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IDAHO PUBLIC
UTILITIES COMMISSION

Barton L. Kline
Senior Attorney

March 18, 2008

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P. O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-08-05
In the Matter of the Application of Idaho Power Company to Amend
Schedule 72-Interconnections to Non-utility Generation

Dear Ms. Jewell:

Please find enclosed for filing an original and seven (7) copies of the Application of Idaho Power Company in the above-referenced matter.

I would appreciate it if you would return a stamped copy of this transmittal letter in the enclosed self-addressed, stamped envelope.

Very truly yours,

Barton L. Kline

BLK:sh
Enclosures

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Attorneys for Idaho Power Company

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1221 West Idaho Street
Boise ID 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)
APPLICATION OF IDAHO POWER)
COMPANY TO AMEND SCHEDULE 72-)
INTERCONNECTIONS TO NON-)
UTILITY GENERATION)
_____)
CASE NO. IPC-E-08-05
IDAHO POWER'S APPLICATION

Idaho Power Company ("Idaho Power" or the "Company" or the "Applicant"), in accordance with Idaho Code § 61-502, § 61-503 and R.P. 052 hereby respectfully applies to the Idaho Public Utilities Commission ("IPUC" or the "Commission") for an order approving amendments to Schedule 72 of Idaho Power's IPUC No. 29 Tariff No. 101. In support of this Application, Idaho Power represents as follows:

BACKGROUND

1. In Order No. 30493 issued on January 31, 2008 in Case No. IPC-E-07-13, the Commission directed Idaho Power to propose additional language to be included in its Schedule 72. The Commission described the additional language as follows:

The additional language should describe in general the three step study process that the Company follows including (1) opportunities to pay for additional required studies in incremental amounts, (2) opportunities to exit the interconnection process, and (3) opportunities to qualify for and provide alternative financial guarantees in lieu of full pre-payment of the initial cost element.

(Order No. 30493 pp. 6-7).

PROPOSED TARIFF REVISIONS

2. In compliance with Order No. 30493, enclosed as Attachment 1 are revised Tariff Sheets 72-1 through 72-5.

3. Also enclosed as Attachment 2 are the above-referenced tariff sheets showing the proposed changes in legislative format.

4. Idaho Power notes that in Attachment 1, on sheet 72-4 under the Generation Interconnection Agreement section, in subsection (b) 3) entitled The Facility Study, the security amount to be included in a Facilities Study Agreement has been established at a level equal to five percent (5%) of the total project costs capped at \$30,000. This maximum deposit amount is less than the maximum deposit the Company has previously charged. This lesser deposit amount is based on a recent study in which the Company reviewed the actual costs of constructing small generation interconnections. Based on that study, the Company concluded that the 5%/\$30,000 maximum deposit would be adequate to protect the Company from potential losses associated with performing the Facility Studies.

MODIFIED PROCEDURE

5. Idaho Power believes that a technical hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed

under modified procedure i.e., by written submissions rather than by hearing. R.P. 201 *et. seq.* If, however, the Commission determines that a technical hearing is required, the Company stands ready to present its testimony and support the Application in such hearing.

COMMUNICATIONS AND SERVICE OF PLEADINGS

6. Communications and service of pleadings with reference to this Application should be sent to the following:

Barton L. Kline
Donovan E. Walker
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REQUEST FOR RELIEF

WHEREFORE, Idaho Power respectfully requests that the Commission issue an order:

1. Authorizing that this matter may be processed by modified procedure; and
2. Approving the revised Tariff Sheets Numbers 72-1 through 72-5.

DATED at Boise, Idaho this 18th day of March, 2008.



BARTON L. KLINE

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-08-05

IDAHO POWER COMPANY

ATTACHMENT NO. 1

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION

AVAILABILITY

Service under this schedule is available throughout the Company's service area within the State of Idaho to Sellers owning or operating Qualifying Facilities that sign a Uniform Interconnection Agreement or Generation Facilities that qualify for Schedule 84. Generation Facilities that qualify for Schedule 84 are not required to sign a Uniform Interconnection Agreement.

APPLICABILITY

Service under this schedule applies to the construction, operation, maintenance, Upgrade, Relocation, or removal of transmission and/or distribution lines and equipment necessary to safely interconnect a Seller's Generation Facility to the Company's system.

DEFINITIONS

Additional Applicant is a person or entity whose request for electrical connection requires the Company to utilize existing Interconnection Facilities which are subject to a Vested Interest.

Company is the Idaho Power Company.

Connected Load is the combined input rating of the Customer's motors and other energy consuming devices.

Construction Cost is the cost, as determined by the Company, of Upgrades, Relocation or construction of Company furnished Interconnection Facilities.

Disconnection Equipment is any device or combination of devices by which the Company can manually and/or automatically interrupt the flow of energy from the Seller to the Company's system, including enclosures or other equipment as may be required to ensure that only the Company will have access to certain of the devices.

First Energy Date is the date when the Seller begins delivering energy to the Company's system.

Generation Facility means equipment used to produce electric energy at a specific physical location which meets the requirements to be a Qualifying Facility or that qualifies for Schedule 84.

Generator Interconnection Process is the Company's Generation Facility interconnection application, engineering review and construction process. The intent of the Generator Interconnection Process is to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, good utility practices and national safety standards.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Interconnection Facilities are all facilities which are reasonably required by good utility practices and the National Electric Safety Code to interconnect and to allow the delivery of energy from the Seller's Generation Facility to the Company's system, including, but not limited to, Special Facilities, Disconnection Equipment and Metering Equipment.

Interconnection Point is the point where the Seller's conductors connect to the facilities owned by the Company.

Metering Equipment is the Company owned equipment required to measure, record or telemeter power flows between the Seller's Generation Facility and the Company's system.

OATT is the Company's Federal Energy Regulatory Commission (FERC) approved Open Access Transmission Tariff.

Protection Equipment is the circuit-interrupting device, protective relaying, and associated instrument transformers.

PURPA means the Public Utility Regulatory Policies Act of 1978.

Qualifying Facility is a cogeneration facility or a small power production facility which meets the PURPA criteria for qualification set forth in Subpart B of Part 292, Subchapter K, Chapter I, Title 18, of the Code of Federal Regulations.

Relocation is a change in the location of existing Company-owned transmission and/or distribution lines, poles or equipment.

Schedule 84 is the Company's service schedule which provides for sales of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission.

Seller is a non-utility generator who has contracted or will contract with the Company to interconnect a Generation Facility to the Company's system to sell electric energy to the Company including net metering sales, as provided in Schedule 84.

