Solar Plant Files Complaint Against Idaho Power

POCATELLO, Idaho (AP) — A struggling manufacturing plant has filed a complaint with the state utility regulator accusing Idaho Power Co. of overcharging on its electric bills.

Hoku Materials included the allegation in its response filed Monday with the Public Utilities Commission, the latest development in the Hawaii company's squabble with the state's biggest utility. Hoku officials say Idaho Power is charging them for more power than is actually being used at its polysilicon plant, part of which is under construction.

Hoku executives also say they have paid more than $11 million to Idaho Power since April 2011, even though the facility wasn't even connected to the grid until November and had paid $65,000 a day for power despite using less than $1,000 of power each day during commissioning activities.

"We believe that Hoku is being treated unfairly by Idaho Power, and we are asking the Idaho Public Utilities Commission to help us resolve this inequity," said Scott Paul, CEO of Hoku Corp., told the Idaho State Journal in a story published Tuesday (http://bit.ly/njfaln).

The company has asked the state regulator to help resolve the dispute and amend its contract with the utility. The commission is expected to hear oral arguments in the case Wednesday.

Idaho Power has threatened to shut off electricity at the plant because Hoku missed a $1.9 million payment in November. The Honolulu-based company said it has told Idaho Power that it can't pay its November power bill until January due to financial problems.

Idaho Power officials say it's unfair to treat one customer different than all the rest who pay bills on time.

"We're not in the business of turning off power to our customers and we don't relish doing that," said Stephanie McCurdy, spokeswoman for Idaho Power. "But Hoku hasn't paid their bills and lived up to their contractual obligation, and there are consequences to that."

Hoku officials are asking the PUC for relief by eliminating their minimum monthly payments and charging only for the amount of power that is actually being used, reducing their deposit and refunding some of the money that they've paid to Idaho Power. Hoku also wants the PUC to keep Idaho Power from turning off the facility's electricity until an agreement is reached.

Southeastern Idaho hopes that Hoku's $390 million plant will eventually add hundreds of green-energy jobs to the local economy. Idaho Power signed a contract with Hoku to provide power at a cheap rate in 2009, which was a big reason the company picked Pocatello for its new solar panel plant.

But when the economy declined, polysilicon production went into surplus and prices dropped significantly, creating economic hardship for the company.

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