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IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Alpha Wind LLC, Bravo Wind LLC,
Charlie Wind LLC, Delta Wind LLC, and Echo Wind LLC

**BEFORE THE IDAHO
PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE) **CASE NO. IPC-E-10-51**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION)
REGARDING A FIRM ENERGY SALES)
AGREEMENT BETWEEN IDAHO) **COMMENTS OF ALPHA WIND LLC**
POWER AND ALPHA WIND, LLC)
)
)

IN THE MATTER OF THE) **CASE NO. IPC-E-10-52**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION)
REGARDING A FIRM ENERGY SALES)
AGREEMENT BETWEEN IDAHO)
POWER AND BRAVO WIND, LLC) **COMMENTS OF BRAVO WIND LLC**
)
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IN THE MATTER OF THE) **CASE NO. IPC-E-10-53**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION)
REGARDING A FIRM ENERGY SALES)
AGREEMENT BETWEEN IDAHO)
POWER AND CHARLIE WIND, LLC) **COMMENTS OF CHARLIE WIND**
) **LLC**
)

IN THE MATTER OF THE) **CASE NO. IPC-E-10-54**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION)
REGARDING A FIRM ENERGY SALES)
AGREEMENT BETWEEN IDAHO)
POWER AND DELTA WIND, LLC) **COMMENTS OF DELTA WIND LLC**
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IN THE MATTER OF THE) **CASE NO. IPC-E-10-55**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION)
REGARDING A FIRM ENERGY SALES)
AGREEMENT BETWEEN IDAHO)
POWER AND ECHO WIND, LLC) **COMMENTS OF ECHO WIND LLC**
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COMES NOW, Alpha Wind LLC, Bravo Wind LLC, Charlie Wind LLC, Delta Wind LLC, and Echo Wind LLC, each of which is managed by Cotterel WindEnergy Center LLC (collectively the “Cotterel WindEnergy Center LLCs”), and pursuant to the Idaho Public Utilities Commission’s (“Commission’s”) Notice of Modified Procedure and Order No. 32188, hereby files these Comments in the above-captioned matters.¹ For the reasons set forth below, the Cotterel WindEnergy Center LLCs respectfully request that the Commission approve the Firm Energy Sales Agreements (“FESAs”) with Idaho Power for each of the five projects.

¹ The relevant facts for each of these five projects are substantially similar. Counsel for the Cotterel WindEnergy Center LLCs has therefore filed a single set of Comments applicable to all five projects to save the Commission and other interested parties from the need to review five separate sets of Comments.

INTRODUCTION

The five Cotterel WindEnergy Center LLCs are each located near Burley, Idaho, and are each qualifying facilities (“QFs”) entitled to contracts with rates set at Idaho Power’s full avoided costs, under the Public Utility Regulatory Policies Act of 1978 (“PURPA”), as implemented by the Idaho Public Utilities Commission. Alpha Wind LLC, Bravo Wind LLC, Delta Wind LLC, and Echo Wind LLC will have an output of 29.9 megawatts (“MW”), and Charlie Wind LLC will have an output of 27.6 MW. Each will generate 10 average monthly megawatts (“aMW”) or less. The Cotterel WindEnergy Center LLCs and their predecessors and parent companies began developing these wind projects in 2001, and possess rights to use all federal, state, and private lands necessary for the projects. They have proceeded through a System Impact Study with Idaho Power for interconnection of a larger overall output of 177 MW, under a queue position which the projects still retain. Interconnection is feasible based on the existing studies.

In total, the developers of the five projects have spent approximately \$7 million. The Cotterel WindEnergy Center LLCs’ predecessor project was the finalist in Idaho Power’s June 2009 wind request for proposals (“RFP”).

On October 28, 2010, the Cotterel WindEnergy Center LLCs provided Idaho Power with five standard PURPA contracts containing non-levelized rates in Order No. 31025, executed by the Cotterel WindEnergy Center LLCs. After Idaho Power, along with Avista Utilities and Rocky Mountain Power, filed the Joint Motion to Reduce the Published Rate Eligibility Cap on November 5, 2010, the Cotterel WindEnergy Center LLCs each filed complaints against Idaho

Power on November 8, 2010, alleging they were entitled to standard PURPA contracts and Idaho Power had unreasonably required the projects to proceed through unnecessary interconnection and transmission processes in response to the QFs' contract submittals when the QFs already possessed the rights obtained through Idaho Power's Large Generator Interconnection Process in its Open Access Transmission Tariff ("OATT"). Idaho Power and the Cotterel WindEnergy Center LLCs agreed to stay the complaint proceedings and execute standard QF wind contracts. On Friday, December 10, 2010, after the QFs agreed to proceed through Idaho Power's new interconnection and transmission process in response to Idaho Power's continued insistence to use that process, Idaho Power provided five executable contracts. The Cotterel WindEnergy Center LLCs executed the agreements on December 13, 2010, and sent them to Idaho Power, which executed the originals on December 15, 2010, and filed the contracts for Commission approval on December 16, 2010.

On February 7, 2011, the Commission issued Order No. 32176, wherein it reduced the eligibility cap to 100 kilowatts ("kw") for wind and solar QFs, and stated the effective date of the order would be December 14, 2010. Idaho Power informed the QFs on February 23, 2011, that it had incorrectly determined the QFs must proceed through the new transmission process, and stated it would instead continue the process under Idaho Power's OATT, which is how the QFs proposed proceeding all along. Because the Cotterel WindEnergy Center LLCs meet any grandfathering test for entitlement to the published avoided cost rates, the Commission should

approve all five contracts.²

LEGAL BACKGROUND

A. The Public Utility Regulatory Policies Act of 1978's Mandatory Purchase Provisions

This case involves the Commission's implementation of the mandatory purchase obligation of PURPA, which requires electric utilities to purchase power produced by cogenerators or small power producers that obtain status as a QF. 16 U.S.C. § 824a-3(a)(2). Congress's intent "was to encourage the promotion and development of renewable energy technologies as alternatives to fossil fuels and the construction of new generating facilities by electric utilities." *Rosebud Enterprises, Inc. v. Idaho Pub. Util. Commn.*, 128 Idaho 609, 613, 917 P.2d 766, 780 (1996). "Traditional electric utilities were reluctant to purchase power from, and sell power to, the nontraditional facilities." *FERC v. Mississippi*, 456 U.S. 742, 750, 102 S.Ct. 2126, 2132-2133 (1982). To overcome this problem, "§ 210(a) [of PURPA] directs the [Federal Energy Regulatory Commission ("FERC")], in consultation with state regulatory authorities, to promulgate such rules as it determines necessary to encourage cogeneration and small power production, including rules requiring utilities to offer to sell electricity to, and purchase electricity from, qualifying cogeneration and small power production facilities." *Id.*, 456 U.S. at 750-51, 102 S.Ct. at 2133.

The price PURPA section 210(b) requires the utilities to pay to QFs in exchange for a

² The Cotterel WindEnergy Center LLCs note that several parties to GNR-E-10-04 have disputed whether the effective date of Order No. 32176 could be retroactively effective on December 14, 2010. For purposes of these comments, the Cotterel WindEnergy Center LLCs will use December 14, 2010, as the effective date, without conceding that the Commission had the authority to make the reduction in the eligibility cap retroactively effective.

QF's electrical output is termed the avoided cost rate, which is the cost to the utility of producing the energy itself or purchasing it from an alternative source. 16 U.S.C. § 824a-3(b), (d). FERC promulgated regulations requiring utilities to compensate QFs for the utilities' full avoided cost. 18 C.F.R. § 292.304(a), (b); *Small Power Production and Cogeneration Facilities; Regulations Implementing Section 210 of the Public Utility Regulatory Policy Act of 1978*, 45 Fed. Reg. 12,214, 12,222-12,223 (Feb. 25, 1980). The U.S. Supreme Court directly affirmed FERC's "full-avoided-cost rule," *American Paper Institute, Inc. v. FERC*, 461 U.S. 402, 417-18, 103 S.Ct. 1921, 1930 (1983), and that rule is still in effect today.

FERC's regulations entitle QFs to long term contract rates set at the utilities' full avoided costs at the time the QF commits itself to a legally enforceable obligation to deliver its project's output. 18 C.F.R. § 292.304(a), (b), (d)(2)(ii); *JD Wind 1, LLC*, "Order Denying 'Request for Rehearing, Reconsideration or Clarification,'" 130 FERC ¶ 61,127, ¶ 23 (February 19, 2010). Further, FERC's regulations require utilities to publish "standard rates" available for long term contracts available to QFs below a state-implemented maximum generating capacity. 18 C.F.R. § 292.304(c)(1)-(3). The Idaho Commission requires utilities in Idaho to make the rates in the published rate schedule available to QFs that generate less than 10 aMW. *See U.S. Geothermal, Inc. v. Idaho Power Company*, Case No. IPC-E-04-8, Order No. 29632, p. 14 (2004). On February 7, 2011, however, the Commission reduced the eligibility cap to 100 kw for wind and solar QFs and stated the effective date of this reduction would be December 14, 2010. *See Order No. 32176*, at pp. 11-12.

B. PURPA Grandfathering Criteria

When the published rates change, or become otherwise unavailable to a QF before the QF can obtain a contract, the QF is entitled to grandfathered rates if it can “demonstrate that ‘but for’ the actions of [the utility, the QF] was otherwise entitled to a power purchase contract.” *Earth Power Resources, Inc. v. Washington Water Power Company*, Case No. WWP-E-96-6, Order No. 27231 (1997) (finding utility delayed negotiations and therefore QF was entitled to grandfathered rate); *see also Blind Canyon Aquaranch v. Idaho Power Company*, Case No. IPC-E-94-1, Order No. 25802 (1994); *Snow Mountain Pine v. Maudin*, 84 Or. App. 590, 600, 734 P.2d 1366, 1371 (1987).

The most onerous test the Commission has ever used for determining grandfather eligibility is the pre-filed complaint test. This test requires, prior to the effective date of the rate change, the QF must have obtained an executed contract, or have filed a meritorious complaint at the Commission alleging it is entitled to a contract. *See A.W. Brown Co., Inc. v. Idaho Power Co.*, 121 Idaho 812, 816-18, 828 P.2d 841, 845-47 (1992). The Idaho Supreme Court has never mandated this test as the Commission’s only available way to test whether a QF had effected a legally enforceable obligation, and the Commission has not applied this onerous pre-filed complaint test consistently. *See, e.g., Blind Canyon Aquaranch*, Order No. 25802; *Earth Power Resources, Inc.*, Order No. 27231.

PROCEDURAL AND FACTUAL BACKGROUND

A. Development Overview

Boise-based Windland Inc. began development of the wind resource on Cotterel Mountain in 2001. *Affidavit of Kevin Simmons*, at ¶ 3. Windland and Shell Wind Energy Inc. (“SWE”) entered into a Project Development Agreement in 2003 to jointly share in the development and costs associated with permitting a wind generating complex of up to 200 MW in capacity. *Id.* at ¶ 4. Although Windland retains a substantial financial interest in the project’s success, in 2008, SWE purchased the controlling interest in the project from Windland and has been continuing the development, environmental monitoring and marketing of the project. *Id.* at ¶ 5.

Since development began in 2001 the development partners have performed extensive wind data collection and analyses, constructability reviews, an intensive and a very expensive Environmental Impact Study required due to the project’s location on land managed by the United States Bureau of Land Management, and other related project development activities. *Id.* at ¶ 6. To date, the partners have invested approximately \$7 million. *Id.* at ¶ 7. They currently possess all real property rights and permits necessary to build the QF projects, as well as the necessary local zoning permits. *Id.* at ¶¶ 9-15.

In addition to a capital investment of close to \$300 million required to complete development of the QFs, the project will provide significant local benefits in terms of construction jobs (approximately 250) and full time jobs (approximately 18), property taxes and other direct benefits for the local economy. *Id.* at ¶ 8.

B. Discussions with Idaho Power prior to PURPA submittal

Because the Cotterel Mountain wind resource area lies within the Idaho Power's service territory and is very near the Idaho Power transmission system, Windland began discussions with Idaho Power in 2002. *Id.* at ¶¶ 20-21. In 2006, SWE bid the Cotterel Mountain Project into Idaho Power's RFP seeking up to 150 MW of wind energy. *Id.* at ¶ 22. Idaho Power did not select the Cotterel Mountain Project in that RFP, but Idaho Power subsequently solicited a proposal from SWE to sell the development rights to Idaho Power. *Id.* at ¶¶ 23-24. SWE expended time and expenses to submit a detailed proposal, but Idaho Power never responded to SWE's proposal. *Id.* at ¶ 24-25.

SWE bid the Cotterel Mountain Project into Idaho Power's 2009 RFP, as a 150 MW project. *Id.* at ¶ 26. In late 2009, Idaho Power informed SWE that it had selected the Cotterel Mountain Wind project as a short-list bidder. *Id.* at ¶ 27. After many months of negotiations, it appeared to SWE that the final contract terms were settled in July 2010. *Id.* at ¶ 28. But Idaho Power subsequently requested very significant additional concessions and ultimately terminated the negotiations and closed the RFP in summer 2010. *Id.* at ¶ 29. At that time, SWE was still interested in continuing the negotiations to reach a final agreement. *Id.* at ¶ 30.

Through the years, Windland and SWE have been engaged in the interconnection process with Idaho Power's interconnection and transmission personnel through Idaho Power's Large Generator Interconnection Process under its OATT. *Id.* at ¶ 31. Idaho Power first completed an interconnection feasibility study on July 1, 2005, which indicated that up to 240 MW could be safely injected into the local transmission system at cost acceptable to the development partners.

Id. at ¶¶ 32-33.

In October 2009, SWE re-activated the interconnection process with Idaho Power for a project of a reduced size of 177 MW, and was told that because no new generation had been proposed in the area since the original Feasibility Study in 2005 Idaho Power would move directly into the System Impact Study (“SIS”) as Generator No. 302. *Id.* at ¶ 34. Idaho Power completed the SIS on March 15, 2010, which concluded that the full output of 177 MW could be successfully integrated into the Idaho Power Transmission system at the point of interconnection without significant modifications to the transmission system. *Id.* at ¶ 35. The Project entered into a Facilities Study Agreement on April 22, 2010. *Id.* at ¶ 36. In July 2010, Idaho Power contacted SWE regarding the Facility Design Study and began to arrange a series of calls to discuss construction costs and schedules to meet a December 2012 online date. *Id.* at ¶ 37.

C. The Qualifying Facilities’ Contracts Submittals

In fall 2010, SWE developed five qualifying facilities at the Cotterel Mountain Wind Complex. *Id.* at ¶ 38. Alpha Wind LLC, Bravo Wind LLC, Delta Wind LLC, and Echo Wind LLC will each have an output of 29.9 MW, and Charlie Wind LLC will have an output of 27.6 MW. *Id.* at ¶ 39. These QFs will each generate 10 megawatts or less when the output is averaged over any given month. *Id.* The generation equipment of each is separated by at least one mile at the closest points. *Id.* In October 2010, the five projects were each self-certified as qualifying facilities. *Id.* at ¶ 40.

On October 28, 2010, the Cotterel WindEnergy Center LLCs provided Idaho Power with five standard PURPA contracts containing the non-levelized rates in Order No. 31025, executed

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by the Cotterel WindEnergy Center LLCs. *Id.* at ¶ 41. These five contracts were mirror images of the most recently approved wind QF standard contract at the time (from Case No. IPC-E-09-25), with the exception that the Cotterel WindEnergy Center LLCs' contracts contained different project specifics, lower rates contained in Order No. 31025, and a higher delay liquidated damages security amount of \$45 per kw consistent with the most recent QF contracts. *Id.* at ¶ 42 and Exhibits 1 – 5.³ SWE provided a cover letter with each of the contracts indicating that the QFs planned to use a single point of interconnection and continue through the interconnection process already in progress under Generator Interconnection Request No. 302. *Id.* at ¶ 43 and Exhibits 1 – 5.

