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IDAHO PUBLIC  
UTILITIES COMMISSION

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Attorney for Tamarack Resort LLC

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT )  
APPLICATION OF IDAHO POWER )  
COMPANY AND TAMARACK RESORT )  
LLC FOR APPROVAL OF AN AGREEMENT )  
TO PROVIDE ELECTRIC DISTRIBUTION )  
FACILITIES. )  
\_\_\_\_\_ )

CASE NO. IPC-E-04-12  
JOINT APPLICATION OF  
IDAHO POWER COMPANY  
AND TAMARACK RESORT, LLC

COMES NOW, IDAHO POWER COMPANY ("Idaho Power" or the  
"Company"), and TAMARACK RESORT LLC ("Tamarack"), and in accordance with  
RP 052, hereby jointly request that the Idaho Public Utilities Commission  
("Commission") issue its Order approving an Agreement dated May 3, 2004, between  
Idaho Power and Tamarack under which Idaho Power would provide certain electrical  
distribution facilities to Tamarack. This Application is based on the following:

1. Tamarack Resort Project. Tamarack is developing a substantial four-seasons resort project ("Resort Project") in Valley County, Idaho. Tamarack has indicated that at final build-out, the Resort Project will be a complex featuring approximately 2,000 housing units, and approximately 272,000 square feet of commercial space, along with a golf course, ski lifts and other recreational amenities, with a combined electrical load of approximately 20 MW. Because final build-out is expected to take a number of years, Tamarack has requested that Idaho Power make 7.5 MVA of electrical capacity available to the Resort Project by November 1, 2004.

2. Installation of Facilities. Because the Resort Project will be located in an area where Idaho Power does not have existing facilities of adequate capacity and desired phase and voltage, delivery of power (capacity) to the Resort Project site will require the construction of (1) underground and overhead facilities and lines to interconnect with Idaho Power's existing transmission/distribution system ("Interconnection Facilities"), and (2) installation of additional substation equipment and facilities ("the Substation Facilities"). The Interconnection Facilities and the Substation Facilities are sometimes hereinafter collectively referred to as the "Requested Facilities."

3. Rule H.

(a) Rule H is the Company's tariff provision which generally governs line extensions. By its terms Rule H does not apply to all line extensions, and the Parties have agreed that this agreement is not subject to or governed by Rule H. However, the Parties have agreed to use some of the principles contained in Rule H to address refunds of a portion of the contribution in aid of construction ("CIAC") to be paid

by Tamarack under the Agreement to Provide Electric Distribution Facilities between Idaho Power and Tamarack ("the Agreement").

(b) A copy of the Agreement is included in this Application as Attachment 1.

(c) Installation of distribution facilities within the boundaries of the Resort Project will be made in accordance with Rule H.

4. Construction of Facilities. The Parties have agreed that the Requested Facilities will be constructed in two phases.

(a) Phase 1 Facilities have already been constructed and will provide not more than 2 MVA of three-phase power at a point of delivery located adjacent to the boundaries of the Resort Project. A general description of the Phase 1 Facilities is included as Exhibit 1 to the Agreement.

(b) Phase 2 construction will be performed during the 2004 construction season and will include the construction of the Requested Facilities to provide 7.5 MVA of electrical capacity at the Delivery Point. A general description of the Phase 2 Requested Facilities is included as Exhibit 2 to the Agreement.

(c) Phase 1 construction was completed by Idaho Power in November of 2003. Phase 2 construction is expected to be completed by Idaho Power on or before November 1, 2004.

5. Cost of Facilities. The total estimated cost of the design and construction of the Requested Facilities is \$2,704,886. Assuming Tamarack makes all of its required payments on schedule, the contribution in aid of construction ("CIAC") to be paid by Tamarack, will not exceed \$1,891,372. Tamarack has paid Idaho Power

\$1,055,375 for the Phase 1 Requested Facilities. Tamarack has paid Idaho Power \$764,798 for Phase 2 Requested Facilities. As provided in the Agreement, Tamarack has agreed to pay Idaho Power an additional \$191,199 on or before October 1, 2004.

6. Vested Interest Refund Provisions. In order to supply 7.5 MW of electrical capacity to Tamarack with the power quality specifications requested by Tamarack, it was necessary for Idaho Power to construct a portion of the Interconnection Facilities outside the Resort Project boundaries with a capacity greater than 7.5 MVA. Tamarack will not be entitled to use more than 7.5 MW of capacity in the Interconnection Facilities. Because the Requested Facilities, funded in part by the CIAC Tamarack is making, will create additional capacity that can be used to serve future customer loads, the Company has agreed to collect contributions from other customers attaching to facilities which utilize the Requested Facilities to receive electric service. These contributions will be in the form of vested interest refunds and line capacity charges. The portions of the Interconnection Facilities that will be subject to vested interest refunds are more particularly described in the Agreement, and the maximum dollar amounts subject to refund are also described in the Agreement. Vested interest refunds will be collected for a ten-year period following the completion of the Phase 2 Requested Facilities.