Seller-Furnished Facilities are those portions of the Interconnection Facilities provided by the Seller.

Special Facilities are additions to or alterations of transmission and/or distribution lines and transformers, including, but not limited to, Upgrades and Relocation, to safely interconnect the Seller's Generation Facility to the Company's system.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Transfer Cost is the cost, as determined by the Company, for acceptance by the Company of Seller-Furnished Facilities.

Upgrades are those improvements to the Company's existing system which are reasonably required by good practices and the National Electric Safety Code to safely interconnect the Seller's Generation Facility. Such improvements include, but are not limited to, additional or larger conductors, transformers, poles, and related equipment.

Vested Interest is the claim for refund that a Seller or Additional Applicant holds in a specific portion of Company-owned Interconnection Facilities. The Vested Interest expires 5 years from the date the Company completes construction of its portion of the Interconnection Facilities unless fully refunded earlier. Vested Interests do not apply to Schedule 84 net metering projects.

GENERATOR INTERCONNECTION PROCESS

(a) Application. The Seller will submit a completed interconnection application in the form posted on the Company's website. The application form includes a general description of the Generation Facility and its location. The application includes payment of an application fee to be applied against costs the Company incurs to perform the Feasibility Study described below. The amount of the application fee is \$1,000 for a Generation Facility up to 30 MW.

(b) Study Agreements. If the Seller desires to proceed beyond the Application stage, the Seller will be offered a series of study agreements. The individual study agreements establish the time to perform the study and the deposit the Seller is to provide prior to commencement of the study. The deposit amount may be waived if a Seller meets the Company's credit worthiness standards for unsecured credit specified in Attachment L to the Company's OATT. The studies consist of:

- 1) The Feasibility Study: The Feasibility Study includes a general review of project impact, e.g. exceeding equipment capabilities and violation of electrical performance requirements. The Feasibility Study Agreement states that no deposit is required, since the deposit is covered by the application fee.
- 2) The System Impact Study: The System Impact Study provides a detailed assessment of the distribution and/or transmission system adequacy to accommodate the Generation Facility through the evaluation of equipment capabilities and electrical performance requirements. This step may not be necessary for some projects depending on the size and location of the project. The System Impact Study Agreement includes a deposit of \$2,000 for a distribution system impact study or a \$10,000 deposit for a transmission system impact study.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

GENERATOR INTERCONNECTION PROCESS (Continued)

- 3) The Facility Study: The Facility Study includes the engineering to determine the design specifications of the project. The Facility Study Agreement includes a deposit of 5% of the total project costs that were determined in the System Impact Study Report ("SISR") or the Feasibility Study Report if a SISR is not required, capped at \$30,000.

At the end of each stage of the three-step study process, the Company will provide the Seller with an increasingly more refined and detailed report that, among other things, will present a list of required Interconnection Facilities and a non-binding, good faith estimate of Seller's cost responsibility for the Interconnection Facilities. If long-lead time equipment items need to be ordered to meet Seller's construction schedule, the Company will request advance funding by the Seller to cover these equipment costs.

(c) Generator Interconnection Agreement. The Generator Interconnection Agreement ("GIA"), will be offered to Seller following completion of the Facility Study. The GIA will utilize the Uniform Interconnection Agreement template included in this schedule.

COST OF INTERCONNECTION FACILITIES

All Interconnection Facilities provided under this schedule will be valued at the Company's Construction Cost and/or the Transfer Cost for vesting purposes as well as for operation and maintenance payment obligations.

PAYMENT FOR INTERCONNECTION FACILITIES

Unless specifically agreed otherwise by written agreement between the Seller and the Company, the Seller will pay all costs of interconnecting a Generation Facility to the Company's system. Costs of interconnection include the costs of the Generator Interconnection Process e.g. engineering analysis and design, preparation of cost estimates and reports to Seller and the costs of furnishing and constructing required Interconnection Facilities, including Upgrades.

Each request for interconnection will go through the Generator Interconnection Process. Throughout the Generator Interconnection Process, the Company will periodically bill the Seller for costs incurred or obligated. Failure to pay an invoice within the time specified in the invoice will result in suspension of work on the interconnection and if the suspension of work extends beyond 30 calendar days, the Generation Facility will be removed from the interconnection queue. Seller can end the Generator Interconnection Process at any time. If Seller decides to end the Generator Interconnection Process prior to completion, the Company will either refund any monies held for security that have not been spent or obligated, or issue an invoice to Seller for costs incurred prior to cancellation.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SECURITY FOR PAYMENT OF INTERCONNECTION COSTS

Sellers will provide adequate security for payment of the costs of the Generator Interconnection Process. Adequate security for Generation Facilities larger than 30 MW can be provided in accordance with the Large Generator Interconnection Procedures contained in Attachment M to the Company's OATT. Adequate security for Generation Facilities up to 30 MW can be provided in one of the following ways

1. Sellers that meet the Company's credit worthiness standards for unsecured credit are not required to provide additional security. The Company's minimum credit standards for unsecured credit are described in Attachment L to the OATT.
2. Sellers that do not meet the credit worthiness standards for unsecured credit will be notified of the reason for the determination and shall be given the option to provide alternative security acceptable to Idaho Power. In lieu of providing a cash deposit, Seller may establish an escrow account, provide a letter of credit or provide guarantee of payment by another person or entity which meets the credit worthiness standards for unsecured credit. Arrangements for alternative security must be acceptable to Idaho Power.

CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES

All Seller-Furnished Interconnection Facilities will be constructed and maintained in a manner to be in full compliance with all good utility practices, National Electric Safety Code, and all other applicable Federal, state, and local safety and electrical codes and standards at all times.

The Seller shall:

1. Submit proof to the Company that all licenses, permits, inspections and approvals necessary for the construction and operation of the Seller's Generation and Interconnection Facilities under this schedule have been obtained from applicable Federal, state, or local authorities.
3. Demonstrate to the Company's satisfaction that the Seller's Generation Facility and Seller-Furnished Facilities have been completed, and that all features and equipment of the Seller's Generation Facility and Seller-Furnished Facilities are capable of operating safely to commence deliveries of Energy into the Company's system.
4. Provide and maintain adequate protective equipment sufficient to prevent damage to the Generation Facility, Seller-Furnished Facilities and any other Seller-owned facilities in conformance with all applicable electrical and safety codes and requirements.
5. Provide and maintain Disconnection Equipment in accordance with all applicable electrical and safety codes and requirements as described within this Schedule.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES (Continued)

6. Provide a 24-hour telephone contact(s). This contact will be used by the Company to arrange for repairs and inspections or in case of an emergency. The Company will make its best effort to arrange repairs and inspections during normal business hours and to notify the Seller of such arrangements in advance. The Company will provide a telephone number to the Seller so that the Seller can obtain information about Company activity impacting the Seller's facility.