SWE also contacted Idaho Power transmission and interconnection personnel to inform them of the reduced overall output of the projects to 147 MW and a change in turbine. *Id.* at ¶ 44. But on November 4, 2010, Idaho Power sent letters of understanding requiring that SWE agree, prior to execution of the PURPA agreements, that SWE would proceed through new interconnection and transmission processes. *Id.* at ¶ 45. Idaho Power's proposed letters of understanding required a signature agreeing to the new process with new milestones to be achieved before power purchase contracts execution, and included draft Network Resource Integration Study Agreements, and Transmission Capacity Application Questionnaires for each QF. *Id.* at ¶ 46.

³ These October 28th contracts are attached as Exhibits 1-5 to the *Affidavit of Kevin Simmons*. In each of the individual cases, the Cotterel WindEnergy Center LLCs have attached only the Exhibit corresponding to the contract at issue in that case. For example, only the October 28th contract submittal applicable to the Alpha Wind LLC project is filed with the *Affidavit of Kevin Simmons* in Case No. IPC-E-10-51.

Then, on November 5, 2010, Idaho Power, along with Avista Utilities and Rocky Mountain Power, filed the Joint Motion to Reduce the Published Rate Eligibility Cap. *See* Case No. GNR-E-10-04. The Cotterel WindEnergy Center LLCs each filed complaints against Idaho Power on November 8, 2010, alleging they were entitled to standard contracts and that Idaho Power had insisted on an unnecessary interconnection and transmission process when the projects possessed rights acquired through Generator Interconnection Request No. 302. *See* Case Nos. IPC-E-10-51, IPC-E-10-52, IPC-E-10-53, IPC-E-10-54, and IPC-E-10-55. The Commission did not grant the immediate reduction in the published rate eligibility cap requested by the Joint Utilities, and on November 19, 2010, Idaho Power and the Cotterel WindEnergy Center LLCs agreed to stay the complaint proceeding in order to execute standard QF wind contracts containing the published rates. *Affidavit of Kevin Simmons*, at ¶ 49.

On November 30, 2010, Idaho Power tendered a draft contract for each QF substantially similar to the QFs' drafts modeled on the IPC-E-09-25 contract and delivered on October 28, 2010. *Id.* at ¶ 50. Idaho Power again insisted in a letter dated December 7, 2010, that the QFs agree to proceed through a different process for securing transmission to Idaho Power's load center from that in the OATT under their existing Generator Interconnection No. 302. *Id.* at ¶ 51. Because Idaho Power insisted this new process was a prerequisite to obtaining executed power sale contracts, the Cotterel WindEnergy Center LLCs had previously signed and submitted the November 4, 2010 letters of understanding, and now each individual QF submitted the Transmission Capacity Application Questionnaire on December 9, 2010. *Id.* at ¶ 52.

On Friday, December 10, 2010, Idaho Power tendered five executable contracts which

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were substantially similar to those submitted by the Cotterel WindEnergy Center LLCs on October 28, 2010. *Id.* at ¶ 53. The Cotterel WindEnergy Center LLCs executed the agreements on December 13, 2010, and sent them to Idaho Power, which executed the originals on December 15, 2010, and filed the contracts for Commission approval on December 16, 2010. *Id.* at ¶ 54.

On December 21, 2010, Idaho Power's PURPA contracts administration department sent letters to each of the QFs asserting that each project must sign a Network Resource Integration Study Agreement and submit a deposit of \$2,000 by January 3, 2011. *Id.* at ¶ 55. Idaho Power stated this was necessary under the new transmission process, outlined in its November 4, 2010 letters of understanding, and that if the QFs did not submit the deposit and the agreement by January 3, 2011, the network transmission request would be withdrawn. *Id.* at ¶¶ 56-57. The letter provided for no delay in this requirement for the intervening holidays. *Id.* at ¶ 57. The Cotterel WindEnergy Center LLCs signed the Network Resource Integration Study Agreements on December 30, 2010, electronically mailed scanned copies to Idaho Power on December 31, 2010, and sent the originals by overnight delivery on that same day to ensure that they would arrive on Monday, January 3, 2011. *Id.* at ¶ 59. The QFs transferred the \$2,000 for each QF by wire transfer on January 3, 2011. *Id.* at ¶ 60.

But on February 22, 2011, Idaho Power refunded the \$10,000 provided for the new transmission study process. *Id.* at ¶ 61. Idaho Power stated in a letter from its transmission personnel on February 23, 2011, that it approved SWE's changes from the original Generator Interconnection request of 177 MW to a smaller interconnection of only 148 MW for PURPA

projects, and would proceed with the same Generator No. 302 under the Large Generation Interconnection Procedures of the OATT. *Id.* at ¶ 62. This is the process SWE requested Idaho Power follow for the QFs when SWE first submitted contracts on October 28, 2010, and the process each QF alleged it was entitled to follow in the Complaints filed on November 8, 2010. *Id.* at ¶ 63. Idaho Power now apparently agrees that the Cotterel WindEnergy Center LLCs may proceed through the interconnection process under the OATT.

COMMENTS

A. The Cotterel WindEnergy Center LLCs each satisfy the grandfather tests.

There is no question that the Cotterel WindEnergy Center LLCs each entitled themselves to long term contracts with rates set at the published avoided costs prior to the reduction in the eligibility cap, because each obligated itself to a legally enforceable obligation to deliver its project's output before December 14, 2010. *See* 18 C.F.R. § 292.304(a), (b), (d)(2)(ii).

Each QF satisfies even the most stringent grandfather test ever used by the Commission because each had a meritorious complaint on file at the Commission on November 8, 2010. *See A.W. Brown Co., Inc.*, 121 Idaho at 816-18, 828 P.2d at 845-47. Each project's complaint alleged Idaho Power had unjustifiably refused to accept a binding offer to enter into a standard PURPA contract and unjustifiably required each QF to proceed through a new interconnection and transmission process, which would delay execution of contracts. *See Complaints*, at ¶¶ 7, 9, 16, Case Nos. IPC-E-10-51, IPC-E-10-52, IPC-E-10-53, IPC-E-10-54, IPC-E-10-55. The allegations proved meritorious because Idaho Power agreed to execute standard PURPA contracts. Indeed, each project had even executed Idaho Power's final version of the FESAs on

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December 13, 2010. *Affidavit of Kevin Simmons*, at ¶ 54. That Idaho Power did not sign the agreements until December 15, 2010 makes no difference because Idaho Power provided the final FESAs itself on December 10, 2010, and obviously had no remaining issues with the contract terms. *Id.* at ¶ 53. Further, execution of final agreements by both parties was delayed by Idaho Power's refusal to execute the FESAs (expressed in its letter dated November 4, 2010) until after the QFs agreed to proceed through a different interconnection and transmission process, which Idaho Power itself has subsequently stated to be the incorrect process. *Id.* at ¶¶ 43-46, 51-52, 61-63.

Further, the \$7 million spent on developing the projects and the advanced stage of their maturity evidences their intent to obligate themselves to the FESAs. *See In the Matter of Cassia Wind to Determine Exemption Status*, Case No. IPC-E-05-35, Order No. 29954, pp. 2-4 (2006) (finding wind QF entitled to grandfathered rates based on maturity of development of project when it had merely submitted a completed application for interconnection study, including the applicable fee, and had performed wind studies, commenced preliminary permitting and licensing activities, and made efforts to secure sites to place turbines). Prior to the rate change date, the projects' managing company had obtained interconnection studies establishing the feasibility to interconnect output in excess of that needed for the five QFs, *Affidavit of Kevin Simmons*, at ¶ 35, had obtained all necessary real property rights, *id.* at ¶¶ 9-19, and had negotiated various aspects of the project with Idaho Power for several years, *id.* at ¶¶ 20-54. Indeed, the Cotterel WindEnergy Center LLCs were mature enough that their predecessor wind resource complex was the final bidder in Idaho Power's 2009 RFP. *Id.* at ¶¶ 27-28.

Finally, knowledge of the contract terms further evidences the intent of the QFs in this case to obligate themselves prior to the effective date. *See In the Matter of the Application of Idaho Power Company for Approval of a Firm Energy Sales Agreement with Yellowstone Power Company*, Case No. IPC-E-10-22, Order 32104, p. 12 (2010) (approving of grandfathered rates despite “the apparent lack of any *written* documentation . . . evidencing that the terms of a power purchase agreement were materially complete [before the rate change]” in part because the QF had “familiarity with PURPA projects and the standard terms of Idaho Power’s power purchase agreements”). Each of the Cotterel WindEnergy Center LLCs executed standard PURPA agreements on October 28, 2010, a month and a half in advance of December 14, 2010. *Affidavit of Kevin Simmons*, at ¶ 42 and Exhibits 1-5. The terms of those contracts differed minimally from those provided by Idaho Power on December 10, 2010, which the QFs signed on December 13, 2010.

B. The Contract terms and Idaho Power’s most-current wind integration study allay the concerns raised in Idaho Power’s Application regarding system reliability and cost.

Idaho Power asserted in each of its Applications that “the request in this Application. . . is made with the specific reservation of rights and incorporation of the averments set forth in the Joint Petition regarding the possible negative effects to the [sic] both the utility and its customers of additional and unfettered PURPA QF generation on system reliability, utility operations, and costs of incorporating and integrating such a large penetration level of PURPA QF generation

into the utility's system." *Application*, at p. 3.⁴ Because the terms of the FESAs in this case and the current wind integration charge protects ratepayers, and because the projects obligated themselves prior to the effective date of the eligibility cap reduction, the QFs submit that Idaho Power's concerns should not preclude Commission approval of the contracts.

First, the Commission should consider the system reliability and wind integration discussion in the Northwest and Intermountain Power Producers Coalition's ("NIPPC") Comments in GNR-E-10-04. *See NIPPC Opening Comments*, Case No. GNR-E-10-04, pp. 13-16 (Dec. 22, 2010). In those Comments, NIPPC pointed out that, despite Idaho Power's statements in the Joint Motion regarding 1100 MW being near Idaho Power's minimum loads, Idaho Power's own wind integration study concluded that even at 1200 MW of wind capacity on the Company's system, wind would reach only 80% of its loads and it would do so only for a few hours per year. *See Enernex's Idaho Power 2007 Wind Study*, Case No. IPC-E-07-03, p. 34 (February 6, 2007). The settlement that resulted after conclusion of that wind integration study made the avoided cost rates available to wind developers at a rate reduced by \$6.50/MWh for projects coming online when Idaho Power's cumulative wind power is "501 MW and above." *See Order No. 30488*, at p. 8. There is no upper cap contained in the order, and Idaho Power has not availed itself of the opportunity since to update its wind integration study. Further, Idaho Power's wind integration study did not consider the firming ability of any of the Company's 744

⁴ Because Idaho Power's Applications in Case Nos. IPC-E-10-51, IPC-E-10-52, IPC-E-10-53, IPC-E-10-54, IPC-E-10-55 are substantially the same, these Comments will refer to them interchangeably as the the "Application."

MW of gas combustion turbine capacity that will be online by the time the Cotterel WindEnergy Center LLCs are online in December 2014. *See NIPPC Opening Comments*, Case No. GNR-E-10-04, at p. 15. The Commission should also consider that the rates in these PURPA agreements are lower than those in contracts and self-built projects recently approved for Idaho Power. *See NIPPC Reply Comments*, Case No. GNR-E-10-04, pp. 15-20 (Jan. 21, 2011).

Further, the FESAs for each QF contain extensive protections for ratepayers which address the concerns raised by Idaho Power's application. Idaho Power warrants that the Agreements comport with the terms and conditions of the various Commission Orders applicable to PURPA agreements for a wind resource. *See Application*, at p. 4 (citing Order Nos. 30415, 30488, 30738 and 31025). According to those orders, the rate in the FESA for each of the projects is reduced by the Idaho Power's wind integration charge. Order No. 30488, at pp. 8-9. The contracts also contain a Mechanical Availability Guarantee, which requires reduced payment to the QF if its turbines are unavailable for inexcusable reasons. *Id.* The contracts require that the QF share in the costs of wind forecasting. *Id.* The FESAs also provide for a reduced rate at times of the day and months of the year when the energy is worth less to Idaho Power due to demand and regional market conditions. *See* Order No. 30415.

Each QF has selected December 31, 2014, as its Scheduled Operation Date, and sections 5.3.2 and 5.8.1 of each FESA contains a liquidated damage and security provision of \$45 per kw of nameplate capacity for failure to achieve that date. That will require the 29.9-MW QFs (Alpha, Bravo, Delta, and Echo) to each post \$1.345 million, and the 27.6-MW QF (Charlie) to post \$1.242 million as delay default security after Commission approval of the contracts.

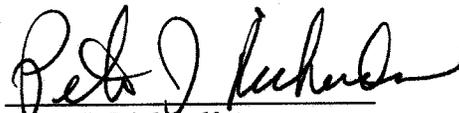
The QFs have accepted the provisions in each Agreement and Idaho Power's approved Schedule 72 regarding non-compensated curtailment or disconnection of the QF for system reliability purposes. This provides Idaho Power the right to exercise "non-compensated curtailment" at times "when the generation being provided by the Facility in certain operating conditions exceeds or approaches the minimum load levels of [Idaho Power's] system such that it may have a detrimental effect upon [Idaho Power's] ability to manage its thermal, hydro, and other resources in order to meet its obligation to reliably serve loads on its system." *Application* at pp. 7-8. Thus, even if there were evidence that system reliability issues may evolve in the future, the contracts allow Idaho Power to take reasonable steps to ensure system integrity.

CONCLUSION

For the reasons set forth above, Alpha Wind LLC, Bravo Wind LLC, Charlie Wind LLC, Delta Wind LLC, and Echo Wind LLC, respectfully request that the Commission approve the Firm Energy Sales Agreements with Idaho Power for each of the five projects.

