

Peter J. Richardson (ISB # 3195)
Gregory M. Adams (ISB # 7454)
Richardson & O’Leary, PLLC
515 N. 27th Street
P.O. Box 7218
Boise, Idaho 83702
Telephone: (208) 938-7901
Fax: (208) 938-7904
peter@richardsonandoleary.com
greg@richardsonandoleary.com

RECEIVED
2012 MAY 31 PM 4:33
IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Grand View Solar One PV, LLC

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF AMENDMENTS TO)
THE FIRM ENERGY SALES AGREEMENT)
BETWEEN IDAHO POWER COMPANY AND)
GRAND VIEW SOLAR ONE, PV, LLC)
)
)
)
)
)
_____)

Case No. IPC-E-10-19
COMMENTS OF GRAND VIEW
SOLAR ONE, PV, LLC

COMES NOW, Grand View Solar One, PV, LLC (“Grand View”) pursuant to that Notice of Modified Procedure and Order No. 32535 issued by the Idaho Public Utilities Commission (“IPUC” or “Commission”) and hereby lodges its comments on Idaho Power Company’s (“IPCo” or the “Company”) Letter of Understanding regarding the scheduled operation date for the Grand View Solar One, PV project.

RECOMMENDATIONS

Grand View recommends the Commission approve the Letter of Understanding and Agreement as explained in more detail in the attached responses to Staff’s Production Requests to Idaho Power (Exhibit 1) and to Grand View (Exhibit 2), the parties had a disagreement as to the Scheduled Operation date. It is, and has been, Grand View’s position and understanding that it has a rolling Scheduled Operation date that is triggered through the interconnection process

and is determined by the project. The Letter of Understanding now makes that Scheduled Operation Date a time certain. This will bring clarity to both parties as to their expectations and responsibilities.

The project is currently under construction, with literally millions of dollars of panels and equipment currently staged on site. It is Grand View's understanding that changes in operation date have been routinely, without the need for formal Commission action, approved by Idaho Power with simple notice to the file at the Commission. Grand View sees no reason for it to be treated any differently.

Grand View respectfully requests the Commission promptly issue its order approving the Letter of Understanding and Agreement.

Dated this 31st day of May, 2012

RICHARDSON AND O'LEARY, PLLC



Peter J. Richardson (ISB No: 3195)

Gregory M. Adams (ISB No. 7454)

Attorneys for Grand View

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 31st day of May, 2012, a true and correct copy of the within and foregoing COMMENTS OF GRAND VIEW SOLAR ONE, PV, LLC in Case No. IPC-E-10-19 was served in the manner shown to:

Ms. Jean Jewell

Commission Secretary
Idaho Public Utilities Commission
P O Box 83720
Boise, ID 83720-0074
jean.jewell@puc.idaho.gov

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

Kris Sasser
Donovan L Howell
Rick Sterling
Deputy Attorney General
Idaho Public Utilities Commission
472 W. Washington St.
Boise, ID 83702
kris.sasser@puc.idaho.gov
donovan.howell@puc.idaho.gov
rick.sterling@puc.idaho.gov

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

Jason B Williams
Randy Allphin
Idaho Power Company
PO Box 70
Boise, Idaho 83707-0070
dwalker@idahopower.com
jwilliams@idahopower.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

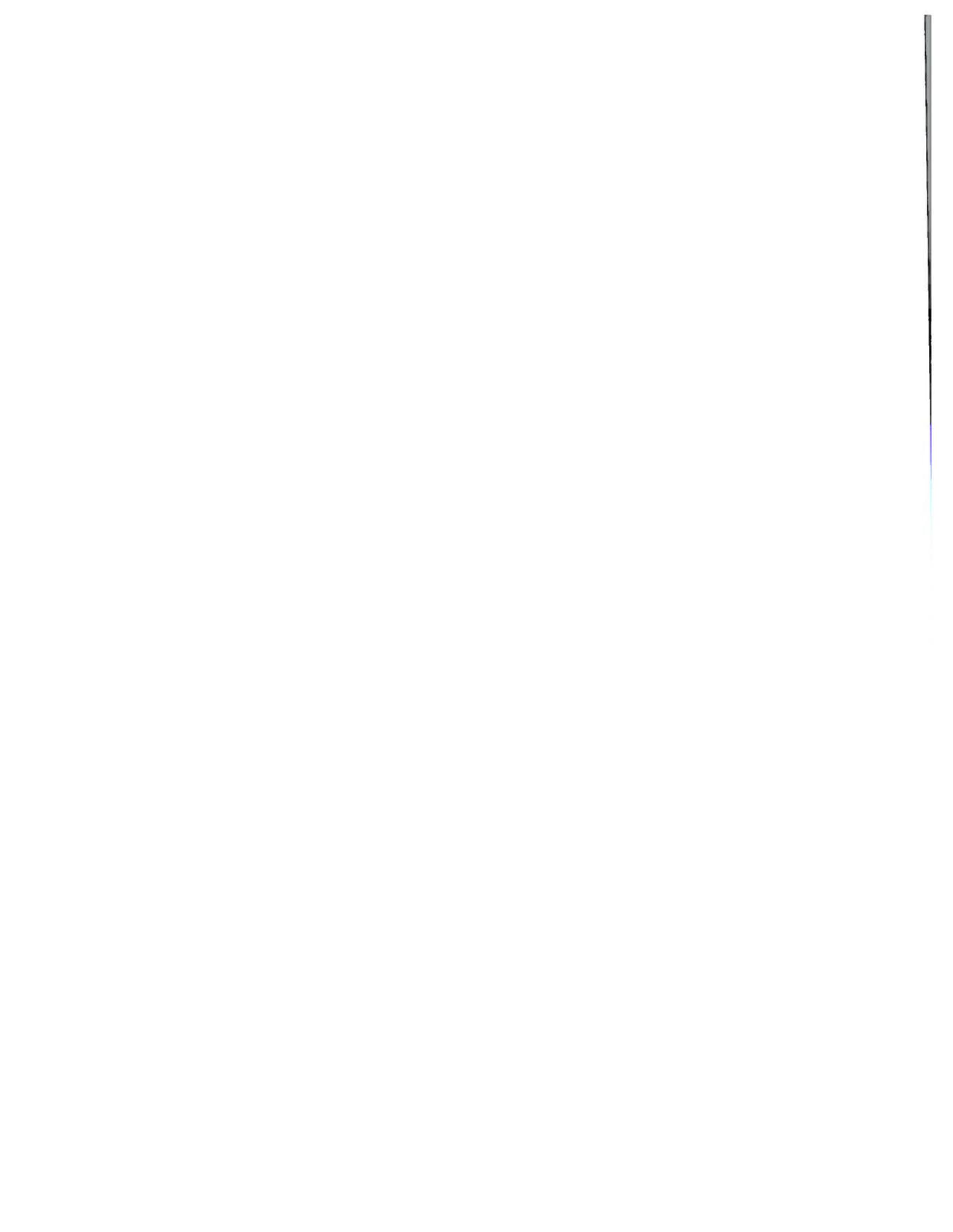


Nina Curtis
Administrative Assistant



EXHIBIT 1

IPC-E-10-19



Peter Richardson ISB # 3195
Gregory Adams ISB # 7454
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901
peter@richardsonandoleary.com
greg@richardsonandoleary.com