DISCONNECTION EQUIPMENT

Disconnection Equipment is required for all Seller Generation Facilities. The Disconnection Equipment shall be installed at an electrical location to allow complete isolation of Seller's Generation and Interconnection Facilities from the Company's system. The Disconnection Equipment for a Schedule 84 net metering facility will be installed at an electrical location on the Seller's side of the Company's retail metering point to allow complete isolation of the Seller's Generation and Interconnection Facilities from the Seller's other electrical load and service.

The Disconnection Equipment's operating device shall be:

1. Readily accessible by the Company at all times.
2. Clearly marked "Generation Disconnect Switch" with permanent 3/8 inch or larger letters.
3. Physically installed at a location within 10 feet of the Interconnection Point or exact, permanent instructions posted at the Interconnection Point indicating the precise location of the Disconnection Equipment's operating device.
4. Of a design manually operated and lockable in the open position with a standard Company padlock.

Operation of Disconnection Equipment. If, in the reasonable opinion of the Company, the Seller's operation or maintenance of the Generation Facility or Interconnection Facilities is unsafe or may otherwise adversely affect the Company's equipment, personnel, or service to its customers, the Company may physically disconnect the Seller's Generation Facility or Interconnection Facilities by operation of the disconnection device or by any other means the Company deems necessary to adequately disconnect the Seller's Generation and Interconnection Facilities from the Company's system. At such time as the unsafe condition is remedied or other condition adversely affecting the Company is resolved to the Company's satisfaction, the interconnection will be restored.

The Company will disconnect the Seller's Generation and Interconnection Facilities in the event of any planned or unplanned maintenance or repair of the Company's system connected to the Seller's Generation and Interconnection Facilities. In the event of unplanned maintenance or repairs, no prior notice will be provided. In the event of planned repairs, the Company will attempt to notify the Seller of the time and duration of the planned outage.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DISCONNECTION EQUIPMENT (Continued)

The Company will disconnect the Seller's Generation Facility and Interconnection Facilities in the event that any terms and conditions of any applicable Company tariff or contract enabling the interconnection of the Seller's Generation Facility is deemed by the Company to be in default or delinquent.

All expenses of disconnection and reconnection incurred by the Company will be billed to the Seller.

In the case of a net metering facility, disconnection of the service may be necessary. The disconnection may result in interruption of both energy deliveries from the Seller's Generation Facility to the Company as well as interruption of energy deliveries from the Company to the Seller.

The Company will establish the settings of Protection Equipment to disconnect the Seller's Generation Facility and Interconnection Facilities for the protection of the Company's system and personnel consistent with good utility practices. If the Seller attempts to modify, adjust or otherwise interfere with the protection equipment or its settings as established by the Company, such action may be grounds for the Company's refusal to continue interconnection of the Seller's Generation and Interconnection Facilities to the Company's system.

GENERAL REQUIREMENTS OF INTERCONNECTED PROJECTS

1. The Company will construct, own, operate and maintain all equipment, Upgrades and Relocations on the Company's electrical side of the Interconnection Point.
2. The Company will clearly mark the Metering Equipment and any other Company equipment associated with the Seller's Generation Facility and/or Interconnection Facilities designating the existence of the Seller's Generation Facility as required by good utility practices.
3. The Seller will be required to submit all specific designs, equipment specifications, and test results of the Seller-Furnished Facilities to the Company for review. Upon receipt of the design and equipment specifications, the Company will review the design and equipment specifications for conformance with applicable electrical and safety codes and standards.

SPECIFIC PROJECT REQUIREMENTS

1. Generation Facilities Interconnecting as a Schedule 84 (net metering) Project
 - a. Certification prior to interconnection:

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SPECIFIC PROJECT REQUIREMENTS (Continued)

Seller Generation Facilities that qualify for net metering under Schedule 84 will submit to the Company a certification from an independent qualified party licensed in the State of Idaho that the design and equipment in the Generation Facility and Seller-Furnished Facilities (1) comply with the Institute of Electrical and Electronic Engineers (IEEE) Standard 1547 and all other standards of this schedule and applicable electric and building codes and (2) will operate to safely deliver Energy to the Interconnection Point. The Seller shall provide the credentials and licenses of the certifying party to the Company for review and acceptance of the certification.

b. Periodic re-certification:

i. Projects larger than 25 kW. The Seller will obtain an annual certification from an independent qualified party licensed in the State of Idaho, certifying the Generation Facility and Seller-Furnished Facilities and equipment are in compliance with IEEE Standard 1547 all current applicable electrical and safety codes, and are able to safely and reliably continue to operate. The Seller will provide the credentials and licenses of the certifying party to the Company for review and acceptance of the certification. A copy of this certification must be forwarded to the Company by May 1st of each calendar year in which the Seller's facility is interconnected to the Company's system. Within the first calendar year of operation, the Seller will be required to supply only the certifications required at the time of the initial interconnection. If the Company does not accept the annual certification within sixty days of its receipt, the Generation Facility will be disconnected from the Company's system until such time as the certification is completed and accepted by the Company.

ii. Projects 25 kW and smaller. The above described certification will be provided every three years.

iii. Re-certification following modifications. Prior to making any material modifications or additions to the Generation Facility or Interconnection Facilities Seller will provide Company with a written description of the proposed change. The Company will expeditiously review the proposal and authorize Seller to proceed subject to final inspection and certification by a qualified party as described in paragraph 1a above. Any modifications made without notice will result in disconnection of the facility until such time as certification of the modified facility is submitted to and accepted by the Company.