Respectfully submitted this 17th day of March 2011,

RICHARDSON & O'LEARY, PLLC



Peter J. Richardson

Gregory M. Adams

Attorneys for Alpha Wind LLC, Bravo Wind LLC, Charlie Wind LLC, Delta Wind LLC, and Echo Wind LLC

CERTIFICATE OF SERVICE

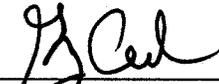
I HEREBY CERTIFY that on the 17th day of March, 2011, a true and correct copy of the within and foregoing **ALPHA WIND LLC, BRAVO WIND LLC, CHARLIE WIND LLC, DELTA WIND LLC, AND ECHO WIND LLC** and the **AFFIDAVIT OF KEVIN SIMMONS** was served as shown to the following parties:

Lisa Nordstrom
Donovan Walker
Idaho Power Company
PO Box 70
Boise, Idaho 83707
dwalker@idahopower.com
lnordstrom@idahopower.com

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Electronic Mail

Randy Allphin
Idaho Power Company
PO Box 70
Boise, ID 83707
rallphin@idahopower.com

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Electronic Mail

Signed 

Gregory Adams

Peter J. Richardson (ISB No. 3195)
Gregory M. Adams (ISB No: 7454)
Richardson & O'Leary, PLLC
515 N. 27th Street
Boise, Idaho 83702
Telephone: (208) 938-7901
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peter@richardsonandoleary.com
greg@richardsonandoleary.com

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Attorneys for Alpha Wind, LLC, Bravo Wind, LLC,
Charlie Wind, LLC, Delta Wind, LLC, and Echo Wind, LLC

**BEFORE THE IDAHO
PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE) **CASE NO. IPC-E-10-51**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION) AFFIDAVIT OF KEVIN SIMMONS
REGARDING A FIRM ENERGY SALES) IN SUPPORT OF APPROVAL OF
AGREEMENT BETWEEN IDAHO) THE ENERGY SALES
POWER AND ALPHA WIND, LLC) AGREEMENTS FOR ALPHA WIND,
) LLC
)

IN THE MATTER OF THE) **CASE NO. IPC-E-10-52**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION) AFFIDAVIT OF KEVIN SIMMONS
REGARDING A FIRM ENERGY SALES) IN SUPPORT OF APPROVAL OF
AGREEMENT BETWEEN IDAHO) THE ENERGY SALES
POWER AND BRAVO WIND, LLC) AGREEMENTS FOR BRAVO WIND,
) LLC
)

IN THE MATTER OF THE) **CASE NO. IPC-E-10-53**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION)
REGARDING A FIRM ENERGY SALES) AFFIDAVIT OF KEVIN SIMMONS
AGREEMENT BETWEEN IDAHO) IN SUPPORT OF APPROVAL OF
POWER AND CHARLIE WIND, LLC) THE ENERGY SALES
) AGREEMENTS FOR CHARLIE
) WIND, LLC

IN THE MATTER OF THE) **CASE NO. IPC-E-10-54**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION) AFFIDAVIT OF KEVIN SIMMONS

REGARDING A FIRM ENERGY SALES) IN SUPPORT OF APPROVAL OF
AGREEMENT BETWEEN IDAHO) THE ENERGY SALES
POWER AND DELTA WIND, LLC) AGREEMENTS FOR DELTA WIND,
) LLC
)

IN THE MATTER OF THE) **CASE NO. IPC-E-10-55**
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION) AFFIDAVIT OF KEVIN SIMMONS
REGARDING A FIRM ENERGY SALES) IN SUPPORT OF APPROVAL OF
AGREEMENT BETWEEN IDAHO) THE ENERGY SALES
POWER AND ECHO WIND, LLC) AGREEMENTS FOR ECHO WIND,
) LLC
)

I, Kevin Simmons, do declare the following and if called to testify, would and could competently testify thereto:

1. I am over the age of 18, and am employed by Shell WindEnergy Inc. in Business Development.

2. I have directly worked on the development of the qualifying facilities known as Alpha Wind LLC, Bravo Wind LLC, Charlie Wind LLC, Delta Wind LLC, and Echo Wind LLC, each of which is managed by Cotterel WindEnergy Center LLC (collectively the “Cotterel WindEnergy Center LLCs”), and I have personal knowledge of the facts set forth in this affidavit based upon my work in the development of these projects.

Summary of Development Efforts

3. Development of the Cotterel Mountain Wind Complex (“Complex”) was begun by Boise-based Windland Inc. in 2001.

4. Windland and Shell Wind Energy Inc. (“SWE”) entered into a Development Agreement in 2003 to jointly share in the development and costs associated with permitting up to

200 megawatts (“MW”) of wind generation at the Complex.

5. Although Windland retains a substantial financial interest in the Complex’s success, in 2008, SWE purchased the controlling interest in the Complex from Windland and has been continuing the development, environmental monitoring and marketing of the Complex.

6. Since 2001, the development partners have performed extensive wind data collection and analyses, constructability reviews, an intensive and a very expensive full Environmental Impact Study pursuant to the National Environmental Policy Act (“NEPA”), and other related development activities.

7. To date the partners have invested approximately \$7 million dollars in these mature wind development projects.

8. In addition to a capital investment of close to \$300 million required to complete development of the QFs, the project will provide significant local benefits in terms of construction jobs (approximately 250) and full time jobs (approximately 18), property taxes and other direct benefits for the local economy.

Real Property Rights

9. The Cotterel Mountain wind resource area is aligned along the approximately 14-mile-long Cotterel Mountain ridgeline. All 5 of the Cotterel WindEnergy Center LLC QFs are located in this wind resource area.

10. The associated transmission line runs north of the Complex for 19 miles to a location north of the Minidoka substation where it will tie into Idaho Power’s 138 kilovolt (“kv”) Minidoka-Adelaide transmission line.

11. The entire Cotterel Mountain Wind resource area within which the QFs will be located consists of over 5,500 acres, and is comprised primarily of Bureau of Land Management

("BLM") and Idaho State lands but also includes transmission easements that have been procured from four private landowners.

12. The BLM lands are secured pursuant to a right-of-way (49-year lease) granted in August 2006.

13. The necessary lands managed by the State of Idaho are secured by a lease.

14. The four private landowners have granted easements across their respective properties.

15. All land use rights have been assigned to Cotterel WindEnergy Center LLC.

Local Zoning Approvals

16. In 2007, Cassia County granted the managers of the Cotterel WindEnergy Center LLC a conditional use permit for the building of the necessary transmission line across the private landowners' property.

17. The wind farms themselves are an approved land use and need no Conditional Use Permit.

18. Minidoka County granted a Special Use Permit for a transmission and substation easement at the point of interconnection on the Idaho Power transmission line.

19. Both permits have been assigned to Cotterel WindEnergy Center LLC.

Discussions with Idaho Power for sale of energy and capacity

20. Because the Cotterel Mountain wind resource area lies within the Idaho Power's service territory and is very near the Idaho Power transmission system, Windland and SWE have always considered Idaho Power to be a logical purchaser of the output.

21. Windland began discussions with John Prescott, then Idaho Power's Vice President, Power Supply in 2002, and subsequently with Mr. Prescott's successor, Jim Miller,

then Senior Vice President, Power Supply, in 2004.

22. In 2006, SWE bid the Cotterel Mountain Project into Idaho Power's request for proposals ("RFP") seeking up to 150 MW of wind energy.

23. Idaho Power did not select the Cotterel Mountain Project in that RFP.

24. Idaho Power subsequently solicited a proposal from the project in 2007, to sell the development rights to Idaho Power, and the partners expended time and expense to submit a detailed proposal.

25. Idaho Power never responded to the proposal to sell the development rights to the wind resource area.

26. SWE bidded the Cotterel Mountain Project into Idaho Power's 2009 RFP, as a 150 MW project.

27. Idaho Power informed SWE in October 2009 that it had selected the Cotterel Mountain Wind project as the short-list bidder.

28. SWE engaged in many months of negotiations, and it appeared to SWE that the final contract terms were settled in July 2010.

29. Idaho Power subsequently requested very significant additional concessions and ultimately terminated the negotiations in August 2010.

30. At the time the negotiations ceased, SWE was still interested in continuing the negotiations to reach a final agreement.

Project Interconnection and Transmission

31. Windland and SWE have been engaged in the interconnection process with Idaho Power's interconnection and transmission personnel for years through Idaho Power's Large Generator Interconnection Process under its Open Access Transmission Tariff ("OATT").

32. Idaho Power assigned Generator Interconnection No. 302, and Idaho Power first completed an interconnection feasibility study on July 1, 2005.

33. The results of that study indicated that up to 240 MW could be safely injected into the local transmission system at cost acceptable to the development partners.

34. In October 2009, SWE re-activated the interconnection process with Idaho Power for a project of a reduced size of 177 MW, and was told that because no new generation had been proposed in the area since the original Feasibility Study in 2005 Idaho Power would move directly into the System Impact Study ("SIS").

35. Idaho Power completed the SIS on March 15, 2010, which concluded that the full output of 177 MW could be successfully integrated into the Idaho Power Transmission system at the point of interconnection without significant modifications to the transmission system.

36. The Project entered into a Facilities Study Agreement on April 22, 2010.

37. In July 2010, Idaho Power contacted SWE regarding the Facility Design Study and began to arrange a series of calls to discuss construction costs and schedules to meet a December 2012 online date.

Qualifying Facility Contract Requests

38. In fall 2010, SWE decided to exercise its rights under the mandatory purchase provisions of the Public Utilities Regulatory Policies Act of 1978 to sell the output under long-term contracts with Idaho Power.

39. SWE developed five projects for a cumulative output of less than it bid into the RFPs. Alpha Wind LLC, Bravo Wind LLC, Delta Wind LLC, and Echo Wind LLC will each have an output of 29.9 megawatts ("MW"), and Charlie Wind LLC will have an output of 27.6 MW. These QFs are developed to each generate 10 megawatts or less when the output is

averaged over any given month. The generation equipment of each QF is separated by at least one mile at the closest points.

40. In October 2010, the five projects were each self-certified as qualifying facilities.

41. On October 28, 2010, the Cotterel WindEnergy Center LLCs provided Idaho Power with five standard PURPA contracts containing the non-levelized rates in Order No. 31025, executed by the Cotterel WindEnergy Center LLCs.

42. These five contracts were mirror images of the most recently approved wind QF standard contract at the time (from Case No. IPC-E-09-25), with the exception that the Cotterel WindEnergy Center LLCs' contracts contained different project specifics, lower rates contained in Order No. 31025, and a higher delay liquidated damages security amount of \$45 per kilowatt ("kw") consistent with the most recent QF contracts. I have attached true and correct copies of the October 28, 2010 contract submittals as Exhibits 1-5 to this affidavit.

43. SWE provided a cover letter with each of the contracts submitted indicating that the QFs planned to use a single point of interconnection and continue through the interconnection process already in progress for Generator Interconnection Request No. 302.

44. SWE also contacted Idaho Power transmission and interconnection personnel to inform them of the reduced overall output of the projects to 147 MW and a change in turbine.

45. On November 4, 2010, Idaho Power sent letters of understanding requiring that SWE agree, prior to execution of the PURPA agreements, that SWE would proceed through new interconnection and transmission processes.

46. Idaho Power's proposed letters of understanding required a signature agreeing to the new process with new milestones to be achieved before power purchase contracts execution, and included draft Network Resource Integration Study Agreements, and Transmission Capacity

Application Questionnaires for each QF.

47. Then, on November 5, 2010, Idaho Power, along with Avista Utilities and Rocky Mountain Power, filed the Joint Motion to Reduce the Published Rate Eligibility Cap.

48. The Cotterel WindEnergy Center LLCs each filed complaints against Idaho Power on November 8, 2010, alleging they were entitled to standard contracts and that Idaho Power had insisted on an unnecessary interconnection and transmission process when the projects possessed rights acquired through Generator Interconnection Request No. 302. The Commission docketed the complaint cases as Case Nos. IPC-E-10-51, IPC-E-10-52, IPC-E-10-53, IPC-E-10-54, and IPC-E-10-55.

49. After the Commission did not grant the immediate reduction in the published rate eligibility cap requested by the Joint Utilities, on November 19, 2010, Idaho Power and the Cotterel WindEnergy Center LLCs agreed to stay the complaint proceeding and execute standard QF wind contracts containing the published rates.

50. On November 30, 2010, Idaho Power provided 5 draft contracts substantially similar to the QFs' drafts modeled on the IPC-E-09-25 contract and delivered by SWE on October 28, 2010.

51. Idaho Power again insisted in a letter dated December 7, 2010, that the QFs agree to proceed through a different process for securing transmission to Idaho Power's load center from that in the OATT under their existing Generator Interconnection No. 302.

52. Because Idaho Power insisted this new process was a prerequisite to obtaining executed power sale contracts, SWE had previously signed and submitted the November 4, 2010 letters of understanding, and now each individual QFs submitted the Transmission Capacity Application Questionnaire on December 9, 2010.

53. On Friday, December 10, 2010, Idaho Power tendered five executable contracts which were substantially similar to those submitted by the Cotterel WindEnergy Center LLCs on October 28, 2010.

54. The Cotterel WindEnergy Center LLCs executed the agreements on December 13, 2010, and sent them to Idaho Power, which executed the originals on December 15, 2010, and filed the contracts for Commission approval on December 16, 2010.

55. On December 21, 2010, Idaho Power's PURPA contracts administration department sent letters to each of the QFs asserting that each project must sign a Network Resource Integration Study Agreement and submit a deposit of \$2,000 by January 3, 2011.

56. Idaho Power stated this was necessary under the new transmission process, outlined in its November 4, 2010 letters of understanding, to study the ability to designate each project as a network resource.

57. Idaho Power's December 21 letter stated that if the QFs did not submit the deposit and the agreement by January 3, 2011, the network transmission request would be withdrawn. The letter provided for no delay in this requirement for the intervening holidays.

58. I understood this new process implemented under PURPA to be different from the process under which SWE had been proceeding pursuant to the OATT.

59. The Cotterel WindEnergy Center LLCs signed the Network Resource Integration Study Agreements on December 30, 2010, electronically mailed scanned copies to Idaho Power on December 31, 2010, and sent the originals by overnight delivery on that same day to ensure that they would arrive on Monday, January 3, 2011.

60. The QFs transferred the \$2,000 for each QF by wire transfer on January 3, 2011.

61. Subsequently, on February 22, 2011, Idaho Power refunded the \$10,000 provided

for the new transmission study process.

62. Idaho Power stated in a letter from its transmission personnel on February 23, 2011, that it approved SWE's changes from the original Generator Interconnection request of 177 MW to a smaller interconnection of only 148 MW for PURPA projects, and would proceed with the same Project No. 302 under the Large Generation Interconnection Procedures of the OATT.

63. This is the process SWE requested Idaho Power follow for the QFs when SWE first submitted contracts on October 28, 2010, and the process SWE alleged it was entitled to follow in the Complaints filed on November 8, 2010.

64. I understand that this OATT process will analyze Idaho Power's ability to bring the output to native load and identify whether any network upgrades are required, and that Idaho Power now agrees with SWE's position that the Cotterel WindEnergy Center QFs may proceed through the interconnection process under the OATT.

I declare under penalty of perjury under the laws of the United States and under laws of the state of Texas that the foregoing is true and correct.

DATED this 15 day of March 2011.

By Kevin L. Simmons
Kevin Simmons

STATE OF TEXAS)

) ss.

COUNTY OF Harris)

On this 15th day of March 2011, before me, a Notary Public in and for the State of Texas, personally appeared Kevin Simmons, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument and acknowledged it to be his free and voluntary act and deed for the uses and purposes mentioned in the instrument.

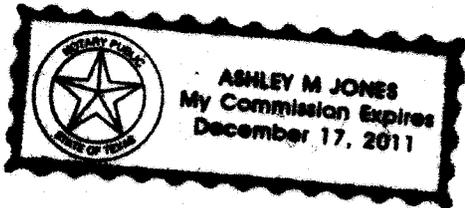
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Ashley M Jones

NOTARY PUBLIC for the State of Texas

Residing at Houston, Texas

My Commission expires 12/17/11



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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-10-53

CHARLIE WIND LLC

AFFIDAVIT OF KEVIN SIMMONS

EXHIBIT NO. 1

SEE AFFIDAVIT OF KEVIN SIMMONS FILED IN CASE NO.

IPC-E-10-51 FOR EXHIBIT NO. 1

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UTILITIES COMMISSION

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-10-53

CHARLIE WIND LLC

AFFIDAVIT OF KEVIN SIMMONS

EXHIBIT NO. 2

SEE AFFIDAVIT OF KEVIN SIMMONS FILED IN CASE NO.

IPC-E-10-52 FOR EXHIBIT NO. 2

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BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-10-53

CHARLIE WIND LLC

AFFIDAVIT OF KEVIN SIMMONS

EXHIBIT NO. 3

OCTOBER 28, 2010 PURPA CONTRACT SUBMITTAL FOR
CHARLIE WIND LLC



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IDAHO PUBLIC
UTILITIES COMMISSION

October 28, 2010

Via Hand Delivery

Randy Allphin
PURPA Contracts Administrator
Idaho Power Company
121 W. Idaho Street
Boise, Idaho 83702

Re: Charlie Wind LLC PURPA PPA Submittal

Dear Mr. Allphin:

I write on behalf of Charlie Wind LLC to request that Idaho Power counter-sign the enclosed power purchase agreement (PPA) for Charlie Wind LLC to sell the output of its wind energy facility to Idaho Power as a qualifying facility (QF) under the Public Utilities Regulatory Policy Act of 1978 (PURPA). Charlie Wind LLC intends for this submittal to fully obligate itself to the enclosed standard PPA executed by Charlie Wind LLC to operate as a QF under 10 average monthly megawatts (aMW). I have also enclosed the Form 556 Notice of Self Certification as a QF filed yesterday by Charlie Wind LLC with the Federal Energy Regulatory Commission.