RECEIVED
2012 MAY -3 PM 3:12
IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Grand View PV Solar One, LLC

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF AMENDMENTS TO THE)
FIRM ENERGY SALES AGREEMENT) CASE NO. IPC-E-10-19
BETWEEN IDAHO POWER COMPANY AND)
GRAND VIEW SOLAR ONE PV, LLC.) RESPONSE TO FIRST
) PRODUCTION REQUEST OF
) THE COMMISSION STAFF TO
) GRAND VIEW SOLAR ONE PV,
_____) LLC**

COMES NOW Grand View PV Solar One, and pursuant to Rule 228 of the Rules of Procedure of the Idaho Public Utilities Commission and hereby provides the following responses to the First Production Request of the Commission Staff. Rule 228 requires that the response contain the name of the person who will be able to answer questions about or sponsor the answer at hearing.

REQUEST NO. 1: Please explain why Grand View Solar One believes that an extension until no later than January 12, 2013 is a fair and commercially reasonable time period for Grand View Solar One to achieve its operation date. In your explanation, please discuss specifically how Grand View Solar One defines the phrase "commercially reasonable."

RESPONSE TO REQUEST NO. 1:

Grand View Solar One believes that a no-later-than January 12, 2013, operation date is fair and commercially reasonable due to progress to date in the development and construction of the project coupled with the commitment by Idaho Power to have the transmission interconnect complete by October 12, 2012. Currently the project roads and perimeter security fencing are complete. In addition, all PV panels are on site. Upon completion of the final phase of the project's financing, anticipated by June 1, 2012, the time required to install the solar panels and associated equipment is approximately 100 days or October 12, 2012. The additional 90 days beyond the anticipated construction completion date for the Operation Date allows for unexpected delays in construction due to weather or other factors. Several site photos are attached showing the existing perimeter fencing, roads and PV panels.

Specifically, the phrase "commercially reasonable" is used in the agreement with Idaho Power to describe the time frame in which financing, construction of the facility by Grand View, construction of the interconnection facilities by Idaho Power (over which Grand View has no control), energizing the facility, start-up and testing, and ultimately producing as provided for in the power purchase agreement are all complete. In consultation with lenders, construction managers and panel manufacturers, Grand View is of the informed opinion that the time frame agreed to is, indeed, commercially reasonable.

Sean Stocker is able to answer questions about and/or sponsor this answer at hearing.

REQUEST NO. 2: Please explain Grand View Solar One's reasons for not meeting the Scheduled Operation Date as specified in ¶ B-3 of Appendix B of the FESA. Describe all reasons for delays and discuss any actions taken by Grand View Solar One to remedy those delays.

RESPONSE TO REQUEST NO 2:

There is no set "Scheduled Operation Date" specified in B-3 (1) of Appendix B of the FESA. The scheduled Operation Date is defined in the agreement as "90 days past the date identified within the final Facility Study report in which Idaho Power shall have completed installation of the Idaho Power interconnection equipment". As per the Facility Study section 2 and as referenced in the Facility Study cover letter from Idaho Power, both dated December 7, 2010, the timeframe for posting the interconnection Construction Funds and the corresponding Commercial Operation Date is "TBD" by the Seller (Grand View Solar One) resulting in a "rolling timescale rather than specific dates". Therefore, it is clear that both Idaho Power and Grand View agreed and understood that the Firm Energy Sales Agreement, that was approved by the Commission, did not specify a set Scheduled Operation Date. The letter agreement currently before the Commission, for the first time, establishes a set Schedule Operation Date. Setting a specifically defined, rather than "rolling" Scheduled Operation Date, is of benefit to Idaho Power in that it may now plan on when it will receive the benefit of the, almost entirely, on peak generation from this project. The development and funding of a commercial solar energy facility is complex and variable. Grand View Solar has been in contact with Idaho Power about progress and delays since the receipt of the Facility Study in December of 2010. Unfortunately development and funding challenges have caused the project's Operation Date to be pushed later in time than originally hoped and anticipated, however still in compliance with the executed Generator Interconnection and Firm Energy Sales agreements between Idaho Power and Grand View Solar One. Please refer to the attached Exhibit A – Idaho Power Cover Letter and Generator Interconnection Facility Study for additional details.

Sean Stocker is able to answer questions about and/or sponsor this answer at hearing.

Exhibit A



December 7, 2010

Peter Richardson
Richardson and O'Leary
515. N 27th. Street
Boise, ID 83702

Re: Grand View Solar PV One – Project #312

Dear Mr. Richardson:

Attached please find the Final Facility Study Report (FSR) for the subject project. I modified Section 2 Milestones to better reflect the changes to the on-line date as described in your letter dated December 1, 2010 and provided a rolling timescale rather than specific dates. I understand that you would prefer to be on-line September 1, 2011. Additionally, language has been added regarding Generator Output Limit Control.

This report will be used to prepare a Generator Interconnection Agreement in preparation for construction. Rowena Bishop will be working with you to finalize the Interconnection Agreement.

Before we can begin construction or order materials, you are responsible for contacting Idaho Power's credit department to discuss credit requirements for construction funding. Please contact Aubrae Sloan (208-388-5697) at your earliest convenience. Once we receive funding, or the credit requirement is met, we can proceed with construction of the project.

The actual construction and labor charges will be finalized approximately 90 days subsequent to project completion. We will reconcile any over- or underpayment at that time.

I look forward to hearing from you soon.

Sincerely,

A handwritten signature in cursive script that reads "Eric Hackett".

Eric Hackett
Project Leader

Attachment: Grand View Solar PV One Project Facility Study Report with Drawings

Cc: R Bishop/IPC
A Sloan/IPC

Exhibit A



**Generator Interconnection
Facility Study Report**

for the

Grand View Solar PV One Project – Project #312

for

Grand View Solar PV One, LLC

in

Elmore County, ID

December 7, 2010

FACILITY STUDY REPORT (FSR)

Grand View Solar PV One Project

Project #312

December 7, 2010

1. General Facility Description

The proposed project consists of 185 solar barns, Sharp TF (128-BEW) thin film solar panels in Elmore County, Idaho and connects to the 34.5 kV system on Idaho Power Company's Canyon Creek (CACK-042) distribution line. The total project output is 20 MW.