2. Generation Facilities Less Than 1 MW Nameplate Rating

The following requirements are for Generation Facilities with nameplate ratings of less than 1 MW, not including net metering facilities utilizing Schedule 84.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SPECIFIC PROJECT REQUIREMENTS (Continued)

a. The Company shall procure, install, own and maintain Metering Equipment to record energy deliveries to the Company. This metering will be separate from any other metering of the Seller's load and may be located on either side of the Interconnection Point. All acquisition, installation, maintenance, inspection and testing costs related to Meter Equipment installed to measure the Seller's energy deliveries to the Company shall be born by the Seller.

b. The Seller is responsible for all costs incurred by the Company for the review, evaluation and testing of Seller supplied designs and equipment regardless as to the outcome of the review or test results.

c. The Seller, upon completion of installation and prior to interconnection of the Generation Facility to the Company's system, will provide the Company with certification from a professional engineer licensed in the State of Idaho stating that the Seller's Generation Facility and Interconnection Facilities are in compliance with IEEE Standard 1547 and all applicable electrical and safety codes to enable safe and reliable operation.

d. The Seller will obtain and provide to the Company an annual certification and testing by a professional engineer licensed in the State of Idaho, certifying the ongoing compliance with IEEE Standard 1547 and all applicable electrical and safety codes and that the Seller-Furnished Facilities successfully meet applicable testing requirements and standards. In the event the Company does not receive and accept the annual certification within 30 days of the annual anniversary date of the agreement, the project will be disconnected from the Company's system until such time as the certification is completed and accepted by the Company.

e. In addition to the requirements specified in sections a through d, Generation Facilities that are greater than 100 kW and less than 1 MW total nameplate rating require the following:

i. If the Company owns the transformer interconnecting the Seller's Generation Facility, then the Seller may own and maintain a secondary voltage disconnection device that can be operated by both the Seller and the Company.

ii. If the Seller owns the transformer interconnecting the Seller's Generation Facility, then the Company will own, operate and maintain a primary voltage disconnection device at the Seller's expense.

iii. The Company will construct, own, operate and maintain all protective relays and any associated equipment required to operate the protective relays.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SPECIFIC PROJECT REQUIREMENTS (Continued)

3. Generation Facilities Greater Than 1 MW Nameplate Rating

The Company will own, maintain and operate all Interconnection Facilities and Disconnection Equipment at the Seller's expense.

TRANSFER OF INTERCONNECTION FACILITIES

Transfer of Interconnection Facilities is available only for Generation Facilities with nameplate ratings greater than 100 kW.

1. Transfer at First Energy Date. If the Seller desires to transfer and the Company desires to accept any Seller-Furnished Facilities at the First Energy Date, the following will apply:

a. Prior to the beginning of construction, the Seller shall cause the contractor that is constructing the Seller-Furnished Facilities to provide the Company with a certificate naming the Company as an additional insured in the amount of not less than \$1,000,000 under the contractor's general liability policy.

b. The Company will provide the Seller's contractor with construction and material specifications and will have final approval of the design of the Seller-Furnished Facilities.

c. During construction and upon completion, the Company will inspect the Seller-Furnished Facilities to be transferred to the Company. The cost of such inspection will be borne by the Seller.

d. If the Seller-Furnished Facilities meet the Company's design, material and construction specifications, are free from defects in materials and workmanship, and the Seller has provided the Company with acceptable easements, bills of sale and assurance against labor or materials liens, the Company will accept ownership effective as of the First Energy Date. In the bill of sale, the Seller will warrant to the Company that the Seller-Furnished Facilities are free of any liens or encumbrances and will be free from any defects in materials and workmanship for a period of one year from the First Energy Date.

2. Subsequent Transfer. If, after the First Energy Date, the Seller desires to transfer and the Company desires to accept any Seller-Furnished Facilities, the following will apply:

a. The Company will inspect the facilities proposed for sale to determine if they meet the Company's design, material and construction specifications.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
 (Continued)

TRANSFER OF INTERCONNECTION FACILITIES (Continued)

b. The Company will determine the Transfer Cost of such facilities. The Transfer Cost will be equal to the depreciated Construction Cost the Company would have incurred if it had originally constructed the facilities plus the cost, if any, of bringing the facilities into compliance with the Company's design, material and construction specifications. Depreciation of the facilities proposed for transfer will be determined on the same basis as the Company depreciates its own facilities in accordance with the appropriate FERC account numbers for the type and size of line or equipment involved. The time period used for the calculation of the depreciated transfer cost will extend from the First Energy Date until the agreed upon transfer date. The Transfer Cost will be paid to the Company in cash at the time of transfer. At the same time, the Company will pay the Seller in cash an amount equal to the depreciated Construction Cost.

c. As a condition of the Company's acceptance, the Seller will provide the Company with acceptable easements, bills of sale and acceptable assurance against labor and material liens. The bill of sale will include a warranty that the transferred facilities are free of all liens and encumbrances and will be free from any defects in materials and workmanship for a period of one year from the date of transfer.

d. Effective as of the date of the transfer, the Company will operate and maintain the transferred facilities.

VESTED INTEREST

A Seller's eligibility for a Vested Interest refund will exist for 5 years after the date the Company completes construction of its portion of the Interconnection Facilities.

1. The Company will provide a refund payment to each Seller holding a Vested Interest in Company-owned Interconnection Facilities when an Additional Applicant shares use of those Interconnection Facilities.

2. The refund payment will be based on the following formula:

$$\text{Refund} = \frac{\text{Linear Footage Ratio}}{\text{Linear Footage Ratio}} \times \frac{\text{Connected Load/Peak Generation Ratio}}{\text{Connected Load/Peak Generation Ratio}} \times \text{Original Interconnection Cost}$$

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
 (Continued)

VESTED INTEREST (Continued)

- a. The Linear Footage Ratio is the length of jointly used Special Facilities divided by the length of the vested Special Facilities.
 - b. The Connected Load/Peak Generation Ratio is the Connected Load or Peak Generation of the Additional Applicant divided by the sum of the Connected Load or Peak Generation of the Additional Applicant and all other Connected Loads and/or Peak Generation on the Special Facilities.
 - c. The Original Interconnection Cost is the sum of the Company's Construction Cost and any Transfer Costs for the Interconnection Facilities to which the Additional Applicant intends to connect and share usage.
3. The Additional Applicant will pay the Company the amount of the Vested Interest refund(s). Additional Applicants making Vested Interest payments are in turn eligible to receive refunds within the 5 year limit described above.
 4. Vested Interest refunds will not exceed 100 percent of the refundable portion of any party's cash payment to the Company.
 5. Vested Interest refund payments may be waived by notifying the Company in writing.