7. Line Capacity Charges. In order to equitably share the cost of the facilities for which Tamarack is providing a substantial CIAC, in addition to vested interest refunds associated with the Interconnection Facilities, Idaho Power has agreed to collect a line capacity charge from all other customers attaching to facilities which

utilize the Requested Facilities to receive electric service. Line capacity charges would be assessed, collected and refunded to Tamarack as follows:

(a) Idaho Power will inventory all of the lots that are currently being "served" but are not connected that might attach to facilities which will utilize the Requested Facilities to receive electrical service. These are the lots where the customer(s) have previously paid to install facilities to receive power on the lots, but the lots have not been connected. Capacity has previously been reserved for these lots, and customers have been advised that power is readily available to their lot. These lots will be exempt from paying the line capacity charges.

(b) Schedule 01, Residential, and Schedule 01, Non-Residential Customers (or their successor schedules) would pay \$800 per connection.

(c) Customers receiving service under Schedules 7, 9, 19, 24, 45 and 46 (or their successor rate schedules) would pay \$40 per kW of connected load.

(d) Line capacity charges will be collected for a period ending five (5) years after the completion of the Phase 2 Requested Facilities, currently scheduled for November 1, 2004.

(e) Line capacity charges collected by Idaho Power will be paid to Tamarack on a quarterly basis without interest.

(f) Planned developments such as subdivisions will pay line capacity charges at the time of the application (when the lots are "served") and not at the time of the physical power connection to the individual lot.

(g) Cash allowances through Rule H would not be applicable to reduce line capacity charges.

8. Limit On Aggregate Line Capacity Charges and Vested Interest Charges. Collections and refunds for both line capacity charges and vested interest payments will cease when Tamarack has been refunded 80% of the total amount Tamarack has paid for distribution facilities. Idaho Power will include the tax gross-up portion of Tamarack's payments in the amount subject to refund to Tamarack. The total amount which could be refunded to Tamarack from vested interest payments and line capacity charges would be \$1,075,571.

9. Substation Facilities. Tamarack will pay Idaho Power \$546,909 for substation capacity of 7.5 MW (2.5 MW for Schedule 19 load and 5 MW for non-Schedule 19 load). The prorated share for the non-Schedule 19 load of \$364,606 ( $5000 \text{ kW} / 7500 \text{ kW} = 67\% \times \$546,909$ ) is eligible for refund. Refunds will be available for a ten-year period following the completion of the Phase 2 Requested Facilities. Idaho Power will pay Tamarack \$73 per kW of load (based on estimated demand) for facilities installed within the Resort Project boundaries and taking service under Rate Schedule 01, 07, 09, 24, 45 and 46. The demand amount used for refunding purposes will include a diversity factor and will be equivalent to the demand on the substation. The estimated demand for a subdivision lot will be 10 kW per lot for a refund amount of \$730 per lot. Substation refunds to Tamarack will be made after the final 2004 payment, and only after the completion of the individual distribution work orders have been completed. These refund payments will be made without interest with a maximum refund payout of \$364,606.

10. Service of Pleadings. Service of pleadings, exhibits, orders and other documents relating to this proceeding should be served on the following:

IDAHO POWER

Barton L. Kline  
Monica B. Moen  
Idaho Power Company  
P.O. Box 70  
Boise, ID 83707  
[bkline@idahopower.com](mailto:bkline@idahopower.com)  
[mmoen@idahopower.com](mailto:mmoen@idahopower.com)

Gregory W. Said  
Director, Revenue Requirement  
Idaho Power Company  
P.O. Box 70  
Boise, ID 83707  
[gsaid@idahopower.com](mailto:gsaid@idahopower.com)

TAMARACK

Steven J. Millemann  
Millemann, Pittenger, McMahan &  
Pemberton, LLP  
P.O. Box 1066  
706 North First Street  
McCall, ID 83638  
[sjm@citlink.net](mailto:sjm@citlink.net)

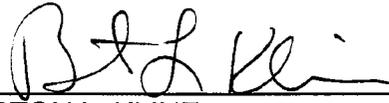
Jean Pierre Boespflug  
Tamarack Resort LLC  
475 S. Capital Blvd., Suite 200  
Boise, ID 83702  
E-mail: \_\_\_\_\_

11. Notice of Application. A copy of this Application and the Agreement will be available for public inspection at the Company's business offices in Valley County.

12. Modified Procedure. The Company requests that this Application be processed under RP 201 allowing for consideration of issues to be processed under modified procedure, i.e., by written submissions rather than by an evidentiary hearing.

