

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AMENDMENTS TO)	CASE NO. IPC-E-10-19
THE FIRM ENERGY SALES AGREEMENT)	
BETWEEN IDAHO POWER COMPANY)	NOTICE OF PROPOSED
AND GRAND VIEW SOLAR ONE PV, LLC.)	AMENDMENTS TO FESA
)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 32535

On April 11, 2012, Idaho Power Company filed a Letter of Understanding with the Commission. The Letter is dated April 3, 2012, and memorializes an agreement reached between Idaho Power and Grand View Solar One PV regarding Grand View's required security and scheduled operation date. Idaho Power requested that the Commission "file the enclosed letter in the contract file for this matter." After reviewing the filing, Staff recommended that the Commission process the Letter through the use of Modified Procedure because the amendments pertained to material terms of the Firm Energy Sales Agreement.

NOTICE OF PROPOSED AMENDMENTS

YOU ARE HEREBY NOTIFIED that Idaho Power deemed Grand View Solar One in material breach of its Firm Energy Sales Agreement (FESA) for failing to maintain the required security and failing to meet its scheduled operation date.

YOU ARE FURTHER NOTIFIED that Grand View disputed Idaho Power's interpretation of the FESA and asserted that it had a "rolling" scheduled operation date for which a deadline had not expired.

YOU ARE FURTHER NOTIFIED that, as a result of negotiations, Idaho Power and Grand View Solar One agreed to the following:

1. A (scheduled) commercial operation date of no later than January 12, 2013;
2. The commercially reasonable time period granted to Grand View Solar One to achieve its operation date is fair and reasonable;
3. Grand View Solar One shall post security in the amount of \$810,000 no later than April 6, 2012, to secure the scheduled operation date. If Grand

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View Solar One fails to achieve a January 12, 2013, operation date Idaho Power has the right to immediately draw funds from the Project's posted security and terminate the Project's FESA without further action or notice;

4. In the event that Grand View Solar One achieves its operation date by or before January 12, 2013, Idaho Power shall release the posted security;
5. If Grand View Solar One does not post the required security by April 6, 2012, the FESA will be terminated without further notice;
6. If Grand View Solar One does not achieve commercial operation on or before January 12, 2013, the FESA will be terminated without further notice;
7. Grand View Solar One shall pay \$475,000 no later than April 6, 2012, representing the required construction deposit pursuant to the Generator Interconnection Agreement (GIA). If the payment is not made the FESA will be terminated without further notice; and
8. If it could be reasonably demonstrated that Idaho Power was the cause of any delays that would prevent Grand View Solar One from achieving its operation date of January 12, 2013, then the operation date shall be extended by the length of such delays or to a reasonable date mutually agreed upon by Idaho Power and the Project.

YOU ARE FURTHER NOTIFIED that paragraph 22.1 of the FESA states that, "[n]o modification to this Agreement shall be valid unless it is in writing and signed by both Parties and subsequently approved by the Commission." Agreement, ¶ 22.1.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that, while the public interest may not require a formal hearing in this matter, the Commission has determined that the public interest is best served by proceeding under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201-204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or in opposition with the Commission **no later than May 31, 2012**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written

comments. Written comments concerning this Application may be mailed to the Commission and Idaho Power at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Jason B. Williams
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: jwilliams@idahopower.com

Randy Allphin
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: rallphin@idahopower.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to Idaho Power at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices or on the Commission's website at www.puc.idaho.gov by clicking on "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

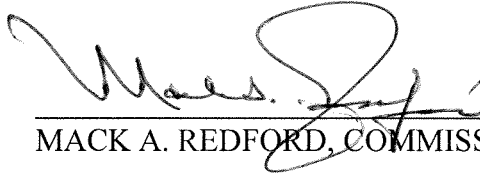
ORDER

IT IS HEREBY ORDERED that Idaho Power's Letter of Understanding with Grand View Solar One PV be processed by Modified Procedure. Persons interested in submitting written comments in this matter must do so no later than May 31, 2012.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 24th day of April 2012.



PAUL KJELLANDER, PRESIDENT



MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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