OPERATION AND MAINTENANCE OBLIGATIONS AND EXPENSES

The Company will operate and maintain Company furnished Interconnection Facilities as well as any Seller-Furnished Facilities transferred to the Company. For all projects not interconnecting as a Schedule 84 customer, the Seller will pay the Company a monthly operation and maintenance charge equal to a percentage of the Construction Cost and Transfer Cost paid by the Seller. The percentage will change annually on the anniversary of the First Energy Date in accordance with the following table:

MONTHLY OPERATION AND MAINTENANCE CHARGES
 138 kV and 161 kV

Year	1	2	3	4	5	6	7	8	9	10	11	12
O&M Charge	0.26%	0.27%	0.28%	0.29%	0.30%	0.32%	0.33%	0.35%	0.36%	0.38%	0.40%	0.41%
Year	13	14	15	16	17	18	19	20	21	22	23	24
O&M Charge	0.43%	0.45%	0.47%	0.49%	0.52%	0.54%	0.56%	0.59%	0.62%	0.64%	0.67%	0.70%
Year	25	26	27	28	29	30	31	32	33	34	35	
O&M Charge	0.73%	0.77%	0.80%	0.84%	0.87%	0.91%	0.96%	1.00%	1.04%	1.09%	1.14%	

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
 (Continued)

OPERATION AND MAINTENANCE OBLIGATIONS AND EXPENSES (Continued)

MONTHLY OPERATING AND MAINTENANCE CHARGES
 Below 138 kV

Year	1	2	3	4	5	6	7	8	9	10	11	12
O&M Charge	0.47%	0.49%	0.52%	0.54%	0.56%	0.59%	0.61%	0.64%	0.67%	0.70%	0.73%	0.77%
Year	13	14	15	16	17	18	19	20	21	22	23	24
O&M Charge	0.80%	0.84%	0.87%	0.91%	0.95%	1.00%	1.04%	1.09%	1.14%	1.19%	1.24%	1.30%
Year	25	26	27	28	29	30	31	32	33	34	35	
O&M Charge	1.36%	1.42%	1.48%	1.55%	1.62%	1.69%	1.77%	1.85%	1.93%	2.02%	2.11%	

Where a Seller's interconnection will utilize Interconnection Facilities provided under a prior agreement(s), the term of which was shorter than 35 years, the operation and maintenance charge for the Seller's interconnection will be computed to include the expired term of the prior agreement(s).

The cost upon which an individual Seller's operation and maintenance charge is based will be reduced by subsequent Vested Interest refunds. Additional Applicants who are Sellers will pay the monthly operation and maintenance charge on the amount they paid as an Additional Applicant.

Seller-Furnished Facilities not transferred to the Company will be operated and maintained by the Seller at the Seller's sole risk and expense.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)

This Interconnection Agreement ("Agreement") is effective as of the ____ day of _____, 20____, between _____, hereinafter called "Seller," and Idaho Power Company, hereinafter called "Company."

RECITALS

A. Seller will own or operate a Generation Facility that qualifies for service under Idaho Power's Commission-approved Schedule 72 and any successor schedule.

B. The Generation Facility covered by this Agreement is more particularly described in Attachment 1.

AGREEMENTS

1. Capitalized terms used herein shall have the same meanings as defined in Schedule 72 or in the body of this Agreement.

2. This Agreement and Schedule 72 provide the rates, charges, terms and conditions under which the Seller's Generation Facility will interconnect with, and operate in parallel with, the Company's transmission/distribution system. Terms defined in Schedule 72 will have the same defined meaning in this Agreement. If there is any conflict between the terms of this Agreement and Schedule 72, Schedule 72 shall prevail.

3. This Agreement is not an agreement to purchase Seller's power. Purchase of Seller's power and other services that Seller may require will be covered under separate agreements. Nothing in this Agreement is intended to affect any other agreement between the Company and Seller.

4. Attached to this Agreement and included by reference are the following:

Attachment 1 – Description and Costs of the Generation Facility, Interconnection Facilities, and Metering Equipment.

Attachment 2 – One-line Diagram Depicting the Generation Facility, Interconnection Facilities, Metering Equipment and Upgrades.

Attachment 3 – Milestones For Interconnecting the Generation Facility.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

Attachment 4 – Additional Operating Requirements for the Company's Transmission System Needed to Support the Seller's Generation Facility.

Attachment 5 – Reactive Power.

Attachment 6 – Description of Upgrades required to integrate the Generation Facility and Best Estimate of Upgrade Costs.

5. Effective Date, Term, Termination and Disconnection.

5.1 Term of Agreement. Unless terminated earlier in accordance with the provisions of this Agreement, this Agreement shall become effective on the date specified above and remain effective as long as Seller's Generation Facility is eligible for service under Schedule 72.

5.2 Termination.

5.2.1 Seller may voluntarily terminate this Agreement upon expiration or termination of an agreement to sell power to the Company.

5.2.2 After a Default, either Party may terminate this Agreement pursuant to Section 6.5.

5.2.3 Upon termination or expiration of this Agreement, the Seller's Generation Facility will be disconnected from the Company's transmission/distribution system. The termination or expiration of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination. The provisions of this Section shall survive termination or expiration of this Agreement.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3 Temporary Disconnection. Temporary disconnection shall continue only for so long as reasonably necessary under "Good Utility Practice." Good Utility Practice means any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region. Good Utility Practice includes compliance with WECC or NERC requirements. Payment of lost revenue resulting from temporary disconnection shall be governed by the power purchase agreement.

5.3.1 Emergency Conditions. "Emergency Condition" means a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Company, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Company's transmission/distribution system, the Company's Interconnection Facilities or the equipment of the Company's customers; or (3) that, in the case of the Seller, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the reliability and security of, or damage to, the Generation Facility or the Seller's Interconnection Facilities. Under Emergency Conditions, either the Company or the Seller may immediately suspend interconnection service and temporarily disconnect the Generation Facility. The Company shall notify the Seller promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Seller's operation of the Generation Facility. The Seller shall notify the Company promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Company's equipment or service to the Company's customers. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.2 Routine Maintenance, Construction, and Repair. The Company may interrupt interconnection service or curtail the output of the Seller's Generation Facility and temporarily disconnect the Generation Facility from the Company's transmission/distribution system when necessary for routine maintenance, construction, and repairs on the Company's transmission/distribution system. The Company will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, the Company may not be able to provide notice to the Seller prior to interruption, curtailment or reduction of electrical energy deliveries to the Company. The Company shall use reasonable efforts to coordinate such reduction or temporary disconnection with the Seller.