As you may be aware, Idaho Power has already engaged in extensive negotiations regarding a larger, single project with Cotterel WindEnergy Center LLC at the wind site on Cotterel Mountain near Burley, Idaho. Cotterel WindEnergy Center LLC is the parent company of Charlie Wind LLC, and as such is transferring to Charlie Wind LLC the development rights necessary to perform under the enclosed PPA. Thus, Idaho Power should be aware of this site and that it is mature and ready to be developed.

The enclosed PURPA PPA contains the standard rates, terms, and conditions approved by the Idaho Public Utilities Commission (Commission) for projects that will deliver under 10 aMW. Those terms include the rates in effect today (Order No. 31025) with the daily and seasonality load shape price adjustments (Order No. 30415), as well as the wind integration charge, mechanical availability guarantee, and wind forecasting and cost sharing provisions (Order No. 30488).

For consistency with Idaho Power's PPAs, the enclosed Charlie Wind LLC PPA copied the terms and conditions from the most recently approved PURPA wind PPA for a project under 10 aMW -- the Idaho Winds LLC PPA, which is on file at the Commission in Case No. IPC-E-09-25. Other than the Charlie Wind LLC's design and site specifics, the only difference from the Idaho Winds LLC PPA is that of the price and the amount of delay security. The price schedules in the enclosed

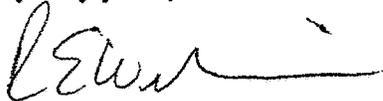
Mr. Allphin
October 28, 2010
Page 2

PPA are derived from the non-levelized rate schedule in Order No. 31025 (not Order No. 30744 as in the Idaho Winds LLC PPA). Additionally, the price schedules include a reduction of \$6.50/MWh for the wind integration charge during all hours and all years, as we assume that Idaho Power will be using the \$6.50/MWh charge at the relevant times per the wind integration charge calculation formula approved in Order No. 30488. Charlie Wind LLC intends to obligate itself only to the appropriate rates utilizing that formula. Finally, Charlie Wind LLC understands that Idaho Power has begun requiring a delay security of \$45/kw, while the Idaho Winds LLC PPA executed a little over a year ago utilized only a \$20/kw delay security. To avoid conflict, Charlie Wind LLC intends to obligate itself to the \$45/kw delay security, and has included that amount in the enclosed PPA.

Charlie Wind LLC will be near four other PURPA QFs -- Alpha Wind LLC, Bravo Wind LLC, Delta Wind LLC, and Echo Wind LLC. Charlie Wind LLC will have its own meter to report generation to Idaho Power, but each of the five QFs will interconnect to Idaho Power's system at the single point of interconnection with the four other QFs. That point of interconnection will be the point studied under Large Generator Request No. 302. That request secured transmission access for up to 177 MW of capacity for Cotterel WindEnergy Center LLC. Thus, there should be no issues with Idaho Power's ability to accept and integrate the 147.2 MW of cumulative output of Charlie Wind LLC and the four other nearby QFs.

I look forward to hearing back from you at your earliest convenience.

Very truly yours,



Dick Williams
President
Charlie Wind LLC

FIRM ENERGY SALES AGREEMENT

BETWEEN

IDAHO POWER COMPANY

AND CHARLIE WIND LLC

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FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

Project Name: Charlie Wind Project

Project Number:

THIS AGREEMENT, entered into on this ___ day of _____ 2010 between CHARLIE WIND LLC (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as "Parties" or individually as "Party."

WHEREAS, Seller will design, construct, own, maintain and operate an electric generation facility; and

WHEREAS, Seller wishes to sell, and Idaho Power is willing to purchase, firm electric energy produced by the Seller's Facility.

THEREFORE, In consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

ARTICLE I: DEFINITIONS

As used in this Agreement and the appendices attached hereto, the following terms shall have the following meanings:

1.1 "Availability Shortfall Price" – The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.

1.2 "Business Days" – means any calendar day that is not a Saturday, a Sunday, or a NERC recognized holiday.

1.3 "Calculated Net Energy Amount" – A monthly estimate, prepared and documented after the fact by Seller, reviewed and accepted by the Buyer that is the calculated monthly maximum energy

deliveries (measured in Kwh) for each individual wind turbine, totaled for the Facility to determine the total energy that the Facility could have delivered to Idaho Power during that month based upon: (1) each wind turbines Nameplate Capacity, (2) Sufficient Prime Mover available for use by each wind turbine during the month, (3) incidents of Force majeure, (4) scheduled maintenance, or (5) incidents of Forced Outages and less Losses and Station Use. If the duration of an event characterized as item 3, 4 or 5 above (measured on each individual occurrence and individual wind turbine) lasts for less than 15 minutes, then the event will not be considered in this calculation. The Seller shall collect and maintain actual data to support this calculation and shall keep this data for a minimum of 3 years.

1.4 "Commission" – The Idaho Public Utilities Commission.

1.5 "Contract Year" – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.

1.6 "Delay Liquidated Damages" – Damages payable to Idaho Power as calculated in paragraph 5.3, 5.4, 5.5 and 5.6.

1.7 "Delay Period" – All days past the Scheduled Operation Date until the Seller's Facility achieves the Operation Date.

1.8 "Delay Price" – The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.

1.9 "Designated Dispatch Facility" – Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.

1.10 "Effective Date" – the date stated in the opening paragraph of this Firm Energy Sales Agreement representing the date upon which this Firm Energy Sales Agreement was fully executed by both Parties.

1.11 "Facility" – That electric generation facility described in Appendix B of this Agreement.

1.12 "First Energy Date" – the day commencing at 00:01 hours, Mountain Time, following the day that Seller has satisfied the requirements of Article IV and the Seller begins delivering energy to Idaho Power's system at the Point of Delivery.

1.13 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power’s ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) responding to a transmission provider curtailment order or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability.

1.14 “Heavy Load Hours” – The daily hours beginning at 07:00 am, ending at 11:00 pm Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.

1.15 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.5 of this Agreement.

1.16 “Interconnection Facilities” – All equipment specified in Idaho Power’s Schedule 72.

1.17 “Initial Capacity Determination” – The process by which Idaho Power confirms that under normal or average design conditions the Facility will generate at no more than 10 average MW per month and is therefore eligible to be paid the published rates in accordance with Commission Order No. 29632.

1.18 “Light Load Hours” – The daily hours beginning at 11:00 pm, ending at 07:00 am Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.

1.19 “Losses” – the loss of electrical energy expressed in kilowatt hours (kWh) occurring as a result of the transformation and transmission of energy between the Metering Point and the point the Facility’s energy is delivered to the Idaho Power electrical system. The loss calculation formula will be as specified in Appendix B of this Agreement.

- 1.20 “Market Energy Reference Price” – Eighty-five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.21 “Material Breach” – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.
- 1.22 “Maximum Capacity Amount” – the maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.23 “Mechanical Availability” – the percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net energy divided by the Facility’s Calculated Net Energy Amount for the applicable month. Any damages due as a result of the Seller falling short of the Mechanical Availability Guarantee for each month shall be determined in accordance with paragraph 6.4.4.
- 1.24 “Mechanical Availability Guarantee” shall be as defined in paragraph 6.4.
- 1.25 “Metering Equipment” – All equipment specified in Schedule 72, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter bi-directional power flows from the Seller’s Facility at the Metering Point.
- 1.26 “Metering Point” – The physical point at which the Metering Equipment is located that enables accurate measurement of the Test Energy and Net Energy deliveries to Idaho Power at the Point of Delivery for this Facility that provides all necessary data to administer this Agreement.
- 1.27 “Mid-Columbia Market Energy Cost” – The monthly weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-C Index) prices for non-firm energy. If the Dow Jones Mid-Columbia Index price is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the Dow Jones Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.28 “Nameplate Capacity” – The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

1.29 “Net Energy” – All of the electric energy produced by the Facility, less Station Use, less Losses, expressed in kilowatt hours (kWh) delivered to Idaho Power at the Point of Delivery. Subject to the terms of this Agreement, Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement. Net Energy does not include Inadvertent Energy.

1.30 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.

1.31 “Point of Delivery” – The location specified in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to Idaho Power.

1.32 “Prudent Electrical Practices” – Those practices, methods and equipment that are commonly and ordinarily used in electrical engineering and operations to operate electric equipment lawfully, safely, dependably, efficiently and economically.

1.33 “Schedule Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. In establishing this date it is expected that the Seller reasonably determines this date based upon the best known information in regards to equipment availability and construction schedules.

1.34 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission. The Seller shall be responsible to pay all costs of interconnection and integration of this Facility into the Idaho Power electrical system as specified with Schedule 72 and this Agreement.

1.35 “Season” – The three periods identified in paragraph 6.2.1 of this Agreement.

1.36 “Special Facilities” – Additions or alterations of transmission and/or distribution lines and transformers as described in Schedule 72.

1.37 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

1.38 “Sufficient Prime Mover” – means wind speed that is (1) equal to or greater than the generation unit’s manufacturer-specified minimum levels required for the generation unit to produce energy and (2) equal to or less than the generation unit’s manufacturer-specified maximum levels at which the generation unit can safely produce energy.

1.39 “Surplus Energy” – All Net Energy produced by the Seller’s Facility and delivered by the Facility to the Idaho Power electrical system prior to the Operation Date.

1.40 “Total Cost of the Facility” – the total cost of structures, equipment and appurtenances.

1.41 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

ARTICLE II: NO RELIANCE ON IDAHO POWER

2.1 Seller Independent Investigation – Seller warrants and represents to Idaho Power that in entering into this Agreement and the undertaking by the Seller of the obligations set forth herein, Seller has investigated and determined that it is capable of performing hereunder and has not relied upon the advice, experience or expertise of Idaho Power in connection with the transactions contemplated by this Agreement.

2.2 Seller Independent Experts – All professionals or experts including, but not limited to, engineers, attorneys and accountants, that Seller may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Seller.

ARTICLE III: WARRANTIES

3.1 No Warranty by Idaho Power – Any review, acceptance or failure to review Seller’s design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller’s design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.

3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a material Breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller, Seller shall:

4.1.1 Submit proof to Idaho Power that all licenses, permits or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a Qualifying Facility.

4.1.2 Opinion of Counsel - Submit to Idaho Power an Opinion Letter signed by an attorney admitted to practice and in good standing in the State of Idaho providing an opinion that Seller's licenses, permits and approvals as set forth in paragraph 4.1.1 above are legally and validly issued, are held in the name of the Seller and, based on a reasonable independent review, counsel is of the opinion that Seller is in substantial compliance with said permits as of the date of the Opinion Letter. The Opinion Letter will be in a form acceptable to Idaho Power and will acknowledge that the attorney rendering the opinion understands that Idaho Power is relying on said opinion. Idaho Power's acceptance of the form will not be unreasonably withheld. The Opinion Letter will be governed by and shall be interpreted in accordance with the legal opinion accord of the American Bar Association Section of Business Law (1991).

4.1.3 Initial Capacity Determination - Submit to Idaho Power such data as Idaho Power may reasonably require to perform the Initial Capacity Determination. Such data will include but not be limited to, Nameplate Capacity, equipment specifications, prime mover data, resource characteristics, normal and/or average operating design conditions and Station Use data. Upon receipt of this information, Idaho Power will review the provided data and if necessary, request additional data to complete the Initial Capacity Determination within a reasonable time.

4.1.3.1 If the Maximum Capacity specified in Appendix B of this Agreement and the cumulative manufacture Nameplate Capacity rating of the individual generation units at this Facility is less than 10 MW, the Seller shall submit detailed, manufacturer-specific, verifiable data of the Nameplate Capacity ratings of the actual individual generation units to be installed at this Facility. Upon verification by Idaho Power that the data provided establishes the combined nameplate rating of the generation units to be installed at this Facility is less than 10 MW, it will be deemed that the Seller has satisfied the Initial Capacity Determination for this Facility.

4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer’s and engineering documentation that establishes the Nameplate Capacity of each individual generation unit that is included within this entire Facility. Upon receipt of this data, Idaho Power shall review the provided data and determine if the Nameplate Capacity specified is reasonable based upon the manufacturer’s specified generation ratings for the specific generation units.

4.1.5 Engineer’s Certifications – Submit an executed Engineer’s Certification of Design & Construction Adequacy and an Engineer’s Certification of Operations and Maintenance (O&M) Policy as described in Commission Order no. 21690. These certificates will be in the form specified in Appendix C but may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates.

4.1.6 Insurance – Submit written proof to Idaho Power of all insurance required in Article XIII.

4.1.7 Interconnection - Provide written confirmation from Idaho Power’s delivery business unit that Seller has satisfied all interconnection requirements.

4.1.8 Network Resource Designation and Transmission Service Request –

4.1.8.1 Provide all data required by the Idaho Power delivery business unit to enable the Seller’s Facility to be designated as a network resource.

4.1.8.2 Receive confirmation from the Idaho Power delivery business unit that the Seller’s Facility has been designated as a network resource.

4.1.8.3 Provide all data required for Idaho Power to submit a Transmission Service Request (TSR) for the Seller’s Facility.

4.1.8.4 Receive confirmation from Idaho Power that the TSR has been granted in sufficient capacity to meet or exceed the Maximum Capacity and the Seller has paid all costs associated with any requirements of the TSR.

4.1.9 Written Acceptance – Request and obtain written confirmation from Idaho Power that all conditions to acceptance of energy have been fulfilled. Such written confirmation shall be provided within a commercially reasonable time following the Seller’s request and will not be unreasonably withheld by Idaho Power.

ARTICLE V: TERM AND OPERATION DATE

5.1 Term – Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of twenty (20) Contract Years from the Operation Date.

5.2 Operation Date – The Operation Date may occur only after the Facility has achieved all of the following:

- a) Achieved the First Energy Date.
- b) Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- c) Seller has demonstrated to Idaho Power’s satisfaction that the Facility is complete and able to provide energy in a consistent, reliable and safe manner.
- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date. This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay – Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date.

5.3.1 If the Operation Date occurs after the Scheduled Operation Date but on or prior to 90 days past the Scheduled Operation Date, Seller shall pay Idaho Power Delay Liquidated

Damages calculated at the end of each calendar month after the Scheduled Operation Date as follows:

Delay Liquidated Damages are equal to ((current month's Initial year monthly Net Energy Amount as specified in paragraph 6.2.1 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month's Delay Price.

5.3.2 If the Operation Date does not occur within ninety (90) days following the Scheduled Operation Date the Seller shall pay Idaho Power Delay Liquidated Damages, in addition to those provided in paragraph 5.3.1, calculated as follows:

Forty-five dollars (\$45) multiplied by the Maximum Capacity amount with the Maximum Capacity Amount being measured in kW.

5.4 If Seller fails to achieve the Operation Date within ninety (90) days after the Scheduled Operation Date and Seller has made no commercially reasonable efforts to develop this Facility, Idaho Power will terminate this Agreement. If the Seller is making commercially reasonable efforts to develop this Facility, Idaho Power shall not terminate this Agreement and additional Delay Damages beyond those calculated in 5.3.1 and 5.3.2 will be calculated and payable monthly using the delay damage calculation described in 5.3.1 above for all days exceeding 90 days past the Scheduled Operation Date until such time as the Seller achieves the Operation Date or until termination of this Agreement. If Idaho Power determines that the Seller is no longer making commercially reasonable efforts to develop this Facility Idaho Power shall terminate this Agreement.

5.5 Seller shall pay Idaho Power any calculated Delay Liquidated Damages within 7 days of when Idaho Power calculates and presents any Delay Liquidated Damages billings to the Seller. Seller's failure to pay these damages within the specified time will be a Material Breach of this Agreement and Idaho Power may draw funds from the Delay Security provided by the Seller in an amount equal to the calculated Delay Liquidated Damages.