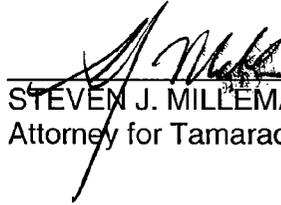
WHEREFORE, Idaho Power and Tamarack respectfully request that the Commission enter its Order approving the Agreement and authorizing the Company to implement the special line installation arrangement with Tamarack Resort, LLC described herein.

DATED at Boise, Idaho, this 3<sup>rd</sup> day of May, 2004.



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BARTON L. KLINE  
Attorney for Idaho Power Company



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STEVEN J. MILLEMANN  
Attorney for Tamarack Resort LLC

# **ATTACHMENT 1**

## AGREEMENT TO PROVIDE ELECTRIC DISTRIBUTION FACILITIES

THIS AGREEMENT, dated May 3, 2004, is by and between TAMARACK RESORT, LLC ("Tamarack"), an Idaho Limited Liability Company, with its principle offices at 475 S. Capitol Boulevard, Boise, Idaho, and IDAHO POWER COMPANY ("Idaho Power" or "the Company"), an Idaho corporation, with its principal offices at 1221 West Idaho Street, Boise, Idaho. Tamarack and Idaho Power may also be referred to individually as "Party" or collectively as "Parties."

### RECITALS

A. Tamarack is developing a substantial four seasons resort project, ("Resort Project") in Valley County, Idaho. Tamarack has indicated that at final build out, the Resort Project will be a complex featuring approximately 2,000 housing units, and approximately 272,000 square feet of commercial space along with a golf course, ski lifts and other recreational amenities with a combined electrical load of approximately 20 MW. Because final build-out is expected to take a number of years, Tamarack has requested that Idaho Power make 7.5 MVA of electrical capacity available to the Resort Project site by November 1, 2004.

B. Because the Resort Project will be located in an area where Idaho Power does not have existing facilities of adequate capacity and desired phase and voltage, delivery of power (capacity) to the Resort Project's site will require the construction of (1) underground and overhead facilities and lines to interconnect with Idaho Power's existing transmission/distribution system ("Interconnection Facilities") and (2) installation of additional substation equipment and facilities (the "Substation

Facilities”). The Interconnection Facilities and the Substation Facilities are sometimes hereinafter collectively referred to as the “Requested Facilities.” Installation of distribution facilities within the boundaries of the Resort Project will be made in accordance with Rule H, Idaho Power’s tariff governing line installations, including any revisions to that rule, or any successor rules or schedules. Except as provided in Section 7 herein, this Agreement is not subject to or governed by Rule H.

C. Idaho Power will construct the Requested Facilities in accordance with the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual obligations and undertaking set forth herein, and other good and valuable consideration, the sufficiency is hereby acknowledged, Tamarack and Idaho Power agree as follows:

#### AGREEMENTS

1. Construction of Requested Facilities

The Requested Facilities will be constructed in two phases.

1.1 Phase 1 facilities constructed in 2003 will provide not more than 2 MVA of three-phase power at the Delivery Point. A general description of the Phase 1 facilities is attached as Exhibit 1.

1.2 Phase 2 construction will be performed during the 2004 construction season and will include the construction of the Requested Facilities to provide 7.5 MW of electric capacity at the Delivery Point. A general description of the Phase 2 Requested Facilities is attached as Exhibit 2.

1.3 Idaho Power will construct the Requested Facilities to provide for the delivery of power (capacity) at a point generally described as the northeast corner of

the Resort Project property at the west boundary of the West Mountain Road right of way, as more particularly described on Exhibit 3 attached hereto (the "Delivery Point").

1.4 Phase 1 construction was completed by Idaho Power in November of 2003. Phase 2 construction is expected to be completed by Idaho Power on or before November 1, 2004.

1.5 Idaho Power will use commercially reasonable efforts to complete construction of the Phase 2 Requested Facilities by November 1, 2004. However, Tamarack recognizes that Idaho Power's ability to complete the Requested Facilities on or before that date is subject to the receipt of the payments from Tamarack as described herein, Idaho Power's ability to obtain required labor, materials and equipment, timely receipt of satisfactory easements and rights of way, and timely receipt of governmental regulatory authorizations, including, but not limited to, approval of this Agreement by the Idaho Public Utilities Commission ("Commission").

1.6 If Idaho Power fails to meet the completion deadline described above, and such failure is not excused as provided in Section 1.5, the Parties agree that Tamarack may submit the matter to the Commission for appropriate relief, and pending final resolution, Tamarack's obligation to make further payments pursuant to the terms of this Agreement shall be suspended.