Interconnection Customer:

Peter Richardson
Richardson and O'Leary
515. N 27th. Street
Boise, ID 83702

A Standard Generator Interconnection Agreement under Idaho Power Company's Open Access Transmission Tariff (OATT) or Schedule 72 between Interconnection Customer and Idaho Power Company – Delivery (Transmission Owner) for the Grand View Solar PV One Project, specifically Generator Interconnection Project # 312, will be prepared for this project.

1.1 Interconnection Point

The Interconnection Point for the Grand View Solar PV One Project will be the spade located on the Interconnection Customer side of the disconnect switch (defined as X__ on the work order map) on the Interconnection Customer side of the interconnection package. The project's location is in Elmore County, ID and in T05S, R04E, and Section 05 in relation to the Boise Meridian. A drawing identifying the Interconnection Point is attached.

1.2 Point of Change of Ownership

The Point of Change of Ownership for the Grand View Solar PV One Project is the same as the Interconnection Point.

1.3 Customer's Interconnection Facilities

The Interconnection Customer will install generators, step-up transformers, distribution collector system, appropriate grounding devices, and associated auxiliary equipment. Interconnection customer will build facilities to the Point of Change of Ownership for the generator facility and will connect to the Interconnection Point via overhead line at a tension not to exceed the design tension specified by Idaho Power.

1.4 Other Facilities Provided by Interconnection Customer

1.4.1 Telecommunications

The Interconnection Customer will provide two communication circuits between the generation interconnection site and a location, or locations, specified by Idaho Power. One of the circuits will be a dedicated 4-wire leased analog circuit connected to the SEL 311C relay and the other will be a POTS dial-up circuit to the revenue meter. The Interconnection Customer is responsible for supplying and coordinating the installation of the phone lines and paying the monthly service charges. The communication circuits will need to be installed and operational prior to generating into the Idaho Power system.

1.4.2 Ground Fault Equipment

The Interconnection Customer will install transformer configurations that will limit the contribution of ground fault current to 20 amps or less at the Interconnection Point. Additionally, the high side of the step-up transformers must be grounded-wye.

1.4.3 Generator Output Limit Control

The Interconnection Customer will install equipment to receive signals from Idaho Power Grid Operations for Generation Output Limit Control ("GOLC") - see Section 3 Operating Requirements.

1.4.4 Easements

The Interconnection Customer will secure appropriate easements with the land owner for the upgrades and interconnection facilities. Idaho Power will provide the documentation.

1.4.5 Monitoring Information

If the Interconnection Customer requires the ability to monitor information related to the Idaho Power recloser in the generation interconnection package they are required to supply their own communications circuit to the control box.

1.5 Idaho Power Company's Interconnection Facilities

Idaho Power will install a standard generation interconnection package on the existing distribution feeder (CACK-042). If desired, Idaho Power can install a pole riser if the Interconnection Customer would like to install underground cable to make the final connection to the Interconnection Point.

The new interconnection package will include four distribution poles to mount a local service transformer, solid blade disconnects, primary metering package, recloser, relays, fuses and riser necessary for the package. The interconnection will be controlled by a SEL-311C line protection relay located in a pole mounted box.

Exhibit A

1.6 Interconnection Facilities Cost Estimate

The following good faith estimates are provided in 2010 dollars:

Description	Ownership	Cost Estimate
<i>Interconnection Facilities:</i>		
Four-Pole Interconnection Package	IPC	\$225,000.00
SUBTOTAL		\$225,000.00
<i>See Section 6 for Project Grand Total</i>		

2. Milestones

Date	Milestones
TBD	<i>Construction Funds Received by Idaho Power</i>
5 Months after Construction Funds Received by IPCO	<i>IPCO Construction Complete</i>
1 Month after IPCO Construction Complete	<i>IPCO Commissioning Complete</i>
	<i>Commercial Operation Date [tbd by seller]</i>
Milestone dates are approximate and are subject to material and resource availability.	

3. Operating Requirements

Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point. It is preferable to bring each generating unit online separately to minimize voltage flicker on the distribution system. The project is required to comply with the applicable Voltage and Current Distortion Limits found in IBEE Standard 519-1992 *IEEE Recommended Practices and requirements for harmonic Control in Electrical Power Systems*.

The Project will be allowed to deliver the net output of 20 MW at the Interconnection Point subject to reductions directed by Idaho Power Grid Operations during system contingencies. When outages occur, the Project will be subject to Generator Output Limit Control (“GOLC”) and will have equipment capable of receiving signals from Idaho Power for GOLC. Generator Output Limit Control will be a signal from Idaho Power to the Project indicating maximum output allowed during contingencies.

Interconnection Customer will be able to modify power plant facilities on the Interconnection Customer side of the Interconnection Point with no impact upon the operation of the transmission or distribution system whenever the generation facilities are electrically isolated from the system via the X __ switch.

4. Reactive Power

The project must be controlled to operate at unity power factor or meet the voltage schedule provided by Idaho Power. If this requirement cannot be met, further voltage studies will be necessary.

5. Upgrades

5.1 Distribution Upgrades

Idaho Power will upgrade approximately 1.5 miles of the existing distribution feeder to accommodate the new Grand View Solar PV One project. The existing conductor will be upgraded to 336.4 AAC conductor with a 2/0 neutral. The associated support structures will be rebuilt as necessary to accommodate the larger conductor. The feeder will be rebuilt from the Interconnection Point back to the northwest.

6. Total Estimated Costs

The following good faith estimates are provided in 2010 dollars:

Description	Ownership	Cost Estimate
Interconnection Facilities:		
Four-Pole Interconnection Package (from Sec 1.6)	IPC	\$225,000.00
SUBTOTAL		\$225,000.00
Upgrades to Distribution:		
1.5 Mile CACK-042 Line Reconductor	IPC	\$250,000.00
SUBTOTAL		\$250,000.00
GRAND TOTAL		\$475,000.00

Note Regarding Transmission Service:

Transmission system improvements and associated costs outside the scope of this Generator Interconnection Facility Study Report may be required for the delivery of energy from this project. Generator interconnection service does not in any way convey transmission rights nor determine other transmission system improvements to deliver your project energy to any specific customer or point of delivery in our system. A separate transmission service request is required to procure transmission rights.

REQUEST NO. 3: Please explain how Grand View Solar One intends to determine when its facility has met its revised Scheduled Operation Date. For example, this project will consist of approximately 75,000 PV panels. How many panels have to be operational before Grand View Solar One believes the facility should be deemed to have met its Scheduled Operation Date?

