  The Interim Agreement did little more than establish rates.  The agreement was interim because Idaho Power and Micron needed more time to negotiate all of the details of a final agreement.  The Interim Agreement contained an expiration date of May 1, 1995, by which time a final agreement was to be negotiated.  The Commission approved the Interim Agreement in Order No. 25575, Case No. IPC-E-94-9.

Since then, a general rate case has been completed for Idaho Power Company.  As a result of Case No. IPC-E-94-5, Micron’s interim contract rates have been evaluated in a cost-of-service process and adjusted.  (Schedule 26 Micron, Original Sheet No. 26-1; Order No. 25880.)

On April 18, 1995, Idaho Power filed Tariff Advice 95-02.  Idaho Power requests approval of an extension of the Interim Agreement (Extension Agreement).  The Extension Agreement extends the time allotted to reach final agreement on contract details through June 30, 1995.  Reference Interim Agreement ¶ XI (expiration date).  It also changes the previously approved contract demand from 37,000 kW to 40,000 kW.  Reference Interim Agreement ¶¶ I and V (contract demand).  The Company’s filing also includes an updated replacement page for its related Schedule 26 tariff showing Micron rates as established in the general rate case and the increased contract demand previously discussed.  An effective date of May 1, 1995 has been requested.

COMMISSION FINDINGS

The Commission has reviewed the filings of record in Case No. IPC-E-95-4, the proposed Extension Agreement, the underlying Interim Agreement and the proposed tariff changes.  The Commission has also considered the ex parte recommendations of Commission Staff.

Although filed as a tariff advice, the Commission finds that the submitted Extension Agreement is actually an amendment to the underlying Interim Agreement ¶¶ I and V (contract demand) and XI (expiration date).  The scope of the Company’s filing suggests that a simple tariff advice is inappropriate.  Reference Commission Rules of Procedure, IDAPA 31.01.01134.  The matter has been assigned a formal case number, IPC-E-95-4.  The Company has been notified and agrees.

The Commission finds that the public interest in this matter does not require a hearing or more formal notice of application.  The Commission finds the proposed amendments to the underlying Interim Agreement to be reasonable and we approve them.  We also approve the related change to the Company’s Schedule 26—Micron tariff.  The Commission recognizes that if the Extension Agreement is not approved and the existing Interim Agreement expires, there will be no service agreement for Micron and no applicable tariff.  We therefore find it reasonable given the exigency of the situation to approve the Application on less than 30 day’s notice for effective date May 1, 1995.

CONCLUSION OF LAW

The Idaho Public Utilities Commission has jurisdiction over this matter and Idaho Power Company, an electric utility, pursuant to the authority and power granted it under Title 61 of the Idaho Code including but not limited to Idaho Code, Title 61 sections 307, 501, 503, 622 and 623 and pursuant to the Commission’s Rules of Procedure, IDAPA 31.A.01.01000 et seq. including but not limited to Rules 013, 121 and 123.

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In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED and the Commission hereby approves the amendments to the underlying Interim Agreement for supply of power and energy between Micron and Idaho Power Company, as detailed in the submitted Extension Agreement.

IT IS FURTHER ORDERED and the Commission does hereby approve the proposed changes to the Company’s related Schedule 26—Micron tariff for effective date May 1, 1995.

THIS IS A FINAL ORDER.  Any person interested in this Order (or in issues finally decided by 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              day of May 1995.

RALPH NELSON, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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