## 2. Project Cost

2.1 The total estimated cost for the design and construction of the Requested Facilities is \$2,704,886.

2.2 The portion of the aforesaid total cost which shall be paid by Tamarack will not exceed \$1,891,372. (This amount assumes Tamarack will receive the \$120,000 credit referenced in Paragraph 4.3.)

3. Capacity Entitlement

3.1 At the completion of Phase 2, Idaho Power will make available to Tamarack 7.5 MW of electrical capacity measured at the Delivery Point to serve loads within the Resort Project boundaries. The Resort Project boundaries are shown on Exhibit 4. However, if at the conclusion of the 15 year period following the completion of construction of Phase 2, total loads within the Resort Project boundaries are less than 7.5 MW, Tamarack's entitlement to 7.5 MW of capacity at the Delivery Point will be ended. Idaho Power will send a letter to Tamarack specifying the date when construction of Phase 2 has been completed and notifying Tamarack that the 15 year time period described above has commenced.

4. Payment Provisions

4.1 Tamarack has paid Idaho Power \$1,055,375 for the Phase 1 Requested Facilities, including the \$120,000 referenced in Paragraph 4.3.

4.2 Tamarack has paid Idaho Power \$764,798 for Phase 2 Requested Facilities. On or before October 1, 2004, Tamarack will make the final payment to Idaho Power for the Phase 2 Requested Facilities in the amount of \$191,199.

4.3 If on October 1, 2004 Tamarack has made the final payment and has otherwise performed its obligations under this Agreement, Idaho Power will credit the \$120,000 paid by Tamarack on June 1, 2003 against the October 1, 2004 payment amount.

4.4 If Tamarack fails to make the final payment on October 1, 2004, any obligation of Idaho Power to further perform under this Agreement and to credit the \$120,000 amount paid on June 1, 2003 will be terminated. Idaho Power will have the sole discretion to determine if any subsequent (late) payment by Tamarack will permit the continuation of this Agreement, or if the Agreement should be terminated.

5. Ownership Operation and Maintenance

5.1 Idaho Power will own, operate and maintain the Requested Facilities constructed pursuant to this Agreement. Tamarack recognizes that it is paying a proportionate share of the total costs of improving a portion of Idaho Power's utility system, and recognizes that Idaho Power will utilize the improvements to the system to provide service to other customers, and that the improvements will be a part of Idaho Power's electrical transmission and distribution system.

6. Rights of Way and/or Easements

6.1 Tamarack will convey and/or grant to Idaho Power such easements or rights of way on Tamarack's land that Idaho Power may determine are reasonably required for locating, constructing, operating and maintaining the Requested Facilities. All such easements and rights of way will be in a form acceptable to Idaho Power, and will be provided to Idaho Power at no cost. Idaho Power will be responsible for obtaining any and all permits, rights of way, and/or regulatory approvals required by public agencies for performance of this Agreement and for payment of any and all permit fees and/or taxes required for or associated with such permits, rights of way, and regulatory approvals.

7. Vested Interest Refund Provisions

7.1 Tamarack recognizes that in order to supply 7.5 MW of electrical capacity at the Delivery Point that will allow Tamarack to receive electrical energy with the power quality specifications requested by Tamarack, it will be necessary for Idaho Power to construct a portion of the Interconnection Facilities outside the Resort Project boundaries with a capacity greater than 7.5 MVA. However, as provided in Section 3, except as may be allowed by subsequent agreement between the parties, Tamarack will not be entitled to use more than 7.5 MW of capacity in the Interconnection Facilities.

7.2 Idaho Power and Tamarack have agreed that, while this Agreement is not subject to Rule H, it would be reasonable to apply the Rule H refund principles in effect at the time of this Agreement to a portion of the cost of the Interconnection Facilities located outside the Resort Project boundaries. With this exception, this Agreement is not related to nor governed by Rule H.

7.3 That portion of the Interconnection Facilities that will be subject to refunds ("Vested Interest Portion" as that term is defined in Rule H) under this Section 7 is more particularly described in Exhibit 5. The maximum dollar amount subject to refund under this Section 7 is also specified in Exhibit 5. These maximum dollar amounts are hereafter referred to as the "Maximum Refund Amounts". For purposes of this Section 7, Tamarack will be deemed as to be an initial Applicant and a Vested Interest Holder (as those terms are defined in Rule H) in the Vested Interest Portion of the Interconnection Facilities specified in Exhibit 5 up to the Maximum Refund Amounts and will be entitled to receive Vested Interest Refunds (as defined in Rule H) based on Vested Interest Charges (as defined in Rule H) for Connections of four (4) Additional

Applicants (as defined in Rule H) to the Vested Interest Portion of the Interconnection Facilities described in Exhibit 5 for a period ending ten (10) years after the completion of the Phase 2 Requested Facilities. Notice of the commencement of the ten year period will be given as provided in Section 3.1. The Vested Interest Refund limitations described in Section VI.A.1 of Rule H will be applicable to Tamarack's refund entitlement under this Agreement, except that the four Additional Applicants identified in Section VI.A.1.a. shall be limited to Additional Applicants each connecting a load of not less than 400 kW during the period ending ten years after the completion date of the Phase 2 Requested Facilities. Additional Applicants with loads smaller than 400 kW will not trigger a refund obligation nor count against the limitation of four Additional Applicants.