RESPONSE TO REQUEST NO. 3

Determination of the Operation Date is subject to “confirmation from Idaho Power” pursuant to Section 5.2 of the FESA. Idaho Power has the authority to make that determination, which determination “will not be unreasonably withheld.” Grand View Solar One’s conditions for achieving the Operation Date as per the FESA, Section 5.2, require “the Facility to be able to provide energy in a consistent, reliable and safe manner”. As of this date, Idaho Power has not provided Grand View with a target number of panels that must be operational in order for Grand View to have “demonstrated to Idaho Power’s satisfaction that the Facility is complete.” Absent those instructions from Idaho Power, Grand View Solar One will consider it has met the Scheduled Operation Date when a minimum of 80% of the PV panels have been installed and verified to be capable of consistently, safely and reliably delivering power to the interconnection point with Idaho Power. In compliance with the FESA, Section 5.2, Grand View Solar One will request written confirmation of the Operation Date from Idaho Power once this minimum has been achieved. It will then be Idaho Power’s responsibility to provide “written confirmation” that the Operation Date has been achieved, and as noted above, such “written confirmation” will not be “unreasonably withheld by Idaho Power.” Grand View will certainly work with Idaho Power to achieve installation of whatever number of panels the Company requires within the time frame provided in the letter agreement.

Sean Stocker is able to answer questions about and/or sponsor this answer at hearing.

REQUEST NO. 4: Please explain why Grand View Solar One disputes Idaho Power's interpretation of the FESA that the Scheduled Operation Date was January 30, 2012, and instead asserts that the FESA has a "rolling" scheduled operation date as stated in Idaho Power's April 3, 2012 Letter of Understanding and Agreement with Grand View.

RESPONSE TO REQUEST NO 4:

Grand View and Idaho Power have consistently viewed the Scheduled Operation Date as a "rolling" date that is not specified in the existing FESA. Idaho Power's assertion that the Schedule Operation Date was January 30, 2012 was only first asserted on March 22 of this year. See the attached letter (Exhibit B) from Mr. Sher to Mr. Allphin for a complete exposition of the events and Grand View's response. That said, as per B-3 (1) of Appendix B of the FESA, the scheduled Operation Date is "90 days past the date identified within the final Facility Study report in which Idaho Power shall have completed installation of the Idaho Power interconnection equipment". As per the Facility Study section 2 and as referenced in the Facility Study cover later from Idaho Power, both dated December 7, 2010, the timeframe for posting the interconnection Construction Funds and the corresponding Commercial Operation Date is "TBD" by the Seller (Grand View Solar One) resulting in a "rolling timescale". This "rolling: scheduled operation date is acknowledged in the Facility Study Cover letter from Idaho Power. Please refer to Exhibit A attached to Response to Request No. 3 – Idaho Power Cover Letter and Generator Interconnection Facility Study for additional details.

Sean Stocker is able to answer questions about and/or sponsor this answer at hearing.

Exhibit B

300 Great Oaks Boulevard – Suite 320

Albany, New York 12203



Phone: (518) 713-4414

Fax: (518) 713-1656

March 23, 2012

Randy Allphin
Energy Contracts Administrator
Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702
HAND DELIVERY

Re: Grand View Solar One PV – Notice of Breach

Dear Randy:

Thank you for visiting with Sean Stocker, Corona's Director of Development, who serves as our point man on this project. We share your concern relative to getting this project on line as quickly as possible. At your invitation we are presenting you with a proposal addressing your concerns -- but first some context.

As you know, Randy, we have already commenced construction of this project. The long lead-time items (the solar panels themselves) have not only been ordered -- they have been delivered to the site. We currently have in excess of thirty million dollars' worth of panels on site at this very moment! Relative to the letter of credit, I can assure you nothing nefarious was intended by its lapse. Corona just wanted to double check with Idaho Power Transmission as to the timing of the interconnection process in order to sync up the timing of the letter of credit with Idaho Power's timetable for the interconnect work. Yesterday morning, (before receipt of your letter yesterday afternoon) Sean visited with Mr. Hackett about that very subject, which was confirmed by the attached copy of Mr. Hackett's email to Sean. It seemed to us, which was confirmed by Mr. Hackett's letter, that everything was moving along nicely -- at least it seemed so before receipt of your letter yesterday afternoon.

Literally, on the same day Corona was having productive discussions with Idaho Power personnel moving this project forward, we received your letter asserting material breaches. You assert that the project is in material breach of the Firm Energy Sales Agreement (FESA) for two reasons. First you assert that the liquid security letter of credit has expired and has not been renewed. Second you assert that the project has missed its operation date due to the project's inaction in failing to post the required construction deposit.

I would like to keep with the spirit of Mr. Stocker's conversation with you today. Therefore, I will not use this opportunity to point to all of our legal defenses -- which are many -- and all of our counterclaims -- which also are many and include written acknowledgement that we have a

Exhibit B

Randy Allphin
March 23, 2012
Page 2

FESA with a "rolling" on line date -- that we will assert in the event Idaho Power attempts to terminate this agreement. Rather, I outline a proposal going forward that should meet your needs as well as get this project on line in the near term.

First, I have wired the amount of four hundred and seventy-five thousand dollars (\$475,000) to my lawyer's trust account in Idaho. Upon your acceptance of this letter agreement, he has been instructed to hand deliver a check in that amount made out to Idaho Power in completion of our obligation under the Generator Interconnection Agreement. This will cure the first material default you identified. It will also trigger a hard and fast operation date -- 90 days after, what is likely to be a six month period according to Mr. Hackett, the date Idaho power transmission states that it will have the interconnection equipment installed.

Second, a letter of credit in the full amount of \$810,000 will be posted immediately after you accept the terms of this letter agreement. In exchange for your withdrawal of the second material default and your forbearance on pursuing Delay Liquidated Damages, Corona would agree to forfeit the \$810,000 in its entirety and release Idaho Power from any and all liability in any way connected to this project if it has not reached its Commercial Operation Date the later of ninety days after the date identified by Idaho Power transmission that it should have the interconnection equipment installed or ninety days after six months from the date of your acceptance of this letter agreement.

I am looking forward to your prompt response and am prepared to come to Boise to meet with your management at their convenience to discuss our proposal.

Sincerely

Corona Grandview, LLC

A handwritten signature in black ink, appearing to be 'MS', with a horizontal line extending to the right.

Mark Scher -- CEO and Manager

Exhibit B

Mark Scher

From: Sean Stocker
Sent: Friday, March 23, 2012 5:20 PM
To: Peter Richardson
Cc: David Scher; Mark Scher; Terry Kees
Subject: FW: Grandview Solar

See below for email from Eric Hackett regarding my conversation with him on Thursday before receiving the email / notice from Randy.

From: Hackett, Eric [<mailto:EHackett@idahopower.com>]
Sent: Thursday, March 22, 2012 5:04 PM
To: Sean Stocker
Cc: Bauer, Rich; Bishop, Rowena; Harris, Joshua; Sloan, Aubrae; Walker, Donovan; Williams, Jason
Subject: Grandview Solar

Sean,
As we discussed this morning, I feel confident that IPCO can have the project interconnection facilities and upgrades completed and commissioning done in the six month timeframe stated in the FSR and GIA after the project is funded. I will be notified of funding from Aubrae once that piece is finalized.