5.6 The parties agree that the damages Idaho Power would incur due to delay in the Facility achieving the Operation Date on or before the Scheduled Operation Date would be difficult or impossible to predict with certainty, and that the Delay Liquidated Damages are an appropriate approximation of such damages.

5.7 Within thirty (30) days of the date of a Commission Order as specified in Article XXI approving this Agreement; Seller shall post liquid security ("Delay Security") in a form as described in Appendix D equal to or exceeding the amount calculated in paragraph 5.7.1. Failure to post this Delay Security in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.

5.7.1 Forty-five dollars (\$45) multiplied by the Maximum Capacity Amount with the Maximum Capacity Amount being measured in kW.

5.7.1.1 In the event (a) Seller provides Idaho Power with certification that (1) a generation interconnection agreement specifying a schedule that will enable this Facility to achieve the Operation Date no later than the Scheduled Operation Date has been completed and the Seller has paid all required interconnection costs or (2) a generation interconnection agreement is substantially complete and all material costs of interconnection have been identified and agreed upon and (b) the Seller is in compliance with all terms and conditions of the generation interconnection agreement, the Delay Security calculated in accordance with paragraph 5.7.1 will be reduced by ten percent (10%).

5.7.1.2 If the Seller has received a reduction in the calculated Delay Security as specified in paragraph 5.7.1.1 and subsequently (1) at Seller's request, the generation interconnection agreement specified in paragraph 5.7.1.1 is revised and as a result the Facility will not achieve its Operation Date by the Scheduled Operation Date or (2) if the Seller does not maintain compliance with the generation interconnection agreement, the full amount of the Delay Security as calculated in paragraph 5.7.1 will be subject to reinstatement and will be due and owing within 15 Business Days from the date Idaho Power requests reinstatement. Failure to timely reinstate the Delay Security will be a Material Breach of this Agreement.

5.7.2 Idaho Power shall release any remaining security posted hereunder after all calculated Delay Liquidated Damages are paid in full to Idaho Power and the earlier of (1) 30 days after the Operation Date has been achieved or (2) 30 days after the termination of this Agreement.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

6.1 **Delivery and Acceptance of Net Energy** – Except when either party’s performance is excused as provided herein, Idaho Power will purchase and Seller will sell all of the Net energy to Idaho Power at the Point of Delivery. All Inadvertent Energy produced by the Facility will also be delivered by the Seller to Idaho Power at the Point of Delivery. At no time will the total amount of Net Energy and/or Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery exceed the Maximum Capacity Amount.

6.2 **Net Energy Amounts** – Seller intends to produce and deliver Net Energy in the following monthly amounts. These amounts shall be consistent with the Mechanical Availability Guarantee.

6.2.1 **Initial Year Monthly Net Energy Amounts:**

	Month	kWH
Season 1	March	7,068,000
	April	6,498,000
	May	6,657,859
Season 2	July	4,965,384
	August	5,263,994
	November	6,435,097
	December	7,068,000
Season 3	June	6,212,107
	September	5,341,725
	October	6,670,988
	January	6,738,454
	February	6,277,632
	Total kWH's	63,398,496

6.3 Unless excused by an event of Force Majeure, Seller's failure to deliver Net energy in any Contract year in an amount equal to at least ten percent (10%) of the sum of the Initial year Monthly Net Energy Amounts as specified in paragraph 6.2 shall constitute an event of default.

6.4 Mechanical Availability Guarantee – After the Operational Date has been established, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the full term of this Agreement (the "Mechanical Availability Guarantee"). Failure to achieve the Mechanical Availability Guarantee shall result in Idaho Power calculating damages as specified in paragraph 6.4.4.

6.4.1 At the same time the Seller provides the Monthly Power Production and Availability Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of all information used to calculate the Calculated Net energy amount including but not limited to: (a) Force Outages, (b) Force Majeure events, (c) wind speeds and the impact of generation output and (c) scheduled maintenance and Station Use information.

6.4.2 The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.

6.4.3 Idaho Power shall have the right to review and audit the documentation support the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

6.4.4 If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages shall be equal to:

((85 percent of the month's Calculated Net Energy Amount) minus the month's actual net energy deliveries) multiplied by the Availability shortfall Price.

6.4.5 Any damages calculated in paragraph 6.4.4 will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

7.1 **Heavy Load Purchase Price** – For all Net energy received during Heavy Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 31025, 30738 and adjusted in accordance with Commission Order 30415 for Heavy Load Hour energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

<u>Heavy Load Purchase Price</u>			
	Season 1 - (73.50%)	Season 2 - (120.00%)	Season 3 - (100.00%)
Year	<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2011	40.02	69.45	56.80
2012	42.76	73.93	60.52
2013	45.36	78.18	64.06
2014	48.16	82.74	67.87
2015	51.16	87.64	71.95
2016	52.89	90.46	74.30
2017	54.59	93.23	76.61
2018	56.43	96.25	79.12
2019	58.25	99.21	81.59
2020	60.12	102.27	84.14
2021	62.34	105.90	87.16
2022	64.65	109.67	90.31
2023	67.05	113.59	93.57
2024	69.55	117.66	96.97
2025	72.14	121.90	100.50
2026	74.35	125.49	103.49
2027	76.62	129.20	106.58
2028	78.96	133.03	109.77
2029	81.38	136.97	113.06
2030	83.87	141.04	116.45
2031	87.22	146.51	121.01
2032	90.15	151.30	125.00
2033	93.19	156.26	129.13
2034	96.34	161.39	133.41

7.2 Light Load Purchase Price – For all Net Energy received during Light Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 31025, 30738 and adjusted in accordance with Commission Order 30415 for Light Load Hour Energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

<u>Light Load Purchase Price</u>			
	Season 1 - (73.50%)	Season 2 - (120.00%)	Season 3 - (100.00%)
<u>Year</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2011	34.67	60.72	49.52
2012	37.41	65.19	53.24
2013	40.01	69.44	56.78
2014	42.81	74.00	60.59
2015	45.81	78.91	64.67
2016	47.54	81.73	67.02
2017	49.24	84.50	69.33
2018	51.08	87.51	71.84
2019	52.90	90.47	74.31
2020	54.77	93.53	76.86
2021	56.99	97.16	79.88
2022	59.30	100.93	83.03
2023	61.70	104.85	86.29
2024	64.20	108.92	89.69
2025	66.79	113.16	93.22
2026	68.99	116.76	96.21
2027	71.27	120.47	99.30
2028	73.61	124.29	102.49
2029	76.03	128.24	105.78
2030	78.52	132.31	109.17
2031	81.87	137.77	113.73
2032	84.80	142.56	117.72
2033	87.84	147.52	121.85
2034	90.98	152.66	126.13

7.3 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Price shall be the non-levelized energy price in accordance with commission Order 31025, 30738 and adjusted in accordance with commission Order 30488 for the wind integration charge and with seasonalization factors applied:

<u>All Hours Purchase Price</u>			
	Season 1 - (73.50%)	Season 2 - (120.00%)	Season 3 - (100.00%)
<u>Year</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2011	37.64	65.57	53.56
2012	40.38	70.04	57.28
2013	42.98	74.29	60.82
2014	45.78	78.85	64.63
2015	48.78	83.75	68.71
2016	50.51	86.58	71.06
2017	52.21	89.35	73.37
2018	54.05	92.36	75.88
2019	55.86	95.32	78.35
2020	57.74	98.38	80.90
2021	59.96	102.01	83.92
2022	62.27	105.78	87.07
2023	64.67	109.70	90.33
2024	67.17	113.77	93.73
2025	69.76	118.01	97.26
2026	71.96	121.60	100.25
2027	74.24	125.31	103.35
2028	76.58	129.14	106.53
2029	79.00	133.09	109.82
2030	81.49	137.16	113.21
2031	84.84	142.62	117.77
2032	87.77	147.41	121.76
2033	90.81	152.37	125.89
2034	93.95	157.51	130.17

7.4 Surplus Energy Price – For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the All hours Energy Price specified in paragraph 7.3, whichever is lower.

7.5 Inadvertent Energy –

7.5.1 Inadvertent Energy is electric energy produced by the Facility, expressed in kWh, which the Seller delivers to Idaho Power at the Point of Delivery that exceeds 10,000 kW multiplied by the hours in the specific month in which the energy was delivered. (For example January contains 744 hours. 744 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440,000 kWh in this example would be Inadvertent Energy.)

7.5.2 Although Seller intends to design and operate the Facility to generate no more than 10 average MW and therefore does not intend to generate Inadvertent Energy, Idaho Power will accept Inadvertent Energy that does not exceed the Maximum Capacity Amount but will not purchase or pay for Inadvertent Energy.

7.6 Payment Due Date – Energy payments, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) described in Appendix E and any other payments due Idaho Power, will be disbursed to the Seller within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Available Guarantee and the Net Energy actually delivered to Idaho Power as specified in Appendix A.

7.7 Continuing Jurisdiction of the Commission – This Agreement is a special contract and, as such, the rates, terms and conditions contained in this Agreement will be construed in accordance with Idaho Power Company v. Idaho Public Utilities Commission and After Energy, Inc., 107 Idaho 781, 693 P.2d 427 (1984), Idaho Power Company v. Idaho Public Utilities Commission, 107 Idaho 1122, 695 P.2d 1 261 (1985), Afton Energy, Inc. v. Idaho Power Company, 111 Idaho 925, 729 P2d 400 (1986), Section 210 of the Public Utilities Regulatory Policies Act of 1978 and 18 CFR §292.303-308.

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

8.1 Idaho Power waives any claim to ownership of Environmental Attributes. Environmental Attributes include, but are not limited to, Green Tags, Green Certificates, Renewable Energy Credits

(RECs) and Tradable Renewable Certificates (TRCs) directly associated with the production of energy from the Seller's Facility.

ARTICLE IX: FACILITY AND INTERCONNECTION

9.1 Design of Facility – Seller will design, construct, install, own, operate and maintain the Facility and any Seller-owned Interconnection Facilities so as to allow safe and reliable generation and delivery of Net Energy and Inadvertent Energy to the Idaho Power Point of Delivery for the full term of the Agreement.

9.2 Interconnection Facilities – Except as specifically provided for in this Agreement, the required Interconnection Facilities will be in accordance with Schedule 72, the Generation Interconnection Process and Appendix B. The Seller is responsible for all costs associated with this equipment as specified in Schedule 72 and the Generation Interconnection Process, including but not limited to initial costs incurred by Idaho Power for equipment costs, installation costs and ongoing monthly Idaho Power operations and maintenance expenses.

ARTICLE X: METERING AND TELEMETRY

10.1 Metering – Idaho Power shall, for the account of Seller, provide, install, and maintain Metering and Telemetry Equipment to be located at a mutually agreed upon location to record and measure power flows to Idaho Power in accordance with this Agreement and Schedule 72. The Metering Equipment will be at the location and the type required to measure, record and report the Facility's net Energy, Station use, Inadvertent energy and maximum energy deliveries (kW) at the Point of Delivery in a manner to provide Idaho Power adequate energy measurement data to administer this Agreement and to integrate this Facility's energy production into the Idaho Power electrical system.

10.2 Telemetry – Idaho Power will install, operate and maintain at Seller's expense metering, communications and telemetry equipment which will be capable of providing Idaho Power with continuous instantaneous telemetry of Seller's Net Energy and Inadvertent Energy produced and delivered to the Idaho Power Point of Delivery to Idaho Power's Designated Dispatch Facility.

ARTICLE XI – RECORDS

11.1 Maintenance of Records – Seller shall maintain at the Facility or such other location mutually acceptable to the Parties adequate total generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records in a form and content recommended by Idaho Power.

11.2 Inspection – Either Party, after reasonable notice to the other party, shall have the right, during normal business hours, to inspect and audit any or all generation, Net Energy, Station Use, Inadvertent energy and maximum generation (kW) records pertaining to the Seller's Facility.

ARTICLE XII: OPERATIONS

12.1 Communications – Idaho Power and the Seller shall maintain appropriate operating communications through Idaho Power's Designated Dispatch Facility in accordance with Appendix A of this Agreement.

12.2 Energy Acceptance –

12.2.1 Idaho Power shall be excused from accepting and paying for Net Energy or accepting Inadvertent Energy which would have otherwise been produced by the Facility and delivered by the Seller to the Point of Delivery, if it is prevented from doing so by an event of Force majeure, Forced Outage or temporary disconnection of the Facility in accordance with Schedule 72. If, for reasons other than an event of Force majeure or a Forced Outage, a temporary disconnection under Schedule 72 exceeds Twenty (20) days, beginning with the twenty-first day of such interruption, curtailment or reduction, Seller will be deemed to be delivering Net Energy at a rate equivalent to the pro rata daily average of the amounts specified for the applicable month in paragraph 6.2. Idaho Power will notify Seller when the interruption, curtailment or reduction is terminated.

12.2.2 If, in the reasonable opinion of Idaho Power, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified within Schedule 72 or take such other reasonable steps as Idaho power deems appropriate.

12.2.3 Under no circumstances will the Seller deliver Net Energy and/or Inadvertent Energy from the Facility to the Point of Delivery in an amount that exceeds the Maximum Capacity Amount at any moment in time. Seller's failure to limit deliveries to the maximum Capacity Amount will be a Material Breach of this Agreement.

12.3 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 Idaho Power 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 Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

12.4 Maintenance Coordination – The Seller and Idaho Power shall, to the extent practical, coordinate their respective line and Facility maintenance schedule such that they occur simultaneously.

12.5 Contact Prior to Curtailment – Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt the 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 Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification – Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying party's construction, ownership, operation or maintenance of, or by failure of, any such party's works or facilities used in connection with this Agreement. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity.

The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

13.2 Insurance – during the term of this Agreement, Seller shall secure and continuously carry the following insurance coverage:

13.2.1 Comprehensive General Liability Insurance for both bodily injury and property damage with limits equal to \$1,000,000, each occurrence, combined single limit.

13.2.2 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:

- (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.

13.3 Seller to Provide Certificate of Insurance – As required in paragraph 4.1.6 herein and annually thereafter, Seller shall furnish Idaho Power a certificate of insurance, together with the endorsements required therein, evidencing the coverage as set forth above.

13.4 Seller to Notify Idaho Power of Loss of Coverage – If the insurance coverage required by paragraph 13.2 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 a Material Breach of this Agreement.

ARTICLE XIV: FORCE MAJEURE

14.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the control of the Seller or of Idaho Power 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 Effective Date, which, by the exercise of due diligence, it shall be unable to overcome. If either party is rendered wholly or in

party 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.
- (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.

ARTICLE XV: LIABILITY; DEDICATION

15.1 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

ARTICLE XVI: SEVERAL OBLIGATIONS

16.1 Except where specifically stated in this Agreement to be otherwise, the duties, obligations and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or impose a trust or partnership duty, obligation or liability on or with regard to either Party. Each party shall be individually and severally liable for its own obligations under this Agreement.

ARTICLE XVII: WAIVER

17.1 Any waiver at any time by either party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or other matter.

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.

18.2 Venue for any litigation arising out of or related to this Agreement will lie in the District court of the Fourth Judicial District of Idaho in and for the County of Ada.

ARTICLE XIX: DISPUTES AND DEFAULT

19.1 Disputes – All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted to the Commission for resolution.

19.2 Notice of Default –

19.2.1 Defaults If either Party fails to perform any of the terms or conditions of this Agreement (an “event of default”), the non-defaulting 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 non-defaulting party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies.

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 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.