8. Line Capacity Charge.

8.1 Except for those customers identified in Paragraph 8.2 below and the four (4) vested interest additional applicants described in Section 7 above, Idaho Power will collect line capacity charges (LCC's) from all customers attaching to facilities which utilize the Requested Facilities to receive electrical service. LCC's would be assessed as follows:

(1) Schedule 01 Residential and Schedule 01 Non-Residential Customers (or their successor rate schedules) would pay \$800 per connection.

(2) Customers receiving service under Schedule 07, 09, 19, 24, 45 and 46 (or their successor rate schedules) would pay \$40 per kW of connected load.

8.2 Idaho Power will inventory all of the lots that are currently being "served" but are not connected that might attach to facilities which will utilize the

Requested Facilities to receive electrical service. These are the lots where the customer(s) have previously paid to install facilities to receive power on the lots, but the lots have not been connected. Capacity has previously been reserved for these lots, and customers have been advised that power is readily available to their lot. These lots will be exempt from paying the LCC.

8.3 LCC's will be assessed and collected for a period ending five (5) years after the completion of the Phase 2 Requested Facilities, currently scheduled for November 1, 2004.

8.4 LCC's collected by Idaho Power will be paid to Tamarack on a quarterly basis without interest.

8.5 Planned developments such as subdivisions will pay LCC's at the time of the application (when the lots are "served") and not at the time of the physical power connection to the individual lot.

8.6 Cash allowances through Rule H would not be applicable to reduce LCC's.

9. Limit On Aggregate LCC's and Vested Interest Charges.

9.1 Refunds for both LCC's and vested interest payments under Section 7 will cease when Tamarack has been refunded 80% of the total amount Tamarack has paid for distribution facilities. Idaho Power will include the tax gross-up portion of Tamarack's payments in the amount subject to refund to Tamarack. The total amount which could be refunded to Tamarack under Sections 7 and 8 would be \$1,075,571.

10. Substation Facilities.

10.1 Tamarack will pay Idaho Power \$546,909 for substation capacity of 7.5 MW (2.5 MW for Schedule 19 load and 5 MW for non-Schedule 19 load). The prorated share for the non-Schedule 19 load of \$364,606 ( $5000 \text{ kW}/7500 \text{ kW} = 67\% \times \$546,909$ ) is eligible for refund. Refunds will be available for a ten-year period following the completion of the Phase 2 Requested Facilities. Idaho Power will pay Tamarack \$73 per kW of load (based on estimated demand) for facilities installed within the Resort Project boundaries and taking service under Rate Schedule 01, 07, 09, 24, 45 and 46. The demand amount used for refunding purposes will include a diversity factor and will be equivalent to the demand on the substation. The estimated demand for a subdivision lot will be 10 kW per lot for a refund amount of \$730 per lot. Substation refunds to Tamarack identified in this Section will be made after the final 2004 payment, specified in Section 4.2, and only after the completion of the individual distribution work orders have been completed. These refund payments will be made without interest with a maximum refund payout of \$364,606.

11. Additional Provisions

11.1 Liability. Each Party will indemnify and hold harmless the other Party from and against loss, damage or liability, exclusive of costs and attorney's fees, resulting from claims asserted by third persons against either or both Parties to this Agreement on account of injury or death to persons or damage or destruction of property occurring on such (indemnifying) Party's side of the aforesaid Delivery Point, unless such injury or damage shall have resulted from the sole negligence of the other Party; provided, however, that each Party shall be solely responsible for claims of and

payment to its employees for injuries occurring in connection with their employment or arising out of any worker's compensation laws.

11.2 Limitation on Liability. NEITHER PARTY SHALL, IN ANY EVENT, BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES SUCH AS, BUT NOT LIMITED TO, LOST PROFITS, REVENUE OR GOOD WILL, OR INTEREST, WHETHER SUCH LOSS IS BASED ON CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE.

11.3 Waivers. Any waiver at any time by either Party of any right with respect to any matter arising under this Agreement, or any failure to give notice provided hereunder, shall not be deemed to be a waiver with respect to any subsequent matter, nor as the establishment of or consent to any practice under this Agreement or an interpretation of any term or provision hereof.