I spoke with Rowena and I do believe your GIA is signed.

One note regarding the timeframe stated above. When commissioning is complete I will send a letter to our operations group saying that all necessary construction activities are final and essentially turning the project over to them. They in turn have some things to check off on and will provide the final notice to you to begin operation. I simply bring this up as you may want to further coordinate your dates with our power supply and operations departments as you suggested.

Eric Hackett, P.E.

Project Leader
Idaho Power Company
PO Box 70, 83707
1221 West Idaho St.
Boise, ID 83702
Office Phone: (208) 388-5712
Cell Phone: (208) 283-2720



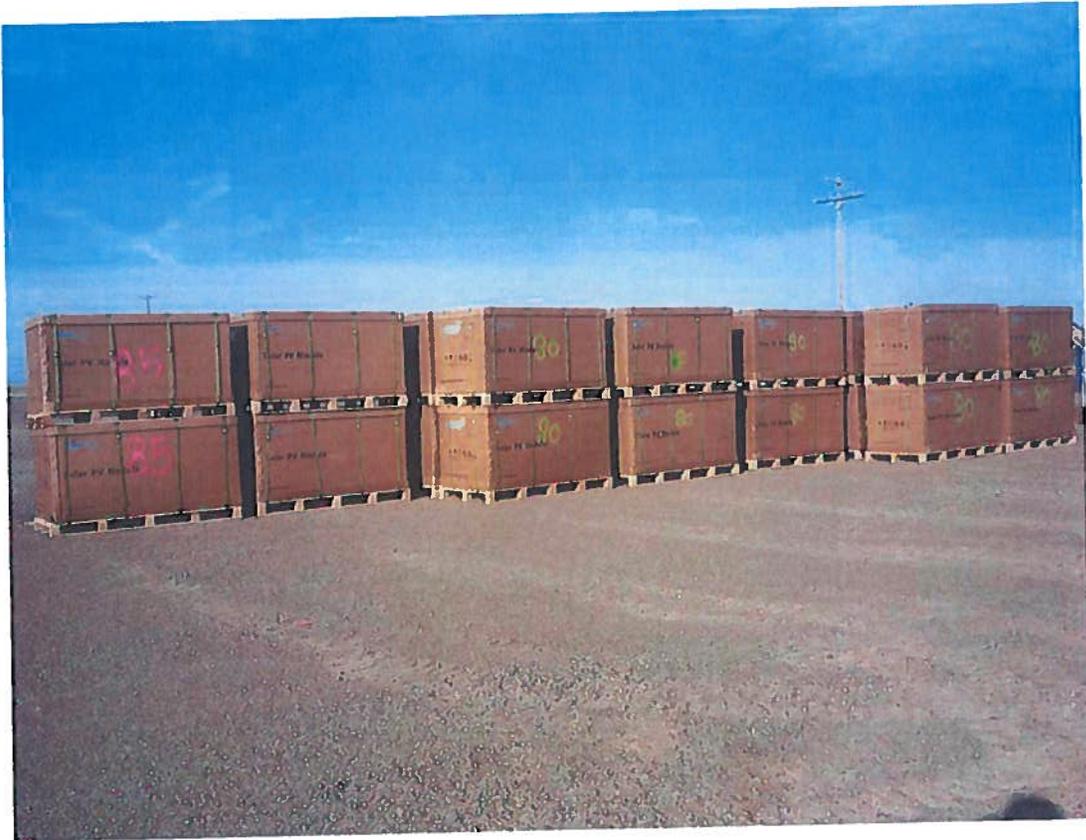
This transmission may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is STRICTLY PROHIBITED. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Thank you.

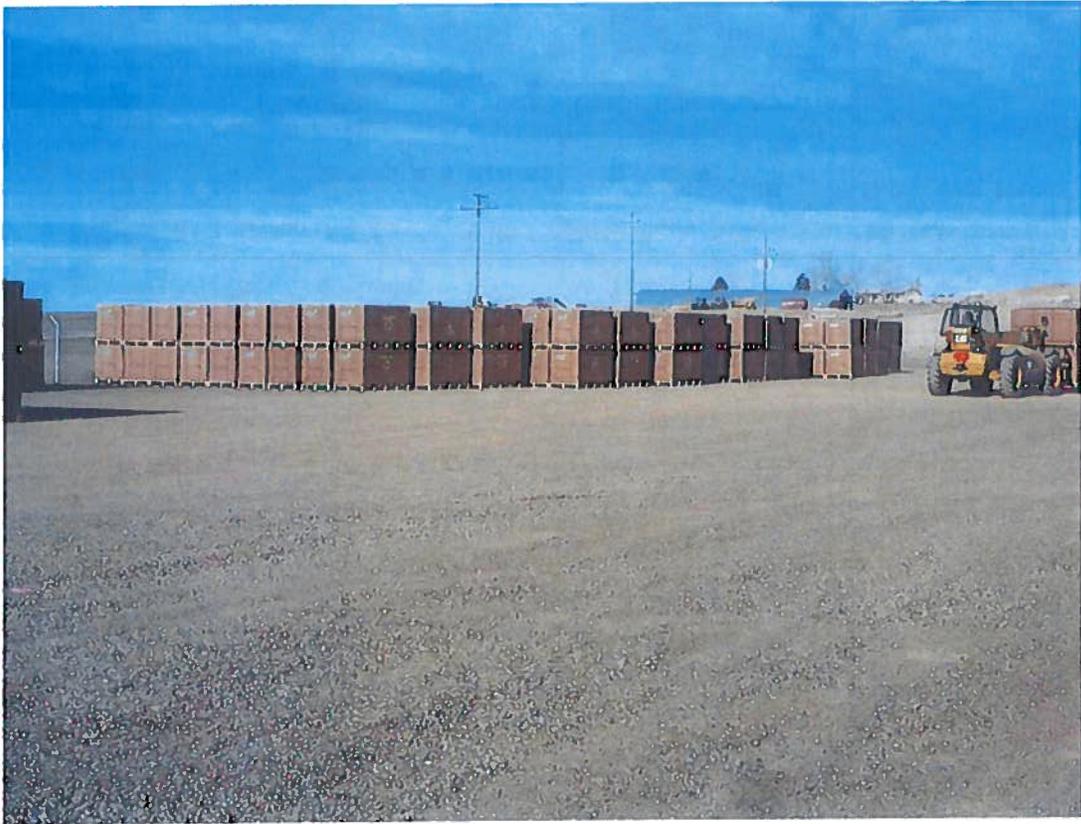
REQUEST NO. 5: Please state whether Grand View Solar One has commenced construction activities at the project site. If construction has commenced, please describe those activities.