19.3 Security for Performance – Prior to the Operation Date and thereafter for the full term of this Agreement, Seller will provide Idaho Power with the following:

19.3.1 Insurance – Evidence of compliance with the provisions of paragraph 13.2. If Seller fails to comply, such failure will be a material Breach and may only be cured by Seller supplying evidence that the required insurance coverage has been replaced or reinstated;

19.3.2 Engineer's Certifications – Every three (3) years after the Operation Date, Seller will supply Idaho Power with a Certification of Ongoing Operations and Maintenance (O&M) from a Registered Professional Engineer licensed in the State of Idaho, which Certification of Ongoing O&M shall be in the form specified in Appendix C. Seller's failure to supply the required certificate will be an event of default. Such a default may only be cured by Seller providing the required certificate; and

19.3.3 Licenses and Permits – During the full term of this Agreement, Seller shall maintain compliance with all permits and licenses described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits or licenses. At least every fifth Contract Year, Seller will update the documentation described in paragraph 4.1.1. If at any time Seller fails to maintain compliance with the permits and licenses described in paragraph 4.1.1 or to provide the documentation required by this paragraph, such failure will be an event of default and may only be cured by Seller submitting to Idaho Power evidence of compliance from the permitting agency.

ARTICLE XX: GOVERNMENTAL AUTHORIZATION

20.1 This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party of this Agreement.

ARTICLE XXI: COMMISSION ORDER

21.1 This Agreement shall become finally effective upon the Commission's approval of all terms and provisions hereof without change or condition and declaration that all payments to be made to Seller hereunder shall be allowed as prudently incurred expenses for ratemaking purposes.

ARTICLE XXII: SUCCESSORS AND ASSIGNS

22.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto, except that no assignment hereof by either Party shall become effective without the written consent of both Parties being first obtained. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, any party which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights, obligations and interests under this Agreement. This article shall not prevent a financing entity with recorded or secured rights from exercising all rights and remedies available to it under law or contract. Idaho Power shall have the right to be notified by the financing entity that is exercising such rights or remedies.

ARTICLE XXIII: MODIFICATION

23.1 No modifications to this Agreement shall be valid unless it is writing and signed by both Parties and subsequently approved by the Commission.

ARTICLE XXIV: TAXES

24.1 Each party shall pay before delinquency all taxes and other governmental charges which, if failed to be paid when due, could result in a lien upon the Facility or the Interconnection Facilities.

ARTICLE XXV: NOTICES

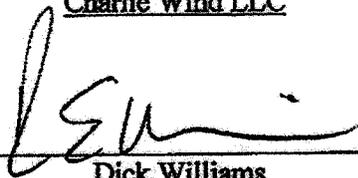
25.1 All written notices under this Agreement shall be directed as follows and shall be considered delivered when faxed, e-mailed and confirmed with deposit in the U.S. Mail, first-class, postage prepaid, as follows:

IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed in their respective names on the dates set forth below:

Idaho Power Company

Charlie Wind LLC

By _____
Dan B. Minor
Sr. Vice President, Delivery

By  _____
Dick Williams
President

Dated _____
"Idaho Power"

Dated 10/23/10 _____
"Seller"

APPENDIX A

A-1 MONTHLY POWER PRODUCTION AND AVAILABILITY REPORT

At the end of each month the following required documentation will be submitted to:

Idaho Power Company
Attn: Cogeneration and Small Power Production
P O Box 70
Boise, Idaho 83707

The meter readings required on this report will be the readings on the Idaho Power Meter Equipment measuring the Facility's total energy production delivered to Idaho Power and Station Usage and the maximum generated energy (kW) as recorded on the Metering Equipment and/or any other required energy measurements to adequately administer this Agreement. This document shall be the document to enable Idaho Power to begin the energy payment calculation and payment process. The meter readings on this report shall not be used to calculate the actual payment, but instead will be a check of the automated meter reading information that will be gathered as described in item A-2 below:

This report shall also include the Seller's calculation of the Mechanical Availability.

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND AVAILABILITY REPORT

Month _____ Year _____

Project Name: _____

Project Number: _____

Address _____

Phone Number _____

City _____

State _____ Zip _____

	<u>Net Facility Output</u>	<u>Station Usage</u>	<u>Station Usage</u>	<u>Metered Maximum Generation</u>
Meter Number:	_____	_____	_____	_____ kW
End of Month kWh Meter Reading:	_____	_____	_____	
Beginning of Month kWh Meter:	_____	_____	_____	
Difference:	_____	_____	_____	
Times Meter Constant:	_____	_____	_____	
kWh for the Month:	_____	_____	_____	<u>Net Generation</u>
Metered Demand:	_____	_____	_____	

Mechanical Availability Guarantee

Seller Calculated Mechanical Availability _____

As specified in this Agreement, the Seller shall include with this monthly report a summary statement of the Mechanical Availability of this Facility for the calendar month. This summary shall include details as to how the Seller calculated this value and summary of the Facility data used in the calculation. Idaho Power and the Seller shall work together to mutually develop a summary report that provides the required data. Idaho Power reserves the right to review the detailed data used in this calculation as allowed within the Agreement.

Signature

Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

Monthly, Idaho Power will use the provided Metering and Telemetry equipment and processes to collect the meter reading information from the Idaho Power provided Metering Equipment that measures the Net Energy and energy delivered to supply Station Use for the Facility recorded at 12:00 AM (Midnight) of the last day of the month.

The meter information collected will include but not be limited to energy production, Station Use, the maximum generated power (kW) and any other required energy measurements to adequately administer this Agreement.

A-3 ROUTINE REPORTING

Idaho Power Contact Information

Daily Energy Production Reporting

Call daily by 10 a.m., 1-800-356-4328 or 1-800-635-1093 and leave the following information:

- Project Identification – Project Name and Project Number
- Current Meter Reading
- Estimated Generation for the current day
- Estimated Generation for the next day

Planned and Unplanned Project outages

Call 1-800-345-1319 and leave the following information:

- Project Identification – Project Name and Project Number
- Approximate time outage occurred

Estimated day and time of project coming back online

Seller's Contact Information

24-Hour Project Operational Contact

Name: _____
 Telephone Number: _____
 Cell Phone: _____

Project On-site Contact Information

Telephone Number: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

PROJECT NO.

Charlie Wind LLC

B-1 DESCRIPTION OF FACILITY

(Must include the nameplate rating and VAR capability (both leading and lagging) of all generation units to be included in the Facility.)

The Facility will consist of 12 Siemens wind turbines with individual generator nameplate rates of 2.3 MW for each unit, for a total Facility generator nameplate rating of 27.6MW, with a maximum Facility output of 27.6 MW. Each generating unit has a reactive power capability (VAR capability) of 1,114 kVAr delivered (lagging) to 1,114 kVAr consumed (leading). Seller and Idaho Power may mutually agree to substitution, any time prior to the Operation Date, a different manufacturer and/or model wind turbine provided that the aggregate nameplate rating of the Facility does not exceed 28 MW.

If the Seller wishes to substitute different wind turbines, the Seller shall provide detailed specifications of the proposed substitute wind turbines to Idaho Power. Idaho Power will then review this detailed information and either accept or reject the Seller's proposed substitute wind turbines. Idaho Power acceptance of the substitute wind turbines will be required by both confirmations that the interconnection is able to accommodate the substitute wind turbines and that the substitute wind turbines are acceptable under this Agreement. Only after Idaho Power's acceptance of the substitute wind turbines shall the Seller be allowed to install the substitute wind turbines, which acceptance shall not be unreasonably withheld.

B-2 LOCATION OF FACILITY

Near: Burley, ID

Section: 25&36 Township: T11S Range: R25E County: Cassia, ID

Section: 30&31 Township: T11S Range: R26E County: Cassia, ID

Section: 1 Township: T12S Range: R25E County: Cassia, ID

Section: 6 Township: T12S Range: R26E County: Cassia, ID

Description of Interconnection Location: On-site in Section 25, T11S, R25E, Elmore County, Idaho. Interconnect with an existing Idaho Power 138 kV distribution line. Exact point of interconnection to be determined as part of the Idaho Power delivery business unit's interconnection study process. Nearest Idaho Power Substation: Minidoka substation.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected October 31, 2014 as the Scheduled First Energy Date.

Seller has selected December 31, 2014 as the Scheduled Operation Date.

In making these selections, Seller recognizes that adequate testing of the Facility and completion of all requirements in paragraph 5.2 of this Agreement must be completed prior to the project being granted an Operation Date.

B-4 MAXIMUM CAPACITY AMOUNT: this value will be 27.6 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with Schedule 72. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 POINT OF DELIVERY

"Point of Delivery" means, unless otherwise agreed by both Parties, the point of where the Seller's Facility's energy is delivered to the Idaho Power electrical system. Schedule 72 will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by Schedule 72 will become an integral part of this Agreement.

B-6 LOSSES

If the Idaho Power Metering equipment is capable of measuring the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, no Losses will be calculated for this Facility. If the Idaho Power Metering is unable to measure the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, a Losses calculation will be established to measure the energy losses (kWh) between the Seller's Facility and the Idaho Power Point of Delivery. This loss calculation will be initially set at 2% of the kWh energy production recorded on the Facility generation metering equipment. At such time as Seller provides Idaho Power with the electrical equipment specifications (transformer loss specifications, conductor sizes, etc) of all of the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power will configure a revised loss calculation formula to be agreed to by both Parties and used to calculate the kWh Losses for the remaining term of the Agreement. If at any time during the term of this Agreement, Idaho Power determines that the loss calculation does not correctly reflect the actual kWh losses attributed to the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous month's kWh loss calculations.

B-7 METERING AND TELEMETRY

Schedule 72 will determine the specific metering and telemetry requirements for this Facility. At the minimum the Metering Equipment and Telemetry equipment must be able to provide and record hourly energy deliveries to the Point of Delivery and any other energy measurements required to administer this Agreement. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. Seller will arrange for and make available at Seller's cost communication circuit(s) compatible to Idaho Power's communications equipment and dedicated to Idaho Powers use terminating at the Idaho Power Facilities capable of providing Idaho Power with continuous instantaneous information on the Facilities energy production. Idaho Power provided equipment will be owned and maintained by Idaho Power, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to Idaho Power by the Seller. Payment of these costs will be in accordance with Schedule 72

and the total metering cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

APPENDIX C
ENGINEER'S CERTIFICATION
OF
OPERATIONS & MAINTENANCE POLICY

The undersigned _____, on behalf of himself and _____, hereinafter collectively referred to as "Engineer," hereby states and certifies to the Seller as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter "Agreement", between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as IPCo Facility No. _____ and is hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, provided said Project has been designed and built to appropriate standards, adherence to said O&M Policy will result in the Project's producing at or near the design electrical output, efficiency and plant factor for a twenty (20) year period.
9. That engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.

10. That engineer certifies that the above statements are complete, true and accurate to the best of his knowledge and therefore sets his hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C
ENGINEER'S CERTIFICATION
OF
ONGOING OPERATIONS AND MAINTENANCE

The undersigned _____, on behalf of himself and _____ hereinafter collectively referred to as "Engineer," hereby states and certifies to the Seller as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter "Agreement", between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as IPCo Facility No. _____ and hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____ Project, is located in Section ____ Township ____ Range ____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has made a physical inspection of said Project, its operation and maintenance records since the last previous certified inspection. It is Engineer's professional opinion, based on the Project's appearance, that its ongoing O&M has been substantially in accordance with said O&M Policy; that it is in reasonably good operating condition; and that if adherence to said O&M Policy continues, the Project will continue producing at or near its design electrical output, efficiency and plant factor for the remaining ____ years of the Agreement.
9. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.

10. That Engineer certifies that the above statements are complete, true and accurate to the best of his knowledge and therefore sets his hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C
ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself and _____ hereinafter collectively referred to as "Engineer," hereby states and certifies to the Seller as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Firm Energy Sales Agreement, hereinafter "Agreement", between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the cogeneration or small power production project, which is the subject of the Agreement and this Statement, is identified as IPCo Facility No _____ and is hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project and has made the analysis of the plans and specifications independently.
8. That Engineer has reviewed the engineering design and construction of the Project, including the civil work, electrical work, generating equipment, prime mover conveyance system, Seller furnished Interconnection Facilities and other Project facilities and equipment.
9. That the Project has been constructed in accordance with said plans and specifications, all applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

- 10. That the design and construction of the Project is such that with reasonable and prudent operation and maintenance practices by Seller, The Project is capable of performing in accordance with the terms of the Agreement and with Prudent Electrical Practices for a twenty (20) year period.
- 11. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, in interconnecting the Project with its system, is relying on Engineer's representations and opinions contained in this Statement.
- 12. That Engineer certifies that the above statements are complete, true and accurate to the best of his knowledge and therefore sets his hand and seal below.

By _____
(P.E. Stamp)

Date _____

APPENDIX D

FORMS OF LIQUID SECURITY

The Seller shall provide Idaho Power with commercially reasonable security instruments such as Cash Escrow Security, Guarantee or Letter of Credit as those terms are defined below or other forms of liquid financial security that would provide readily available cash to Idaho Power to satisfy the Delay Security and any other security requirements within this Agreement.

For the purpose of this appendix D, the term "Credit Requirements" shall mean acceptable financial creditworthiness of the entity providing the security instrument in relation to the term of the obligation in the reasonable judgment of Idaho Power, provided that any guarantee and/or letter of credit issued by any other entity with a short-term or long-term investment grade credit rating by Standard & Poor's Corporate or Moody's Investor Services, Inc. shall be deemed to have acceptable financial creditworthiness.

1. **Cash Escrow Security** – Seller shall deposit funds in an escrow account established by the Seller in a banking institution acceptable to both Parties equal to the Delay Security or other required security amount (s). The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).
2. **Guarantee or Letter of Credit Security** – Seller shall post and maintain in an amount equal to the Delay Security or other required security amount: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

As specified in Commission Order 30488, Idaho Power shall make use of a Wind Energy Production Forecasting model to forecast the energy production from this Facility and other Qualifying Facility wind generation resources. Seller and Idaho Power will share the cost of Wind Energy Production Forecasting. The Facility's share of Wind energy Production Forecasting is determined as specified below. Sellers share will not be greater than 0.1% of the total energy payments made to Seller by Idaho Power during the previous Contract Year.

- a. For every month of this Agreement beginning with the first full month after the First Energy Date as specified in Appendix of this Agreement, the Wind energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. Any Wind energy Production Forecasting Monthly Cost Allocations (MCA) that are not reimbursed to Idaho Power shall be deducted from energy payments to the Seller.
 - As the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete, at the end of the first Contract Year any prior allocations that exceeded the 0.1% cap shall be adjusted to reflect the 0.1% cap and if the Facility has paid the monthly allocations a refund will be included in equal monthly amounts over the ensuing Contract Year. If the Facility has not paid the monthly allocations the amount due Idaho Power will be adjusted accordingly and the unpaid balance will be deducted from the ensuing Contract year's energy payments.
- b. During the first Contract year, as the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete, Idaho Power will deduct the Facility's calculated share of the Wind Energy Production Forecasting costs specified in item d each month during the first Contract Year and subsequently refund any overpayment (payments that exceed the cap) in equal monthly amounts over the ensuing Contract Year.
- c. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects have

Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.

- d. The monthly cost allocation will be based upon the following formula:

Where: **Total MW (TMW)** is equal to the total nameplate rating of all QF wind projects that are under contract to provide energy to Idaho Power Company.

Facility MW (FMW) is equal to nameplate rating of this Facility as specified in Appendix B.

Annual Wind Energy Production Forecasting Cost (AFCost) is equal to the total annual cost Idaho Power incurs to provide Wind Energy Production Forecasting. Idaho Power will estimate the AFCost for the current year based upon the previous year's cost and expected costs for the current year. At year-end, Idaho Power will compare the actual costs to the estimated costs and any differences between the estimated AFCost and the actual AFCost will be included in the next year's AFCost.

$$\text{Annual Cost Allocation (ACA)} = \text{AFCost} \times (\text{FMW} / \text{TMW})$$

And

$$\text{Monthly Cost Allocation (MCA)} = \text{ACA} / 12$$

- e. The Wind Energy Production Forecasting Monthly Cost Allocation (MCA) is due and payable to Idaho Power. The MCA will first be netted against any monthly energy payments owed to the Seller. If the netting of the MCA against the monthly energy payments results in a balance being due Idaho Power, the Facility shall pay this amount with 15 days of the date of the payment invoice.