11.4 Successors and Assigns. Neither Party shall assign this Agreement or any portion thereof without the prior written consent of the other Party, which consent of such other Party shall not be unreasonably withheld. Upon proper assignment, this Agreement shall inure to the benefit of and be binding upon the successors in interest, assigns and legal representatives of Tamarack and Idaho Power.

11.5 Regulatory Authority. This Agreement is subject to valid laws and to the regulatory authority and orders, rules and regulations of the Idaho Public Utilities Commission and such other administrative bodies having jurisdiction, as well as Idaho Power Company's Rules and Regulations as now or may be hereafter modified and approved by the Idaho Public Utilities Commission.

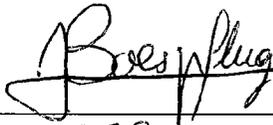
11.6 Choice of Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Idaho, and venue for any court proceeding arising out of this Agreement shall be in Boise, Idaho.

11.7 Modifications and Counterparts. This Agreement may only be amended or modified by a writing signed by the duly authorized representatives of both parties. This Agreement may be executed in counterparts, each of which, taken together, shall constitute one and the same Agreement.

12. Commission Approval. This Agreement shall be subject to the approval of the Commission and the respective rights and obligations of the Parties hereunder shall be subject to the continuing jurisdiction and regulatory authority of said Commission.

IN WITNESS WHEREOF, the Parties have entered into this Agreement effective as of the day and year first above written.

TAMARACK RESORT, LLC

By:   
Title: CEO

IDAHO POWER COMPANY

By:   
Title: SRVP

## **Exhibit 1**

### **Phase 1 Interconnection Facilities**

The objective of the 2003 construction activities is to provide up to 1 MVA of three phase power at the Delivery Point.

Phase 1 Interconnection Facilities will include Segment 2 overhead facilities, Segment 3 underground facilities and Segment 4 overhead facilities.

Segment 2 - Four Corners to Tamarack Falls:

The overhead distribution system will be approximately 2.8 miles long and constructed with 795 kcmil AAC (All Aluminum Conductor) conductors for 35 kV operation.

Segment 3 - Tamarack South to the west side of Section 29:

The underground distribution facility will be installed in a conduit system for approximately 1.2 miles long. The system will be designed for 35 kV operation with two circuits of 350 mcm aluminum conductor.

Segment 4 - West Section 29 to Tamarack:

The overhead distribution system will be approximately 1.9 miles long and constructed with 336 kcmil AAC conductors for 35 kV operation.

Phase 1 Interconnection Facilities will also include improvements to approximately 1.5 miles of existing facilities on Roseberry Road between Main Street in Donnelly and Norwood Road.

If the underground facilities of Segment 3 and the Roseberry Road improvements can be completed in 2003, up to 2 MVA of capacity will be available at the Delivery Point.

## **Exhibit 2**

### **Phase 2 Requested Facilities**

The objective of the 2004 construction activities is to provide 7.5 MVA of three phase power at the Delivery Point.

Phase 2 Interconnection Facilities will install all of the Segment 1 overhead facilities and required substation facilities.

#### **Segment 1 - Donnelly Substation to Four Corners:**

The overhead distribution system will be approximately 4.6 miles long and constructed with 795 kcmil AAC conductors for 35 kV operation.