RESPONSE TO REQUEST NO. 5:

The project has commenced construction. Engineering and permitting are complete, access and on-site roads are complete and all site perimeter fencing is installed. In addition, all PV panels have been delivered to the site. See attached photos. The site is graded, drainage facilities installed, there are personnel on site twenty-four hours a day.

Sean Stocker is able to answer questions about and/or sponsor this answer at hearing.



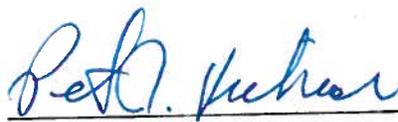


REQUEST NO. 6: Please provide a schedule showing the expected completion date of key activities necessary for the facility to achieve a Scheduled Operation Date of January 12, 2013. List all key activities completed to date as well as those yet to be completed.

RESPONSE TO REQUEST NO. 6:

See enclosed schedule.

DATED at Boise, Idaho, this 3rd day of May 2012.

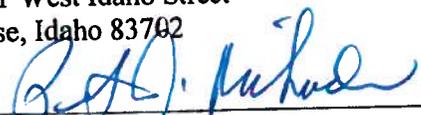

Peter Richardson

CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of May 2012 I served a true and correct copy of the foregoing Response to the First Production Request of the Commission Staff by hand delivery on the following:

Kristine Sasser
Deputy Attorney General
Idaho Public Utilities Commission
PO Box 83720
Boise, Idaho 83720-0074

Donovan Walker
Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702


Peter Richardson

**Grand View Solar 1 PV, LLC
High Level Construction Schedule**

27-Apr-2012

Activity	2012												2013										
	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan			Jan											
	1-15 16-31	1-15 16-30	1-15 16-31	1-15 16-31	1-15 16-30	1-15 16-31	1-15 16-30	1-15 16-31	1-15 16-31	1-15 16-31	1-15 16-31	1-15 16-31											
Engineering	Complete																						
Permitting	Complete																						
Major Equipment Deliveries to Site: PV Modules (Panels)	Complete																						
Racking																							
Inverters																							
Transformers																							
Construction																							
Site Preparation / Grading																							
Access Road Installation																							
Site Fence Installation																							
Racking / PV Module Assembly / Installation																							
Inverter / Transformer Installation																							
Balance of System Installation																							
Idaho Power Completion of Interconnect																							
Plant Commissioning*																							
Commercial Operation Date																							

Legend:

-  Work Completed Prior to 1-May-2012
-  Scheduled Activity
-  Scheduled Activity Contingency for Delays
-  Major Milestone Date

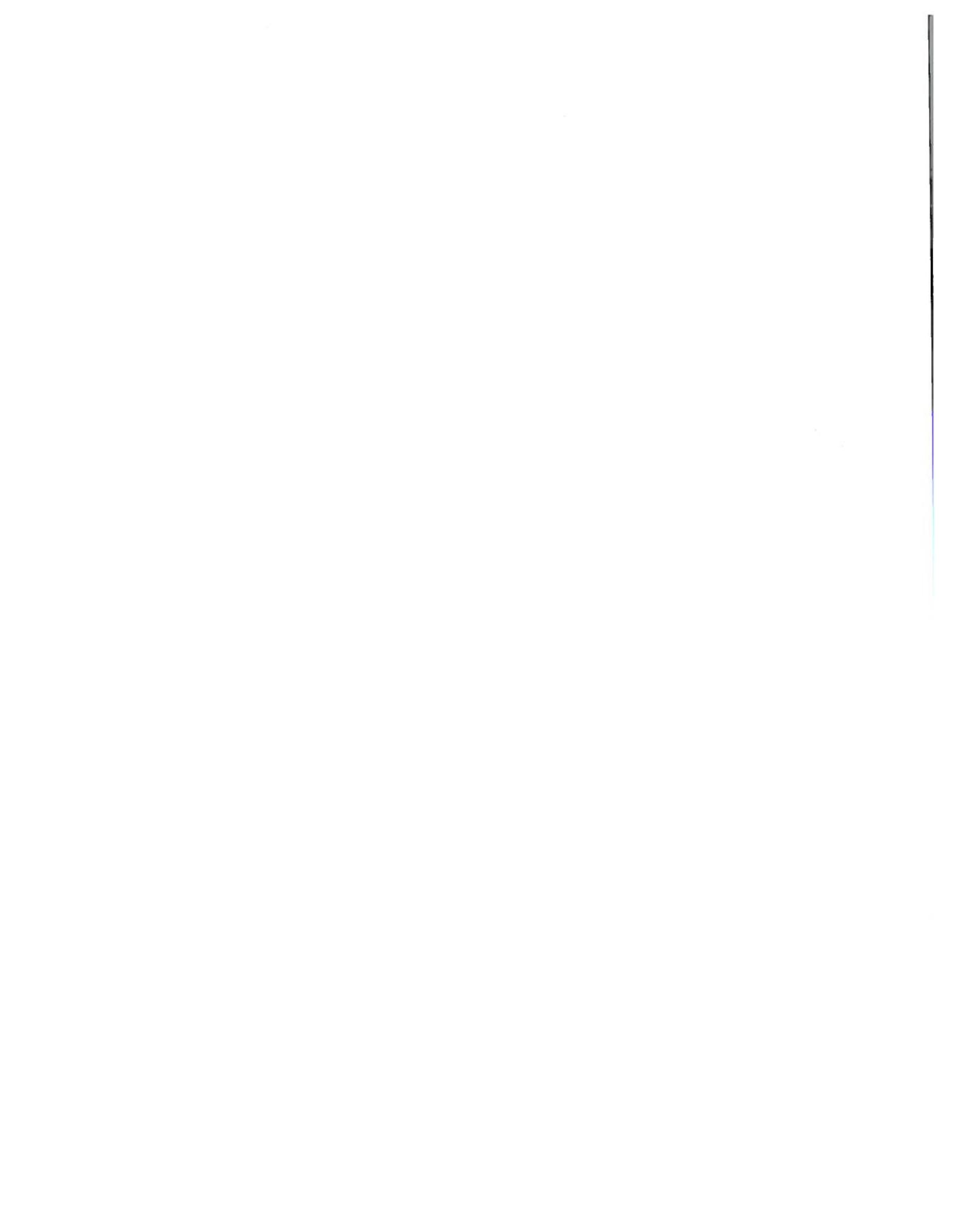
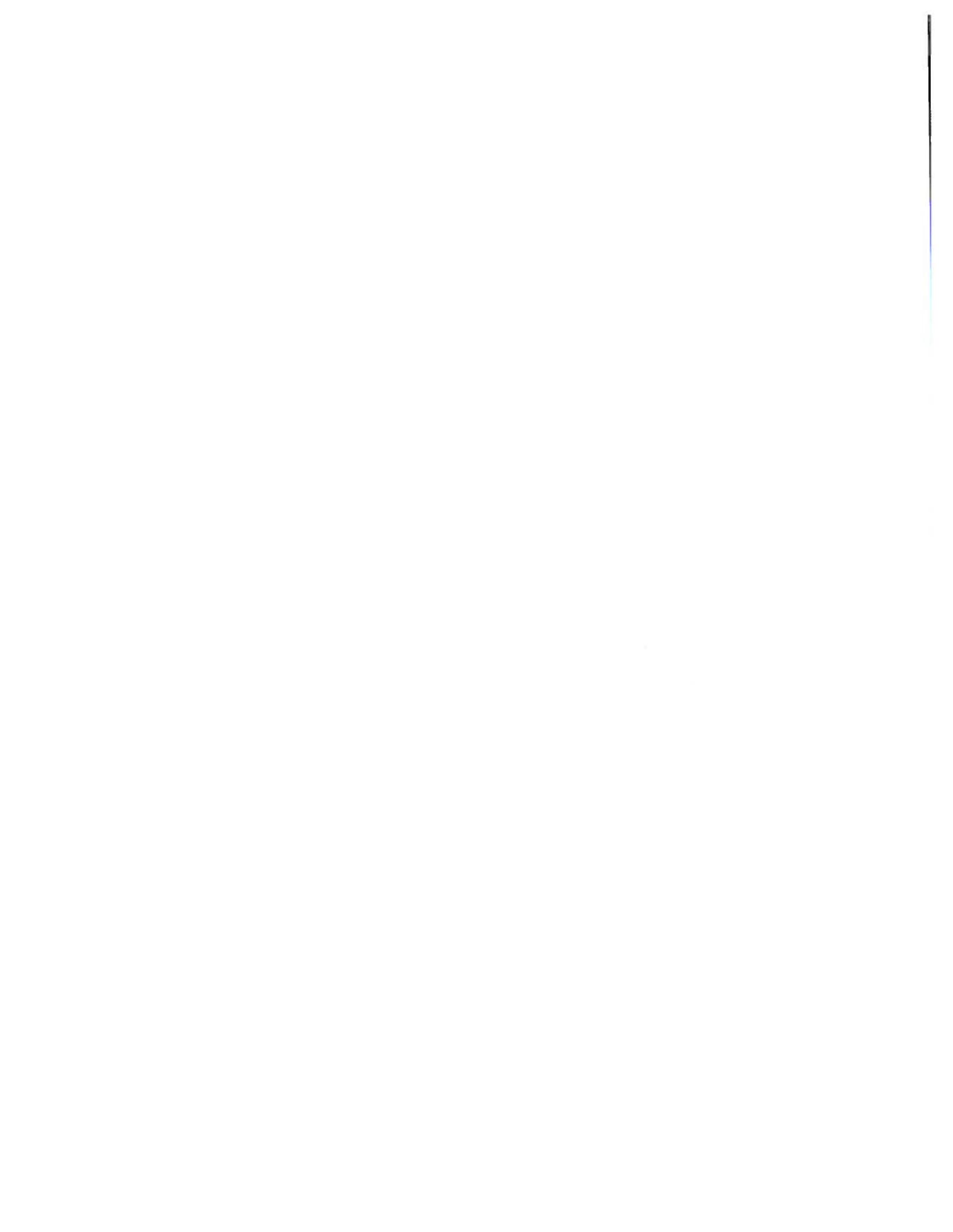