5.3.3 Scheduled Maintenance. On or before January 31 of each calendar year, Seller shall submit a written proposed maintenance schedule of significant Facility maintenance for that calendar year and the Company and Seller shall mutually agree as to the acceptability of the proposed schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Good Utility Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

5.3.4. Maintenance Coordination. The Seller and the Company shall, to the extent practical, coordinate their respective transmission/distribution system and Generation Facility maintenance schedules such that they occur simultaneously. Seller shall provide and maintain adequate protective equipment sufficient to prevent damage to the Generation Facility and Seller-furnished Interconnection Facilities. In some cases, some of Seller's protective relays will provide back-up protection for Idaho Power's facilities. In that event, Idaho Power will test such relays annually and Seller will pay the actual cost of such annual testing.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.5 Forced Outages. During any forced outage, the Company may suspend interconnection service to effect immediate repairs on the Company's transmission/distribution system. The Company shall use reasonable efforts to provide the Seller with prior notice. If prior notice is not given, the Company shall, upon request, provide the Seller written documentation after the fact explaining the circumstances of the disconnection.

5.3.6 Adverse Operating Effects. The Company shall notify the Seller as soon as practicable if, based on Good Utility Practice, operation of the Seller's Generation Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Generation Facility could cause damage to the Company's transmission/distribution system or other affected systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Seller upon request. If, after notice, the Seller fails to remedy the adverse operating effect within a reasonable time, the Company may disconnect the Generation Facility. The Company shall provide the Seller with reasonable notice of such disconnection, unless the provisions of Article 5.3.1 apply.

5.3.7 Modification of the Generation Facility. The Seller must receive written authorization from the Company before making any change to the Generation Facility that may have a material impact on the safety or reliability of the Company's transmission/distribution system. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Seller makes such modification without the Company's prior written authorization, the latter shall have the right to temporarily disconnect the Generation Facility.

5.3.8 Reconnection. The Parties shall cooperate with each other to restore the Generation Facility, Interconnection Facilities, and the Company's transmission/distribution system to their normal operating state as soon as reasonably practicable following a temporary disconnection.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.9 Voltage Levels. Seller, in accordance with Good Utility Practices, shall minimize voltage fluctuations and maintain voltage levels acceptable to Idaho Power. Idaho Power may, in accordance with Good Utility Practices, upon one hundred eighty (180) days' notice to the Seller, change its nominal operating voltage level by more than ten percent (10%) at the Point of Delivery, in which case Seller shall modify, at Idaho Power's expense, Seller's equipment as necessary to accommodate the modified nominal operating voltage level.

5.4 Land Rights.

5.4.1 Seller to Provide Access. Seller hereby grants to Idaho Power for the term of this Agreement all necessary rights-of-way and easements to install, operate, maintain, replace, and remove Idaho Power's Metering Equipment, Interconnection Equipment, Disconnection Equipment, Protection Equipment and other Special Facilities necessary or useful to this Agreement, including adequate and continuing access rights on property of Seller. Seller warrants that it has procured sufficient easements and rights-of-way from third parties so as to provide Idaho Power with the access described above. All documents granting such easements or rights-of-way shall be subject to Idaho Power's approval and in recordable form.

5.4.2 Use of Public Rights-of-Way. The Parties agree that it is necessary to avoid the adverse environmental and operating impacts that would occur as a result of duplicate electric lines being constructed in close proximity. Therefore, subject to Idaho Power's compliance with Paragraph 5.4.4, Seller agrees that should Seller seek and receive from any local, state or federal governmental body the right to erect, construct and maintain Seller-furnished Interconnection Facilities upon, along and over any and all public roads, streets and highways, then the use by Seller of such public right-of-way shall be subordinate to any future use by Idaho Power of such public right-of-way for construction and/or maintenance of electric distribution and transmission facilities and Idaho Power may claim use of such public right-of-way for such purposes at any time. Except as required by Paragraph 5.4.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this Paragraph 5.4.2.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
 (Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
 (PURPA)
 (Continued)

AGREEMENTS (Continued)

5.4.3 Joint Use of Facilities. Subject to Idaho Power's compliance with Paragraph 15.4.4, Idaho Power may use and attach its distribution and/or transmission facilities to Seller's Interconnection Facilities, may reconstruct Seller's Interconnection Facilities to accommodate Idaho Power's usage or Idaho Power may construct its own distribution or transmission facilities along, over and above any public right-of-way acquired from Seller pursuant to Paragraph 5.4.2, attaching Seller's Interconnection Facilities to such newly constructed facilities. Except as required by Paragraph 5.4.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this Paragraph 5.4.3.

5.4.4 Conditions of Use. It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Paragraph 5.4. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in Paragraphs 5.4.2 and 5.4.3 shall: (1) comply with all applicable laws, codes and Good Utility Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Paragraph 5.4.

6. Assignment, Liability, Indemnity, Force majeure, Consequential Damages and Default.

6.1 Assignment. This Agreement may be assigned by either Party upon twenty-one (21) calendar days prior written notice and opportunity to object by the other Party; provided that:

6.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

6.1.2 The Seller shall have the right to contingently assign this Agreement, without the consent of the Company, for collateral security purposes to aid in providing financing for the Generation Facility, provided that the Seller will promptly notify the Company of any such contingent assignment.

6.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Seller. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

6.2 Limitation of Liability. Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

6.3 Indemnity.

6.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Article 6.2.

6.3.2 The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

6.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim. Failure to defend is a Material Breach.

6.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

6.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall be a Material Breach and shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

6.4 Force Majeure. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the control of the Seller or of the Company which, despite the exercise of due diligence, such Party is unable to prevent or overcome. Force Majeure includes, but is not limited to, acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, or changes in law or regulation occurring after the Operation Date, which, by the exercise of reasonable foresight such party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome. If either Party is rendered wholly or in part unable to perform its obligations under this Agreement because of an event of Force Majeure, both Parties shall be excused from whatever performance is affected by the event of Force Majeure, provided that:

(1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

(2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.

(3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

6.5 Default and Material Breaches.

6.5.1 Defaults. If either Party fails to perform any of the terms or conditions of this Agreement (a "Default" or an "Event of Default"), the nondefaulting Party shall cause notice in writing to be given to the defaulting Party, specifying the manner in which such default occurred. If the defaulting Party shall fail to cure such Default within the sixty (60) days after service of such notice, or if the defaulting Party reasonably demonstrates to the other Party that the Default can be cured within a commercially reasonable time but not within such sixty (60) day period and then fails to diligently pursue such cure, then, the nondefaulting Party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies.

6.5.2 Material Breaches. The notice and cure provisions in Paragraph 6.6.1 do not apply to Defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach.