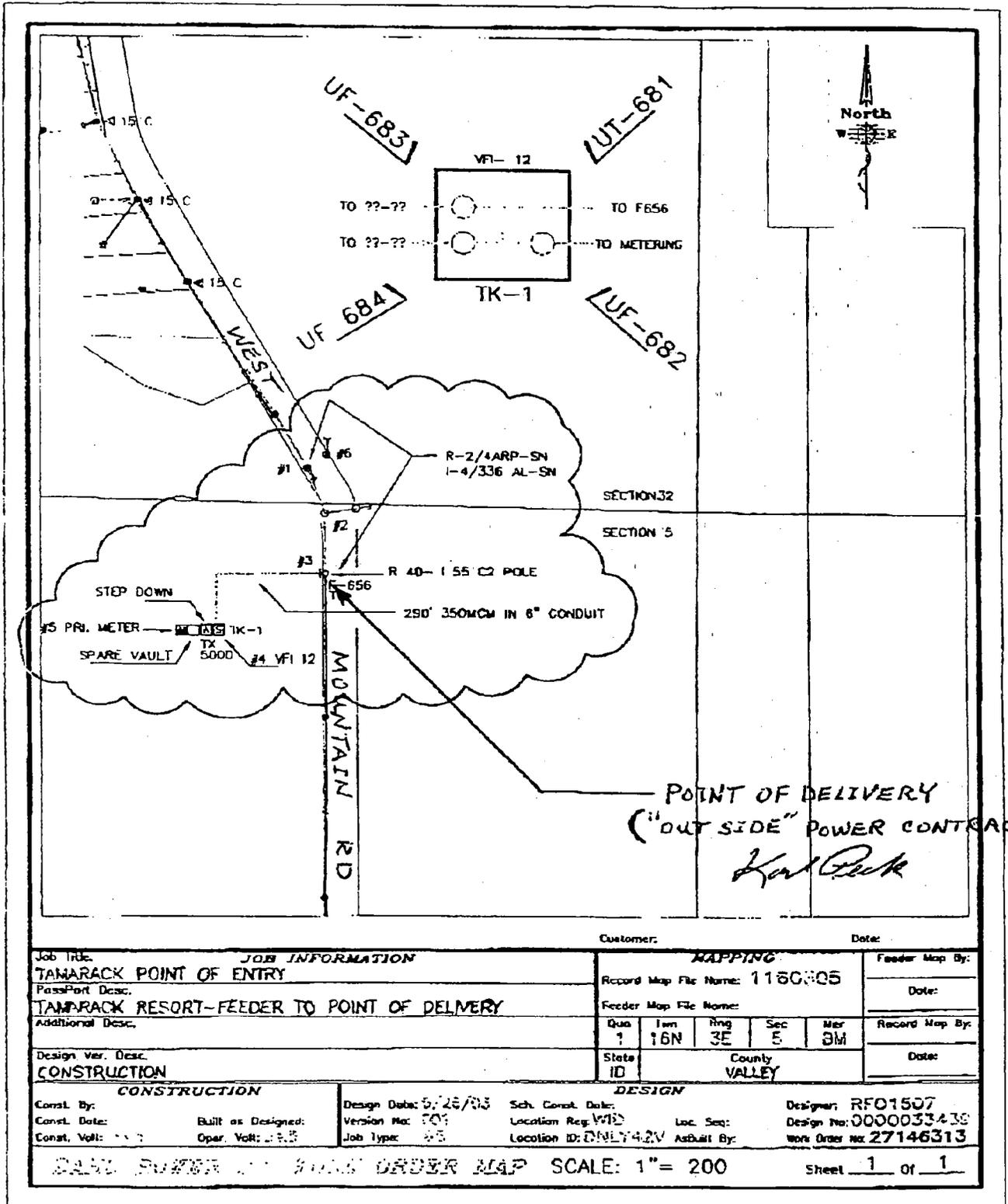
#### **Substation Facilities:**

Replacement of the Donnelly Substation transformer with a nominal 20 MVA transformer and other substation improvements associated with a 20 MVA class transformer, or installation of transformer equipment of equivalent capacity at another substation sufficient to provide 7.5 MW of electricity at the Delivery Point.

**Exhibit 3**  
**Delivery Point Description**

EXHIBIT 3  
(Page 1 of 1)

Delivery Point Description



POINT OF DELIVERY  
(“OUT SIDE” POWER CONTRACT)

*Karl Beck*

<b>JOB INFORMATION</b> Job Title: TAMARACK POINT OF ENTRY PassPort Desc: TAMARACK RESORT-FEEDER TO POINT OF DELIVERY Additional Desc:		<b>MAPPING</b> Record Map File Name: 1160005 Feeder Map File Name:		Customer: Date:	Feeder Map By: Date:
<b>CONSTRUCTION</b> Design Ver. Desc: CONSTRUCTION Const. By: Const. Date: Const. Volt:		<b>DESIGN</b> Design Date: 5/25/03 Version No: 001 Job Type:		State ID: VALLEY County: VALLEY Designer: RFO1507 Design No: 0000033438 Work Order No: 27146313	
Scale: 1" = 200 SHEET ORDER MAP				Sheet 1 of 1	

**EXHIBIT 4**  
**(Page 2 of 3)**

**Description of Resort Project Boundaries**

- C. A parcel of land located in the N1/2 S1/2 NW1/4, Section 8, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho.**

**Parcel No. 2:**

Beginning at the Northwest Corner of the E1/2 SW1/4 NW1/4; thence South 216 feet to a point; thence East 3630 feet, more or less; thence North 216 feet to the northeast corner of the NW1/4 NW1/4 SE1/4 NE1/4; thence West 3630 feet to the PLACE OF BEGINNING; Valley County, Idaho, AKA Tax No. 1 in Section 8, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho.

Recorded in Book No. 6, Page No. 681 of Record of Surveys. Instrument No. 244033.

- D. A parcel of land located in Sections 7, 8, 17, 18, Township 15 North, Range 3 East, Boise, Meridian, Valley County, Idaho.**

**Parcel "B"**

Being parcels of land located in Sections 7, 8, 17 and 18, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, more particularly described as follows:

Section 7: NE1/4 of the NE1/4; S1/2 of the NE1/4; and the SE1/4.  
Section 8: N1/2 of the NW1/4; W1/2 of the SW1/4 of the NW1/4; and the W1/2 of the W1/2 of the SW1/4.  
Section 17: W1/2 of the NW1/4 of the NW1/4.  
Section 18: N1/2 of the NE1/4.