113°30'W
635,000

113°29'W
640,000

113°28'W
645,000

113°27'W
650,000

290,000

42°27'N
285,000

42°26'N
280,000

42°25'N
275,000

42°24'N
270,000

42°24'N

42°23'N
265,000

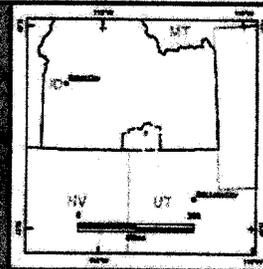
42°23'N

QUARTER CALL DESCRIPTION
Charlie Wind:

- T11S R25E
Section 25 : E 1/2
- Section 36 : E 1/2 NE 1/2
- T11S R26E
Section 30 : SW 1/2 ; S 1/2 NW 1/2
- Section 31 : W 1/2 ; SW 1/4 NE 1/4 ; W 1/2 SE 1/4
- T12S R25E
Section 1 : E 1/2
- T12S R26E
Section 6 : W 1/2 E 1/2 ; W 1/2

LEGEND

- Charlie Wind
- Substation
- Batch Plant
- TOBIN Sections
- TOBIN Township Range



290,000

42°27'N
285,000

42°26'N
280,000

42°25'N
275,000

42°24'N
270,000

42°24'N

42°23'N
265,000

42°23'N

635,000
113°30'W

640,000
113°29'W

645,000
113°28'W

650,000
113°27'W



Version 9.2

SWE Inc

IDAHO

CASSIA COUNTY

COTTEREL PROJECT

CHARLIE WIND DEVELOPMENT AREA

0 SITE PLAN 2,000

Plot
SFP10102 - MGD7 - US File

October 15, 2010 W. Henricks WEX C.265-C S.J.T/er

C:\data\Popu_C_Project_Map_T11R27_Top_10-15-2010.mxd

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC

OMB Control # 1902-0075
Expiration 5/31/2013

Form 556 Certification of Qualifying Facility (QF) Status for a Small Power
Production or Cogeneration Facility

Application Information

1a Full name of applicant (legal entity on whose behalf qualifying facility status is sought for this facility) Charlie Wind LLC		
1b Applicant street address c/o Cotterel WindEnergy Center LLC 150 N. Dairy Ashford Rd. Building C, Suite 356 D		
1c City Houston	1d State/province TX	
1e Postal code 77079	1f Country (if not United States)	1g Telephone number 832-337-2537
1h Has the instant facility ever previously been certified as a QF? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
1i If yes, provide the docket number of the last known QF filing pertaining to this facility: QF _____ - _____ - _____		
1j Under which certification process is the applicant making this filing? <input checked="" type="checkbox"/> Notice of self-certification (see note below) <input type="checkbox"/> Application for Commission certification (requires filing fee; see "Filing Fee" section on page 3) Note: a notice of self-certification is a notice by the applicant itself that its facility complies with the requirements for QF status. A notice of self-certification does not establish a proceeding, and the Commission does not review a notice of self-certification to verify compliance. See the "What to Expect From the Commission After You File" section on page 3 for more information.		
1k What type(s) of QF status is the applicant seeking for its facility? (check all that apply) <input checked="" type="checkbox"/> Qualifying small power production facility status <input type="checkbox"/> Qualifying cogeneration facility status		
1l What is the purpose and expected effective date(s) of this filing? <input checked="" type="checkbox"/> Original certification; facility expected to be installed by <u>10/31/14</u> and to begin operation on <u>12/31/14</u> <input type="checkbox"/> Change(s) to a previously certified facility to be effective on _____ (Identify type(s) of change(s) below, and describe change(s) in the Miscellaneous section starting on page 19) <input type="checkbox"/> Name change and/or other administrative change(s) <input type="checkbox"/> Change in ownership <input type="checkbox"/> Change(s) affecting plant equipment, fuel use, power production capacity and/or cogeneration thermal output <input type="checkbox"/> Supplement or correction to a previous filing submitted on _____ (describe the supplement or correction in the Miscellaneous section starting on page 19)		
1m If any of the following three statements is true, check the box(es) that describe your situation and complete the form to the extent possible, explaining any special circumstances in the Miscellaneous section starting on page 19. <input type="checkbox"/> The instant facility complies with the Commission's QF requirements by virtue of a waiver of certain regulations previously granted by the Commission in an order dated _____ (specify any other relevant waiver orders in the Miscellaneous section starting on page 19) <input type="checkbox"/> The instant facility would comply with the Commission's QF requirements if a petition for waiver submitted concurrently with this application is granted <input type="checkbox"/> The instant facility complies with the Commission's regulations, but has special circumstances, such as the employment of unique or innovative technologies not contemplated by the structure of this form, that make the demonstration of compliance via this form difficult or impossible (describe in Misc. section starting on p. 19)		

RECEIVED
2011 MAR 17 PM 4:44
FEDERAL ENERGY REGULATORY COMMISSION

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7

Contact Information	2a Name of contact person Kevin Simmons		2b Telephone number 832-337-2537	
	2c Which of the following describes the contact person's relationship to the applicant? (check one)			
	<input type="checkbox"/> Applicant (self) <input checked="" type="checkbox"/> Employee, owner or partner of applicant authorized to represent the applicant			
	<input type="checkbox"/> Employee of a company affiliated with the applicant authorized to represent the applicant on this matter			
	<input type="checkbox"/> Lawyer, consultant, or other representative authorized to represent the applicant on this matter			
	2d Company or organization name (if applicant is an individual, check here and skip to line 2e) <input type="checkbox"/> Cotterel WindEnergy Center LLC			
	2e Street address (if same as Applicant, check here and skip to line 3a) <input type="checkbox"/> 150 N. Dairy Ashford Rd. Building C, Suite 356D			
2f City Houston		2g State/province TX		
2h Postal code 77079	2i Country (if not United States)			
Facility Identification and Location	3a Facility name Charlie Wind LLC			
	3b Street address (if a street address does not exist for the facility, check here and skip to line 3c) <input checked="" type="checkbox"/>			
	3c Geographic coordinates: If you indicated that no street address exists for your facility by checking the box in line 3b, then you must specify the latitude and longitude coordinates of the facility in degrees (to three decimal places). Use the following formula to convert to decimal degrees from degrees, minutes and seconds: decimal degrees = degrees + (minutes/60) + (seconds/3600). See the "Geographic Coordinates" section on page 4 for help. If you provided a street address for your facility in line 3b, then specifying the geographic coordinates below is optional.			
	Longitude <input type="checkbox"/> East (+) <input checked="" type="checkbox"/> West (-) <u>113.469</u> degrees		Latitude <input checked="" type="checkbox"/> North (+) <input type="checkbox"/> South (-) <u>42.421</u> degrees	
	3d City (if unincorporated, check here and enter nearest city) <input type="checkbox"/> Burley		3e State/province Idaho	
3f County (or check here for independent city) <input type="checkbox"/> Cassia		3g Country (if not United States)		
Transacting Utilities	Identify the electric utilities that are contemplated to transact with the facility.			
	4a Identify utility interconnecting with the facility Idaho Power Company			
	4b Identify utilities providing wheeling service or check here if none <input checked="" type="checkbox"/>			
	4c Identify utilities purchasing the useful electric power output or check here if none <input type="checkbox"/> Idaho Power Company			
	4d Identify utilities providing supplementary power, backup power, maintenance power, and/or interruptible power service or check here if none <input type="checkbox"/> Idaho Power Company			

Ownership and Operation

5a Direct ownership as of effective date or operation date: Identify all direct owners of the facility holding at least 10 percent equity interest. For each identified owner, also (1) indicate whether that owner is an electric utility, as defined in section 3(22) of the Federal Power Act (16 U.S.C. 796(22)), or a holding company, as defined in section 1262(8) of the Public Utility Holding Company Act of 2005 (42 U.S.C. 16451(8)), and (2) for owners which are electric utilities or holding companies, provide the percentage of equity interest in the facility held by that owner. If no direct owners hold at least 10 percent equity interest in the facility, then provide the required information for the two direct owners with the largest equity interest in the facility.

Full legal names of direct owners	Electric utility or holding company	If Yes, % equity interest
1) Cotterel WindEnergy Center LLC	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	100 %
2) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
3) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
4) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
5) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
6) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
7) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
8) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
9) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %
10) _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____ %

Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed

5b Upstream (i.e., indirect) ownership as of effective date or operation date: Identify all upstream (i.e., indirect) owners of the facility that both (1) hold at least 10 percent equity interest in the facility, and (2) are electric utilities, as defined in section 3(22) of the Federal Power Act (16 U.S.C. 796(22)), or holding companies, as defined in section 1262(8) of the Public Utility Holding Company Act of 2005 (42 U.S.C. 16451(8)). Also provide the percentage of equity interest in the facility held by such owners. (Note that, because upstream owners may be subsidiaries of one another, total percent equity interest reported may exceed 100 percent.)

Check here if no such upstream owners exist.

Full legal names of electric utility or holding company upstream owners	% equity interest
1) _____	_____ %
2) _____	_____ %
3) _____	_____ %
4) _____	_____ %
5) _____	_____ %
6) _____	_____ %
7) _____	_____ %
8) _____	_____ %
9) _____	_____ %
10) _____	_____ %

Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed

5c Identify the facility operator

Cotterel WindEnergy Center LLC

Energy Input

6a Describe the primary energy input: (check one main category and, if applicable, one subcategory)

- | | | |
|--|---|--|
| <input type="checkbox"/> Biomass (specify) | <input checked="" type="checkbox"/> Renewable resources (specify) | <input type="checkbox"/> Geothermal |
| <input type="checkbox"/> Landfill gas | <input type="checkbox"/> Hydro power - river | <input type="checkbox"/> Fossil fuel (specify) |
| <input type="checkbox"/> Manure digester gas | <input type="checkbox"/> Hydro power - tidal | <input type="checkbox"/> Coal (not waste) |
| <input type="checkbox"/> Municipal solid waste | <input type="checkbox"/> Hydro power - wave | <input type="checkbox"/> Fuel oil/diesel |
| <input type="checkbox"/> Sewage digester gas | <input type="checkbox"/> Solar - photovoltaic | <input type="checkbox"/> Natural gas (not waste) |
| <input type="checkbox"/> Wood | <input type="checkbox"/> Solar - thermal | <input type="checkbox"/> Other fossil fuel (describe on page 19) |
| <input type="checkbox"/> Other biomass (describe on page 19) | <input checked="" type="checkbox"/> Wind | <input type="checkbox"/> Other (describe on page 19) |
| <input type="checkbox"/> Waste (specify type below in line 6b) | <input type="checkbox"/> Other renewable resource (describe on page 19) | |

6b If you specified "waste" as the primary energy input in line 6a, indicate the type of waste fuel used: (check one)

- Waste fuel listed in 18 C.F.R. § 292.202(b) (specify one of the following)
- Anthracite culm produced prior to July 23, 1985
 - Anthracite refuse that has an average heat content of 6,000 Btu or less per pound and has an average ash content of 45 percent or more
 - Bituminous coal refuse that has an average heat content of 9,500 Btu per pound or less and has an average ash content of 25 percent or more
 - Top or bottom subbituminous coal produced on Federal lands or on Indian lands that has been determined to be waste by the United States Department of the Interior's Bureau of Land Management (BLM) or that is located on non-Federal or non-Indian lands outside of BLM's jurisdiction, provided that the applicant shows that the latter coal is an extension of that determined by BLM to be waste
 - Coal refuse produced on Federal lands or on Indian lands that has been determined to be waste by the BLM or that is located on non-Federal or non-Indian lands outside of BLM's jurisdiction, provided that applicant shows that the latter is an extension of that determined by BLM to be waste
 - Lignite produced in association with the production of montan wax and lignite that becomes exposed as a result of such a mining operation
 - Gaseous fuels (except natural gas and synthetic gas from coal) (describe on page 19)
 - Waste natural gas from gas or oil wells (describe on page 19 how the gas meets the requirements of 18 C.F.R. § 2.400 for waste natural gas; include with your filing any materials necessary to demonstrate compliance with 18 C.F.R. § 2.400)
 - Materials that a government agency has certified for disposal by combustion (describe on page 19)
 - Heat from exothermic reactions (describe on page 19)
 - Residual heat (describe on page 19)
 - Used rubber tires
 - Plastic materials
 - Refinery off-gas
 - Petroleum coke
- Other waste energy input that has little or no commercial value and exists in the absence of the qualifying facility industry (describe in the Miscellaneous section starting on page 19; include a discussion of the fuel's lack of commercial value and existence in the absence of the qualifying facility industry)

6c Provide the average energy input, calculated on a calendar year basis, in terms of Btu/h for the following fossil fuel energy inputs, and provide the related percentage of the total average annual energy input to the facility (18 C.F.R. § 292.202(j)). For any oil or natural gas fuel, use lower heating value (18 C.F.R. § 292.202(m)).

Fuel	Annual average energy input for specified fuel	Percentage of total annual energy input
Natural gas	0 Btu/h	0 %
Oil-based fuels	0 Btu/h	0 %
Coal	0 Btu/h	0 %

Technical Facility Information

Indicate the maximum gross and maximum net electric power production capacity of the facility at the point(s) of delivery by completing the worksheet below. Respond to all items. If any of the parasitic loads and/or losses identified in lines 7b through 7e are negligible, enter zero for those lines.

7a The maximum gross power production capacity at the terminals of the individual generator(s) under the most favorable anticipated design conditions	27,600 kW
7b Parasitic station power used at the facility to run equipment which is necessary and integral to the power production process (boiler feed pumps, fans/blowers, office or maintenance buildings directly related to the operation of the power generating facility, etc.). If this facility includes non-power production processes (for instance, power consumed by a cogeneration facility's thermal host), do not include any power consumed by the non-power production activities in your reported parasitic station power.	0 kW
7c Electrical losses in interconnection transformers	0 kW
7d Electrical losses in AC/DC conversion equipment, if any	0 kW
7e Other interconnection losses in power lines or facilities (other than transformers and AC/DC conversion equipment) between the terminals of the generator(s) and the point of interconnection with the utility	0 kW
7f Total deductions from gross power production capacity = 7b + 7c + 7d + 7e	0.0 kW
7g Maximum net power production capacity = 7a - 7f	27,600.0 kW

7h Description of facility and primary components: Describe the facility and its operation. Identify all boilers, heat recovery steam generators, prime movers (any mechanical equipment driving an electric generator), electrical generators, photovoltaic solar equipment, fuel cell equipment and/or other primary power generation equipment used in the facility. Descriptions of components should include (as applicable) specifications of the nominal capacities for mechanical output, electrical output, or steam generation of the identified equipment. For each piece of equipment identified, clearly indicate how many pieces of that type of equipment are included in the plant, and which components are normally operating or normally in standby mode. Provide a description of how the components operate as a system. Applicants for cogeneration facilities do not need to describe operations of systems that are clearly depicted on and easily understandable from a cogeneration facility's attached mass and heat balance diagram; however, such applicants should provide any necessary description needed to understand the sequential operation of the facility depicted in their mass and heat balance diagram. If additional space is needed, continue in the Miscellaneous section starting on page 19.

The Charlie Wind facility will consist of 12 Siemens SWT-101 wind turbines with individual generator nameplate readings of 2300 kW each which feed into a common collector system. The individual generating units have reactive power capabilities of 1,114 kVAR lagging and 1,114 kVAR leading. Unless otherwise constrained, the facility will operate during weather conditions favorable to energy production (hub height wind speeds between 4 and 25 m/s, temperatures between -25 and +35 degrees C and during periods where wind turbulence levels would unreasonably fatigue the machines). While estimated values have been provided in lines 7a - 7f, there is some uncertainty in these numbers relating to the degree of possible generator over-efficiency, uncertainty in the length of the collection system, uncertainty in soil electrical properties, whether to assume that there would be time periods when all 12 turbines are operating at full capacity and other considerations. Given that some of these factors could cause a slight over-estimate of actual loss values while others could result in a slight underestimate, we currently take the conservative view that the facility output nameplate will be 27,600 kW.