7. Insurance. During the term of this Agreement, Seller shall secure and continuously carry the following insurance coverage:

7.1 Comprehensive General Liability Insurance for both bodily injury and property damage with limits equal to \$1,000,000, each occurrence, combined single limit. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

7.2 The above insurance coverage shall be placed with an insurance company with an A.M. Best Company rating of A- or better and shall include:

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

(a) An endorsement naming Idaho Power as an additional insured and loss payee as applicable; and

(b) A provision stating that such policy shall not be canceled or the limits of liability reduced without sixty (60) days' prior written notice to Idaho Power.

7.3 Seller to Provide Certificate of Insurance. As required in Paragraph 7 herein and annually thereafter, Seller shall furnish the Company a certificate of insurance, together with the endorsements required therein, evidencing the coverage as set forth above.

7.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by Paragraph 7.1 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute grounds for a temporary disconnection under Section 5.3 and will be a Material Breach.

8. Miscellaneous.

8.1 Governing Law. The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of Idaho without regard to its conflicts of law principles.

8.2 Salvage. No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value of those Idaho Power furnished Interconnection Facilities as required under Schedule 72 and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

9. Notices.

9.1 General. Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national carrier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Seller:

Seller: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

If to the Company:

Company: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

9.2 Billing and Payment. Billings and payments shall be sent to the addresses set out below:

Seller: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

Company: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

9.3 Designated Operating Representative. The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Seller's Operating Representative:

Seller: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

Company's Operating Representative:

Company: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

9.5 Changes to the Notice Information. Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

10. Signatures.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Company

Name: _____
Title: _____
Date: _____

For the Seller

Name: _____
Title: _____
Date: _____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

Attachment 1

Description and Costs of the Generation Facility, Interconnection Facilities and Metering Equipment

In this attachment the Generation Facility and Interconnection Facilities, including Special Facilities and upgrades, are itemized and identified as being owned by the Seller or the Company. As provided in Schedule 72, Payment For Interconnection Facilities, the Company will provide a best estimate itemized cost of its Interconnection Facilities, including Special Facilities, upgrades and Metering Equipment.

Attachment 2

One-line Diagram Depicting the Small Generation Facility, Interconnection Facilities, Metering Equipment and Upgrades

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

Attachment 3

Milestones

In-Service Date: _____

Critical milestones and responsibility as agreed to by the Parties:

	Milestone/Date	Responsible Party
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____
(6)	_____	_____
(7)	_____	_____
(8)	_____	_____
(9)	_____	_____
(10)	_____	_____

Agreed to by:

For the Company _____ Date _____

For the Seller _____ Date _____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

Attachment 4

Additional Operating Requirements for the Company's Transmission System and Affected Systems Needed to Support the Seller's Needs

The Company shall also provide requirements that must be met by the Seller prior to initiating parallel operation with the Company's Transmission System.

Attachment 5

Reactive Power Requirements

Idaho Power will determine the reactive power required to be supplied by the Company to the Seller, based upon information provided by the Seller. The Company will specify the equipment required on the Company's system to meet the Facility's reactive power requirements. These specifications will include but not be limited to equipment specifications, equipment location, Company-provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Company-provided equipment. The equipment specifications and requirements will become an integral part of this Agreement. The Company-owned equipment will be maintained by the Company, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to the Company by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total reactive power cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

Attachment 6

Company's Description of Upgrades Required to Integrate the Generation Facility and Best Estimate of Upgrade Costs

As provided in Schedule 72 this Attachment describes Upgrades, including best work upgrades, and provides an itemized best estimate of the cost of the Upgrades.

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-08-05

IDAHO POWER COMPANY

ATTACHMENT NO. 2

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION

AVAILABILITY

Service under this schedule is available throughout the Company's service area within the State of Idaho to Sellers owning or operating Qualifying Facilities that sign a Uniform Interconnection Agreement or Generation Facilities that qualify for Schedule 84. Generation Facilities that qualify for Schedule 84 are not required to sign a Uniform Interconnection Agreement.

APPLICABILITY

Service under this schedule applies to the construction, operation, maintenance, Upgrade, Relocation, or removal of transmission and/or distribution lines and equipment necessary to safely interconnect a Seller's Generation Facility to the Company's system.

DEFINITIONS

Additional Applicant is a person or entity whose request for electrical connection requires the Company to utilize existing Interconnection Facilities which are subject to a Vested Interest.

Company is the Idaho Power Company.

Connected Load is the combined input rating of the Customer's motors and other energy consuming devices.

Construction Cost is the cost, as determined by the Company, of Upgrades, Relocation or construction of Company furnished Interconnection Facilities.

Disconnection Equipment is any device or combination of devices by which the Company can manually and/or automatically interrupt the flow of energy from the Seller to the Company's system, including enclosures or other equipment as may be required to ensure that only the Company will have access to certain of the devices.

First Energy Date is the date when the Seller begins delivering energy to the Company's system.

Generation Facility means equipment used to produce electric energy at a specific physical location which meets the requirements to be a Qualifying Facility or that qualifies for Schedule 84.

Generator Interconnection Process is the Company's Generation Facility interconnection application, engineering review and construction process. The intent of the Generator Interconnection Process is to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, good utility practices and national safety standards.

Interconnection Facilities are all facilities which are reasonably required by good utility practices and the National Electric Safety Code to interconnect and to allow the delivery of energy from the Seller's Generation Facility to the Company's system, including, but not limited to, Special Facilities, Disconnection Equipment and Metering Equipment.

Idaho Power Company

I.P.U.C. No. 29, Tariff No. 101

Original Sheet No. 72-1

Interconnection Point is the point where the Seller's conductors connect to the facilities owned by the Company.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Metering Equipment is the Company owned equipment required to measure, record or telemeter power flows between the Seller's Generation Facility and the Company's system.

OATT is the Company's Federal Energy Regulatory Commission (FERC) approved Open Access Transmission Tariff.

Protection Equipment is the circuit-interrupting device, protective relaying, and associated instrument transformers.

PURPA means the Public Utility Regulatory Policies Act of 1978.

Qualifying Facility is a cogeneration facility or a small power production facility which meets the PURPA criteria for qualification set forth in Subpart B of Part 292, Subchapter K, Chapter I, Title 18, of the Code of Federal Regulations.

Relocation is a change in the location of existing Company-owned transmission and/or distribution lines, poles or equipment.

Schedule 84 is the Company's service schedule which provides for sales of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission.

Seller is a non-utility generator who has contracted or will contract with the Company to interconnect a Generation Facility to the Company's system to sell electric energy to the Company including net metering sales, as provided in Schedule 84.