**Parcel "C"**

Being parcels of land located in Section 8, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, more particularly described as follows:

All of that certain parcel of land shown as BLUE MOUNTAIN SUBDIVISION, recorded in Drawer 1 of plats, as instrument No. 106226, Valley County Records, Valley County, Idaho, SAVE and EXCEPT Lots 6, 7, and 8 therefrom, and W1/2 of the W1/2 of the SE1/4 of the NE1/4; SW1/4 of the NE1/4; SE1/4 of the NW1/4; E1/2 of the SW1/4 of the NW1/4; E1/2 of the W1/2 of the SW1/4; E1/2 of the SW1/4; W1/2 of the SW1/4 of the SE1/4; N1/2 of the NW1/4 of the SE1/4; SW1/4 of the NW1/4 of the SE1/4; and the North 12 rods of the SE1/4 of the NW1/4 of the SE1/4.

EXCEPTING therefrom a strip of land 216 feet wide along the north portion thereof, more particularly described as follows:

EXHIBIT 4  
(Page 3 of 3)

Description of Resort Project Boundaries

BEGINNING at the northwest corner of the E1/2 of the SW1/4 of the NW1/4; thence, South 216 feet; thence, East 3630 feet more or less; thence, North 216 feet to the northeast corner of the NW1/4 of the NW1/4 of the SE1/4 of the NE1/4; thence West 3630 feet, more or less to the POINT OF BEGINNING.

And EXCEPTING therefrom NORTHLAKE SUBDIVISION NO. 1, filed as Instrument No. 82698, Valley County Records, Valley County, Idaho.

And EXCEPTING therefrom NORTHLAKE SUBDIVISION NO. 2, filed as Instrument No. 106231, Valley County Records, Valley County, Idaho.

**Parcel "F"**

Being 3 Lots located in BLUE MOUNTAIN SUBDIVISION, situated in Section 8, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, more particularly described as follows:

All of Lots 6, 7 and 8 of BLUE MOUNTAIN SUBDIVISION, recorded in Drawer 1 of plats, as Instrument No. 106226, Valley County Records, Valley County, Idaho.

CONTAINING 720.07 ACRES, more or less.

Recorded in Book No. 6, Page No. 683 of Record of Surveys, Instrument No. 244033.

**E. A parcel of land in Township 16 North, Ranges 2 and 3 East, B.M. Valley County: "State Mountain Nos. 1 and 2"**

Section 36, Township 16 North, Range 2 East and Section 31, Township 16 North, Range 2 East and the S1/2, the NW1/4, the S1/2 NE1/4, and the NW1/4 NE1/4, Section 30, Township 16 North, Range 2 East and the SW1/4, the NW1/4 SW1/4 SE1/4, the SW1/4 SW1/4 SE1/4, and the SE1/4 SW1/4 SE1/4, Section 19, Township 16 North, Range 2 East.

CONTAINING 2,070 ACRES, more or less.

**F. A parcel of land in Section 8, Township 15 North, Range 3 East, B.M. Valley County: "State Meadow"**

The NW1/4 NE1/4 and the W1/2 NE1/4 NE1/4, Section 8, Township 15 North, Range 3 East.

CONTAINING 60 ACRES, more or less.

## Exhibit 5

### Portion of Interconnection Facilities Subject To Vested Interest Refund and Maximum Refund Amount(s)

Vested Interest refunds will only apply to the “distribution” facilities including tax gross-up amounts paid for by Tamarack.

The provisions of the vested interest refunds are detailed in the Rule H tariff. Some of the notable provisions of vested interest for this project are as follows:

- Tamarack, as the initial applicant, will be eligible to receive up to 80% of the original investment for the installation of distribution facilities, as a vested interest refund. The improvements to the existing facilities on Roseberry Road installed during Phase 1 to increase the capacity at the Delivery Point in 2003 from 1 MVA to 2 MVA will not be eligible for vested interest refunds.
- Tamarack will be eligible for vested interest refunds from four Additional Applicants during the ten (10) year period following the completion date of Phase 2.
- The method for calculating vested interest will follow the provisions of the Rule H tariff and the four Additional Applicants will have the choice of Option 1 or Option 2 for determining their vested interest payment amount as detailed in the Rule H tariff.
- Connections made inside the Resort boundaries described by Tamarack in Exhibit 4 and included in the 7.5 MW maximum load request will not be considered Additional Applicants for the purpose of vested interest

	<u>Phase 1 Facilities</u>	<u>Phase 2 Facilities</u>
Vested Interest Portion	\$881,656	\$462,808
Maximum Refund Amount	\$705,325	\$370,246