EXHIBIT 2

IPC-E-10-19





RECEIVED

2012 MAY 15 PM 4: 28

IDAHO PUBLIC
UTILITIES COMMISSION

DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

May 15, 2012

VIA HAND DELIVERY

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
Boise, Idaho 83702

Re: Case No. IPC-E-10-19
Grand View Solar One PV, LLC, FESA – Response to the Idaho Public
Utilities Commission Staff's Third Production Request

Dear Ms. Jewell:

Enclosed for filing please find an original and three (3) copies of Idaho Power Company's Response to the Third Production Request of the Commission Staff to Idaho Power Company in the above matter.

Very truly yours,

Donovan E. Walker

DEW:csb
Enclosures

1221 W. Idaho St. (83702)
P.O. Box 70
Boise, ID 83707

DONOVAN E. WALKER (ISB No. 5921)
JASON B. WILLIAMS (ISB No. 8718)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5317
Facsimile: (208) 388-6936
dwalker@idahopower.com
jwilliams@idahopower.com

RECEIVED
2012 MAY 15 PM 4: 28
IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AMENDMENTS)	
TO THE FIRM ENERGY SALES)	CASE NO. IPC-E-10-19
AGREEMENT BETWEEN IDAHO)	
POWER COMPANY AND GRAND VIEW)	IDAHO POWER COMPANY'S
SOLAR ONE PV, LLC.)	RESPONSE TO THE THIRD
)	PRODUCTION REQUEST OF THE
)	COMMISSION STAFF TO IDAHO
)	POWER COMPANY
)	

COMES NOW, Idaho Power Company ("Idaho Power" or "Company"), and in response to the Third Production Request of the Commission Staff to Idaho Power Company dated April 24, 2012, herewith submits the following information:

REQUEST NO. 10: Please explain why Idaho Power believes that an extension until no later than January 12, 2013 is a fair and commercially reasonable time period for Grand View Solar One to achieve its operation date. In your explanation, please discuss specifically how Idaho Power defines the phrase "commercially reasonable."

RESPONSE TO REQUEST NO. 10: The establishment of a firm Commercial Operation Date of January 12, 2013, was considered to be commercially reasonable based on Idaho Power's desire for a date certain Commercial Operation Date and the parties' dispute as to the proper interpretation of the language contained in Appendix B of the Firm Energy Sales Agreement between Idaho Power and Grand View Solar One PV, LLC dated June 8, 2010 ("FESA") approved by the Idaho Public Utilities Commission in Order No. 32068 issued September 14, 2010. Specifically, the Scheduled Operation Date specified in Appendix B, item B-3 is defined as:

1.) 90 days past the date identified within the final Facility Study report in which Idaho Power shall have completed installation of the Idaho Power interconnection equipment as the Scheduled Operation Date or 2.) If by Seller action or inaction, a final Facility Study is not completed or the installation of Idaho Power interconnection equipment is delayed, January 30, 2011 shall be the Scheduled Operation Date.

As part of agreeing to set a firm Commercial Operation Date, Grand View Solar One PV, LLC ("Grand View Solar One") agreed to immediately refresh its Delay Security, which had recently expired, as well as immediately pay the required \$475,000 deposit for construction of its generator interconnection facilities. Based upon the good faith dispute among the parties as well as Grand View Solar One's immediate remedy and payment of the necessary funding for the project, Idaho Power determined that settling this matter with Grand View Solar One was both fair and commercially

reasonable. While I am not an attorney, my understanding of the phrase “commercially reasonable” is that it is a legal term of art that is based upon all the facts and circumstances of a particular situation. As described above, Idaho Power believes that based upon all the facts and circumstances of this situation, it was commercially reasonable to enter into the Letter Agreement with Grand View Solar One.