Seller-Furnished Facilities are those portions of the Interconnection Facilities provided by the Seller.

Special Facilities are additions to or alterations of transmission and/or distribution lines and transformers, including, but not limited to, Upgrades and Relocation, to safely interconnect the Seller's Generation Facility to the Company's system.

Transfer Cost is the cost, as determined by the Company, for acceptance by the Company of Seller-Furnished Facilities.

Upgrades are those improvements to the Company's existing system which are reasonably required by good practices and the National Electric Safety Code to safely interconnect the Seller's Generation Facility. Such improvements include, but are not limited to, additional or larger conductors, transformers, poles, and related equipment.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Vested Interest is the claim for refund that a Seller or Additional Applicant holds in a specific portion of Company-owned Interconnection Facilities. The Vested Interest expires 5 years from the date the Company completes construction of its portion of the Interconnection Facilities unless fully refunded earlier. Vested Interests do not apply to Schedule 84 net metering projects.

GENERATOR INTERCONNECTION PROCESS

(a) Application. The Seller will submit a completed interconnection application in the form posted on the Company's website. The application form includes a general description of the Generation Facility and its location. The application includes payment of an application fee to be applied against costs the Company incurs to perform the Feasibility Study described below. The amount of the application fee is \$1,000 for a Generation Facility up to 30 MW.

(b) Study Agreements. If the Seller desires to proceed beyond the Application stage, the Seller will be offered a series of study agreements. The individual study agreements establish the time to perform the study and the deposit the Seller is to provide prior to commencement of the study. The deposit amount may be waived if a Seller meets the Company's credit worthiness standards for unsecured credit specified in Attachment L to the Company's OATT. The studies consist of:

- 1) The Feasibility Study: The Feasibility Study includes a general review of project impact, e.g. exceeding equipment capabilities and violation of electrical performance requirements. The Feasibility Study Agreement states that no deposit is required, since the deposit is covered by the application fee.
- 2) The System Impact Study: The System Impact Study provides a detailed assessment of the distribution and/or transmission system adequacy to accommodate the Generation Facility through the evaluation of equipment capabilities and electrical performance requirements. This step may not be necessary for some projects depending on the size and location of the project. The System Impact Study Agreement includes a deposit of \$2,000 for a distribution system impact study or a \$10,000 deposit for a transmission system impact study.
- 3) The Facility Study: The Facility Study includes the engineering to determine the design specifications of the project. The Facility Study Agreement includes a deposit of 5% of the total project costs that were determined in the System Impact Study Report ("SISR") or the Feasibility Study Report if a SISR is not required, capped at \$30,000.

At the end of each stage of the three-step study process, the Company will provide the Seller with an increasingly more refined and detailed report that, among other things, will present a list of required Interconnection Facilities and a non-binding, good faith estimate of Seller's cost responsibility for the Interconnection Facilities. If long-lead time equipment items need to be ordered to meet Seller's construction schedule, the Company will request advance funding by the Seller to cover these equipment costs.

(c) Generator Interconnection Agreement. The Generator Interconnection Agreement ("GIA"), will be offered to Seller following completion of the Facility Study. The GIA will utilize the Uniform Interconnection Agreement template included in this schedule.

COST OF INTERCONNECTION FACILITIES

All Interconnection Facilities provided under this schedule will be valued at the Company's Construction Cost and/or the Transfer Cost for vesting purposes as well as for operation and maintenance payment obligations.

PAYMENT FOR INTERCONNECTION FACILITIES

Unless specifically agreed otherwise by written agreement between the Seller and the Company, the Seller will pay all costs of interconnecting a Generation Facility to the Company's system. Costs of interconnection include the costs of the Generator Interconnection Process e.g. engineering analysis and design, preparation of cost estimates and reports to Seller and the costs of furnishing and constructing required Interconnection Facilities, including Upgrades.

~~Each request for interconnection will go through the Generator Interconnection Process. Throughout the Generator Interconnection Process, the Company will periodically bill the Seller for costs incurred or obligated. Failure to pay an invoice within the time specified in the invoice will result in suspension of work on the interconnection and if the suspension of work extends beyond 30 calendar days, the Generation Facility will be removed from the interconnection queue. Seller can end the Generator Interconnection Process at any time. If Seller decides to end the Generator Interconnection Process prior to completion, the Company will either refund any monies held for security that have not been spent or obligated, or issue an invoice to Seller for costs incurred prior to cancellation. An initial cost estimate of Company-owned Interconnection Facilities will be provided to the Seller. Payment of the estimated cost will be required prior to the Company's ordering, installing, modifying, upgrading, or performing in any other way work associated with the Interconnection Facilities. Upon completion of the Company-owned Interconnection Facilities, the actual costs will be reconciled against the estimated cost previously paid by the Seller and the appropriate billing or refund will be processed. The Company reserves the right to collect additional costs from the Seller for any additional Company equipment, modifications, or upgrades the Company deems necessary to operate and maintain a safe, reliable electrical system as a result of the interconnection of the Seller's Generation Facility to the Company's system.~~

SECURITY FOR PAYMENT OF INTERCONNECTION COSTS

Sellers will provide adequate security for payment of the costs of the Generator Interconnection Process. Adequate security for Generation Facilities larger than 30 MW can be provided in accordance with the Large Generator Interconnection Procedures contained in Attachment M to the Company's OATT. Adequate security for Generation Facilities up to 30 MW can be provided in one of the following ways:

1. Sellers that meet the Company's credit worthiness standards for unsecured credit are not required to provide additional security. The Company's minimum credit standards for unsecured credit are described in Attachment L to the OATT.

2. Sellers that do not meet the credit worthiness standards for unsecured credit will be notified of the reason for the determination and shall be given the option to provide alternative security acceptable to Idaho Power. In lieu of providing a cash deposit, Seller may establish an escrow account, provide a letter of credit or provide guarantee of payment by another person or entity which meets the credit worthiness standards for unsecured credit. Arrangements for alternative security must be acceptable to Idaho Power.

Idaho Power Company

I.P.U.C. No. 29, Tariff No. 101

Original Sheet No. 72-3

CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES

All Seller-Furnished Interconnection Facilities will be constructed and maintained in a manner to be in full compliance with all good utility practices, National Electric Safety Code, and all other applicable Federal, state, and local safety and electrical codes and standards at all times.

The Seller shall:

1. Submit proof to the Company that all licenses, permits, inspections and approvals necessary for the construction and operation of the Seller's Generation and Interconnection Facilities under this schedule have been obtained from applicable Federal, state, or local authorities.