

Solar Plant Reaches Deal With Idaho Power

The Associated Press

POCATELLO, Idaho (AP) — A struggling southeastern Idaho solar-industry manufacturer has reached an agreement with Idaho Power Co., substantially reducing its energy bill after the manufacturer complained it was being overcharged.

Hoku Materials in the agreement announced Friday will see its monthly minimum energy charge reduced from about \$2 million to about \$800,000.

The Idaho State Journal reports (<http://bit.ly/oWsfu1>) the deal is retroactive to Jan. 1 and continues through June 30, 2013. After that, minimum monthly payments of \$2 million will resume. The deal also calls for Hoku to pay Idaho Power a onetime payment of \$3.8 million to amend the contract.

"The terms of the stipulation more fairly reflect a payment structure based on the amount of power we are actually consuming," said Scott Paul, chief executive officer of Hoku Corp. "This allows us to allocate our resources more effectively while maintaining stable, permanent power as we ramp toward production at our polysilicon plant. We are pleased that through the negotiation process we have been able to reach an equitable agreement that is reasonable and evenhanded for all, not only Hoku and Idaho Power, but all ratepayers."

The Honolulu-based polysilicon maker had been battling with Idaho Power over its energy bill, and the utility said it could shut off power in January over an unpaid \$1.9 million bill for November.

Hoku paid that bill, but also filed a complaint with the Idaho Public Utilities Commission accusing Idaho Power Co. of overcharging on its electric bills.

Hoku said losing electricity would delay its Pocatello plant's commissioning and expose infrastructure to freezing, causing "material harm." Southeastern Idaho officials hope that Hoku's \$390 million plant will eventually add hundreds of green-energy jobs to the local economy.

The commission in January ordered Hoku and Idaho Power to negotiate a possible amendment to their contract.

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