The response to this Request was prepared by Randy C. Allphin, Energy Contracts Coordinator Leader, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

REQUEST NO. 11: Please explain Idaho Power's understanding of the reasons given by Grand View Solar One for not meeting the Scheduled Operation Date as specified in ¶ B-3 of Appendix B of the FESA.

RESPONSE TO REQUEST NO. 11: Idaho Power's understanding of Grand View Solar One's reasons for not meeting the Scheduled Operation Date was that it had a different interpretation than Idaho Power of the Scheduled Operation Date, as well as Grand View Solar One's claim that it was unable to secure financing to make the required payments to construct the necessary interconnection facilities.

The response to this Request was prepared by Randy C. Allphin, Energy Contracts Coordinator Leader, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

REQUEST NO. 12: Please submit an amendment to Article VII in the FESA (rates portion) to accommodate a full 20 year contract term (unless Idaho Power and Grand View are now proposing less than a 20-year contract term).

RESPONSE TO REQUEST NO. 12: The Company has not prepared an amendment to Article VII in the FESA. If the Commission directs the Company to amend the FESA, the Company will do so.

The response to this Request was prepared by Randy C. Allphin, Energy Contracts Coordinator Leader, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

REQUEST NO. 13: Please identify any interconnection and/or transmission studies that are required for the project and state the status of each (i.e., completed, in-progress, etc.). Please also indicate whether Grand View Solar One is current on any required payments for the studies.

RESPONSE TO REQUEST NO. 13: A Feasibility, System Impact, and Facility Study were completed for Grand View Solar One's interconnection. The required deposits have been paid for all three studies. Final costs, as estimated in the Facility Study, will ultimately be trued-up to actuals upon final completion of construction.

The response to this Request was prepared by Josh Harris, Operations Analyst I, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

REQUEST NO. 14: Please discuss whether any interconnection and transmission facilities have been constructed or upgraded to date in order to accommodate the Grand View Solar One facility. Please list any amounts paid by either Idaho Power or Grand View for construction of these facilities.

RESPONSE TO REQUEST NO. 14: On April 5, 2012, Idaho Power received a construction deposit from the project in the amount of \$475,000 and is in the initial phases of detailed design, scheduling, and construction of the interconnection facility.

The response to this Request was prepared by Josh Harris, Operations Analyst I, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

REQUEST NO. 15: Please explain how Idaho Power intends to determine when the Grand View Solar One facility has met its revised Scheduled Operation Date. For example, this project will consist of approximately 75,000 PV panels. How many panels have to be operational before the facility will be deemed to have met its Scheduled Operation Date?

RESPONSE TO REQUEST NO. 15: As identified in this Request, the fact that this project will consist of approximately 75,000 separate generation units (PV panels) makes the identification of "operation" and "complete" significantly different issues than a hydro unit with a single generator or even a wind project with 10 wind turbines. Unfortunately, the agreement does not specifically address this issue. Idaho Power intends to interpret and implement this in a commercially reasonable manner.

It is Idaho Power's understanding that the multiple panels will be aggregated in smaller groups which will be connected to individual inverters. Idaho Power has not received data from this project on this precise configuration, but in other proposed solar PV projects, use of 2 megawatt inverters was proposed. Thus, if the same equipment is planned to be used in this project, it would require 10 inverters. Idaho Power believes a reasonable interpretation of operational and complete would be that all of the designed inverters have been installed, interconnected, and are delivering energy to Idaho Power's system. In addition, the bank of PV panels supplying each inverter must be materially complete. For example, a planned bank of 7,000 panels that only 1,000 panels are installed would not be materially complete. As to the exact panel count to qualify as materially complete, this is not specifically known at this time and will be

determined at the time the completion status becomes an issue, at which time all information and circumstances will be considered.

The response to this Request was prepared by Randy C. Allphin, Energy Contracts Coordinator Leader, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

REQUEST NO. 16: Please explain why Grand View Solar One disputes Idaho Power's interpretation of the FESA that the Scheduled Operation Date was January 30, 2012, and instead asserts that the FESA has a "rolling" scheduled operation date as stated in Idaho Power's April 3, 2012 Letter of Understanding and Agreement with Grand View. Does Idaho Power believe that there is ambiguous language in the FESA that needs to be revised for use in future contracts?

RESPONSE TO REQUEST NO. 16: Idaho Power believes there is language in the Grand View Solar One FESA which has created some uncertainty of the Scheduled Operation Date. The proposed Letter Agreement has resolved this issue for this FESA and the language originally in this FESA has not been used in any other qualifying facility agreements. Please see Idaho Power's response to the Idaho Public Utilities Commission Staff's Production Request No. 10. Idaho Power continues to explore solutions to the coordination of the Generation Interconnection process and the Scheduled Operation Date within the FESA.

The response to this Request was prepared by Randy C. Allphin, Energy Contracts Coordinator Leader, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

REQUEST NO. 17: Please confirm whether Grand View Solar One posted security in the amount of \$810,000 no later than April 6, 2012 by 5:00 pm as required by the April 3, 2012 letter Agreement between the parties.

RESPONSE TO REQUEST NO. 17: Yes, Idaho Power confirms that security in the amount of \$810,000 was received from the project prior to the 5:00 p.m. deadline.

The response to this Request was prepared by Randy C. Allphin, Energy Contracts Coordinator Leader, Idaho Power Company, in consultation with Donovan E. Walker, Lead Counsel, Idaho Power Company.

DATED at Boise, Idaho, this 15th day of May 2012.

A handwritten signature in black ink, appearing to read "Donovan E. Walker", written over a horizontal line.

DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 15th day of May 2012 I served a true and correct copy of IDAHO POWER COMPANY'S RESPONSE TO THE THIRD PRODUCTION REQUEST OF THE COMMISSION STAFF TO IDAHO POWER COMPANY upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff

Kristine A. Sasser
Deputy Attorney General
Idaho Public Utilities Commission
472 West Washington (83702)
P.O. Box 83720
Boise, Idaho 83720-0074

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email kris.sasser@puc.idaho.gov

Grand View Solar One PV, LLC

Peter J. Richardson
Gregory M. Adams
RICHARDSON & O'LEARY, PLLC
515 North 27th Street (83702)
P.O. Box 7218
Boise, Idaho 83707

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email peter@richardsonandoleary.com
greg@richardsonandoleary.com

Sean Stocker, Director of Development
Corona Capital Partners, LLC
300 Great Oaks Boulevard, Suite 320
Albany, New York 12203

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email sstocker@coronacapitalpartners.com

5 Whitney Lane
New Ulm, Minnesota 56073


Christa Barry, Legal Assistant