Information Required for Small Power Production Facility

If you indicated in line 1k that you are seeking qualifying small power production facility status for your facility, then you must respond to the items on this page. Otherwise, skip page 10.

Certification of Compliance with Size Limitations	<p>Pursuant to 18 C.F.R. § 292.204(a), the power production capacity of any small power production facility, together with the power production capacity of any other small power production facilities that use the same energy resource, are owned by the same person(s) or its affiliates, and are located at the same site, may not exceed 80 megawatts. To demonstrate compliance with this size limitation, or to demonstrate that your facility is exempt from this size limitation under the Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990 (Pub. L. 101-575, 104 Stat. 2834 (1990) as amended by Pub. L. 102-46, 105 Stat. 249 (1991)), respond to lines 8a through 8e below (as applicable).</p>																
	<p>8a Identify any facilities with electrical generating equipment located within 1 mile of the electrical generating equipment of the instant facility, and for which any of the entities identified in lines 5a or 5b, or their affiliates, holds at least a 5 percent equity interest.</p> <p>Check here if no such facilities exist. <input checked="" type="checkbox"/></p>																
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Facility location (city or county, state)</th> <th style="width: 20%;">Root docket # (if any)</th> <th style="width: 30%;">Common owner(s)</th> <th style="width: 20%;">Maximum net power production capacity</th> </tr> </thead> <tbody> <tr> <td>1) _____</td> <td>QF -</td> <td>_____</td> <td style="text-align: right;">kW</td> </tr> <tr> <td>2) _____</td> <td>QF -</td> <td>_____</td> <td style="text-align: right;">kW</td> </tr> <tr> <td>3) _____</td> <td>QF -</td> <td>_____</td> <td style="text-align: right;">kW</td> </tr> </tbody> </table>	Facility location (city or county, state)	Root docket # (if any)	Common owner(s)	Maximum net power production capacity	1) _____	QF -	_____	kW	2) _____	QF -	_____	kW	3) _____	QF -	_____	kW
	Facility location (city or county, state)	Root docket # (if any)	Common owner(s)	Maximum net power production capacity													
	1) _____	QF -	_____	kW													
	2) _____	QF -	_____	kW													
3) _____	QF -	_____	kW														
<p><input type="checkbox"/> Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed</p>																	
<p>8b The Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990 (Incentives Act) provides exemption from the size limitations in 18 C.F.R. § 292.204(a) for certain facilities that were certified prior to 1995. Are you seeking exemption from the size limitations in 18 C.F.R. § 292.204(a) by virtue of the Incentives Act?</p> <p><input type="checkbox"/> Yes (continue at line 8c below) <input checked="" type="checkbox"/> No (skip lines 8c through 8e)</p>																	
<p>8c Was the original notice of self-certification or application for Commission certification of the facility filed on or before December 31, 1994? Yes <input type="checkbox"/> No <input type="checkbox"/></p>																	
<p>8d Did construction of the facility commence on or before December 31, 1999? Yes <input type="checkbox"/> No <input type="checkbox"/></p>																	
<p>8e If you answered No in line 8d, indicate whether reasonable diligence was exercised toward the completion of the facility, taking into account all factors relevant to construction? Yes <input type="checkbox"/> No <input type="checkbox"/> If you answered Yes, provide a brief narrative explanation in the Miscellaneous section starting on page 19 of the construction timeline (in particular, describe why construction started so long after the facility was certified) and the diligence exercised toward completion of the facility.</p>																	
Certification of Compliance with Fuel Use Requirements	<p>Pursuant to 18 C.F.R. § 292.204(b), qualifying small power production facilities may use fossil fuels, in minimal amounts, for only the following purposes: Ignition; start-up; testing; flame stabilization; control use; alleviation or prevention of unanticipated equipment outages; and alleviation or prevention of emergencies, directly affecting the public health, safety, or welfare, which would result from electric power outages. The amount of fossil fuels used for these purposes may not exceed 25 percent of the total energy input of the facility during the 12-month period beginning with the date the facility first produces electric energy or any calendar year thereafter.</p>																
	<p>9a Certification of compliance with 18 C.F.R. § 292.204(b) with respect to uses of fossil fuel:</p> <p><input checked="" type="checkbox"/> Applicant certifies that the facility will use fossil fuels <i>exclusively</i> for the purposes listed above.</p>																
	<p>9b Certification of compliance with 18 C.F.R. § 292.204(b) with respect to amount of fossil fuel used annually:</p> <p><input checked="" type="checkbox"/> Applicant certifies that the amount of fossil fuel used at the facility will not, in aggregate, exceed 25 percent of the total energy input of the facility during the 12-month period beginning with the date the facility first produces electric energy or any calendar year thereafter.</p>																

Information Required for Cogeneration Facility

If you indicated in line 1k that you are seeking qualifying cogeneration facility status for your facility, then you must respond to the items on pages 11 through 13. Otherwise, skip pages 11 through 13.

General Cogeneration Information	Pursuant to 18 C.F.R. § 292.202(c), a cogeneration facility produces electric energy and forms of useful thermal energy (such as heat or steam) used for industrial, commercial, heating, or cooling purposes, through the sequential use of energy. Pursuant to 18 C.F.R. § 292.202(s), "sequential use" of energy means the following: (1) for a topping-cycle cogeneration facility, the use of reject heat from a power production process in sufficient amounts in a thermal application or process to conform to the requirements of the operating standard contained in 18 C.F.R. § 292.205(a); or (2) for a bottoming-cycle cogeneration facility, the use of at least some reject heat from a thermal application or process for power production.	
	10a What type(s) of cogeneration technology does the facility represent? (check all that apply)	
	<input type="checkbox"/> Topping-cycle cogeneration <input type="checkbox"/> Bottoming-cycle cogeneration	
	10b To help demonstrate the sequential operation of the cogeneration process, and to support compliance with other requirements such as the operating and efficiency standards, include with your filing a mass and heat balance diagram depicting average annual operating conditions. This diagram must include certain items and meet certain requirements, as described below. You must check next to the description of each requirement below to certify that you have complied with these requirements.	
	Check to certify compliance with Indicated requirement	
	Requirement	
	<input type="checkbox"/>	Diagram must show orientation within system piping and/or ducts of all prime movers, heat recovery steam generators, boilers, electric generators, and condensers (as applicable), as well as any other primary equipment relevant to the cogeneration process.
	<input type="checkbox"/>	Any average annual values required to be reported in lines 10b, 12a, 13a, 13b, 13d, 13f, 14a, 15b, 15d and/or 15f must be computed over the anticipated hours of operation.
	<input type="checkbox"/>	Diagram must specify all fuel inputs by fuel type and average annual rate in Btu/h. Fuel for supplementary firing should be specified separately and clearly labeled. All specifications of fuel inputs should use lower heating values.
	<input type="checkbox"/>	Diagram must specify average gross electric output in kW or MW for each generator.
<input type="checkbox"/>	Diagram must specify average mechanical output (that is, any mechanical energy taken off of the shaft of the prime movers for purposes not directly related to electric power generation) in horsepower, if any. Typically, a cogeneration facility has no mechanical output.	
<input type="checkbox"/>	At each point for which working fluid flow conditions are required to be specified (see below), such flow condition data must include mass flow rate (in lb/h or kg/s), temperature (in °F, R, °C or K), absolute pressure (in psia or kPa) and enthalpy (in Btu/lb or kJ/kg). Exception: For systems where the working fluid is <i>liquid only</i> (no vapor at any point in the cycle) and where the type of liquid and specific heat of that liquid are clearly indicated on the diagram or in the Miscellaneous section starting on page 19, only mass flow rate and temperature (not pressure and enthalpy) need be specified. For reference, specific heat at standard conditions for pure liquid water is approximately 1.002 Btu/(lb*°R) or 4.195 kJ/(kg*K).	
<input type="checkbox"/>	Diagram must specify working fluid flow conditions at input to and output from each steam turbine or other expansion turbine or back-pressure turbine.	
<input type="checkbox"/>	Diagram must specify working fluid flow conditions at delivery to and return from each thermal application.	
<input type="checkbox"/>	Diagram must specify working fluid flow conditions at make-up water inputs.	

EPAct 2005 Requirements for Fundamental Use of Energy Output from Cogeneration Facilities

EPAct 2005 cogeneration facilities: The Energy Policy Act of 2005 (EPAct 2005) established a new section 210(n) of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 USC 824a-3(n), with additional requirements for any qualifying cogeneration facility that (1) is seeking to sell electric energy pursuant to section 210 of PURPA and (2) was either not a cogeneration facility on August 8, 2005, or had not filed a self-certification or application for Commission certification of QF status on or before February 1, 2006. These requirements were implemented by the Commission in 18 C.F.R. § 292.205(d). Complete the lines below, carefully following the instructions, to demonstrate whether these additional requirements apply to your cogeneration facility and, if so, whether your facility complies with such requirements.

11a Was your facility operating as a qualifying cogeneration facility on or before August 8, 2005? Yes No

11b Was the initial filing seeking certification of your facility (whether a notice of self-certification or an application for Commission certification) filed on or before February 1, 2006? Yes No

If the answer to either line 11a or 11b is Yes, then continue at line 11c below. Otherwise, if the answers to both lines 11a and 11b are No, skip to line 11e below.

11c With respect to the design and operation of the facility, have any changes been implemented on or after February 2, 2006 that affect general plant operation, affect use of thermal output, and/or increase net power production capacity from the plant's capacity on February 1, 2006?

Yes (continue at line 11d below)

No. Your facility is not subject to the requirements of 18 C.F.R. § 292.205(d) at this time. However, it may be subject to these requirements in the future if changes are made to the facility. At such time, the applicant would need to recertify the facility to determine eligibility. Skip lines 11d through 11j.

11d Does the applicant contend that the changes identified in line 11c are not so significant as to make the facility a "new" cogeneration facility that would be subject to the 18 C.F.R. § 292.205(d) cogeneration requirements?

Yes. Provide in the Miscellaneous section starting on page 19 a description of any relevant changes made to the facility (including the purpose of the changes) and a discussion of why the facility should not be considered a "new" cogeneration facility in light of these changes. Skip lines 11e through 11j.

No. Applicant stipulates to the fact that it is a "new" cogeneration facility (for purposes of determining the applicability of the requirements of 18 C.F.R. § 292.205(d)) by virtue of modifications to the facility that were initiated on or after February 2, 2006. Continue below at line 11e.

11e Will electric energy from the facility be sold pursuant to section 210 of PURPA?

Yes. The facility is an EPAct 2005 cogeneration facility. You must demonstrate compliance with 18 C.F.R. § 292.205(d)(2) by continuing at line 11f below.

No. Applicant certifies that energy will *not* be sold pursuant to section 210 of PURPA. Applicant also certifies its understanding that it must recertify its facility in order to determine compliance with the requirements of 18 C.F.R. § 292.205(d) *before* selling energy pursuant to section 210 of PURPA in the future. Skip lines 11f through 11j.

11f Is the net power production capacity of your cogeneration facility, as indicated in line 7g above, less than or equal to 5,000 kW?

Yes, the net power production capacity is less than or equal to 5,000 kW. 18 C.F.R. § 292.205(d)(4) provides a rebuttable presumption that cogeneration facilities of 5,000 kW and smaller capacity comply with the requirements for fundamental use of the facility's energy output in 18 C.F.R. § 292.205(d)(2). Applicant certifies its understanding that, should the power production capacity of the facility increase above 5,000 kW, then the facility must be recertified to (among other things) demonstrate compliance with 18 C.F.R. § 292.205(d)(2). Skip lines 11g through 11j.

No, the net power production capacity is greater than 5,000 kW. Demonstrate compliance with the requirements for fundamental use of the facility's energy output in 18 C.F.R. § 292.205(d)(2) by continuing on the next page at line 11g.

EPAAct 2005 Requirements for Fundamental Use of Energy Output from Cogeneration Facilities (continued)

Lines 11g through 11k below guide the applicant through the process of demonstrating compliance with the requirements for "fundamental use" of the facility's energy output. 18 C.F.R. § 292.205(d)(2). Only respond to the lines on this page if the instructions on the previous page direct you to do so. Otherwise, skip this page.

18 C.F.R. § 292.205(d)(2) requires that the electrical, thermal, chemical and mechanical output of an EPAAct 2005 cogeneration facility is used fundamentally for industrial, commercial, residential or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements, as well as state laws applicable to sales of electric energy from a qualifying facility to its host facility. If you were directed on the previous page to respond to the items on this page, then your facility is an EPAAct 2005 cogeneration facility that is subject to this "fundamental use" requirement.

The Commission's regulations provide a two-pronged approach to demonstrating compliance with the requirements for fundamental use of the facility's energy output. First, the Commission has established in 18 C.F.R. § 292.205(d)(3) a "fundamental use test" that can be used to demonstrate compliance with 18 C.F.R. § 292.205(d)(2). Under the fundamental use test, a facility is considered to comply with 18 C.F.R. § 292.205(d)(2) if at least 50 percent of the facility's total annual energy output (including electrical, thermal, chemical and mechanical energy output) is used for industrial, commercial, residential or institutional purposes.

Second, an applicant for a facility that does not pass the fundamental use test may provide a narrative explanation of and support for its contention that the facility nonetheless meets the requirement that the electrical, thermal, chemical and mechanical output of an EPAAct 2005 cogeneration facility is used fundamentally for industrial, commercial, residential or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements, as well as state laws applicable to sales of electric energy from a qualifying facility to its host facility.

Complete lines 11g through 11j below to determine compliance with the fundamental use test in 18 C.F.R. § 292.205(d)(3). Complete lines 11g through 11j *even if you do not intend to rely upon the fundamental use test to demonstrate compliance with 18 C.F.R. § 292.205(d)(2)*.

11g Amount of electrical, thermal, chemical and mechanical energy output (net of internal generation plant losses and parasitic loads) expected to be used annually for industrial, commercial, residential or institutional purposes and not sold to an electric utility	MWh
11h Total amount of electrical, thermal, chemical and mechanical energy expected to be sold to an electric utility	MWh
11i Percentage of total annual energy output expected to be used for industrial, commercial, residential or institutional purposes and not sold to a utility = 100 * 11g / (11g + 11h)	0 %

11j Is the response in line 11i greater than or equal to 50 percent?

Yes. Your facility complies with 18 C.F.R. § 292.205(d)(2) by virtue of passing the fundamental use test provided in 18 C.F.R. § 292.205(d)(3). Applicant certifies its understanding that, if it is to rely upon passing the fundamental use test as a basis for complying with 18 C.F.R. § 292.205(d)(2), then the facility must comply with the fundamental use test both in the 12-month period beginning with the date the facility first produces electric energy, and in all subsequent calendar years.

No. Your facility does not pass the fundamental use test. Instead, you must provide in the Miscellaneous section starting on page 19 a narrative explanation of and support for why your facility meets the requirement that the electrical, thermal, chemical and mechanical output of an EPAAct 2005 cogeneration facility is used fundamentally for industrial, commercial, residential or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements, as well as state laws applicable to sales of electric energy from a QF to its host facility. Applicants providing a narrative explanation of why their facility should be found to comply with 18 C.F.R. § 292.205(d)(2) in spite of non-compliance with the fundamental use test may want to review paragraphs 47 through 61 of Order No. 671 (accessible from the Commission's QF website at www.ferc.gov/QF), which provide discussion of the facts and circumstances that may support their explanation. Applicant should also note that the percentage reported above will establish the standard that that facility must comply with, both for the 12-month period beginning with the date the facility first produces electric energy, and in all subsequent calendar years. See Order No. 671 at paragraph 51. As such, the applicant should make sure that it reports appropriate values on lines 11g and 11h above to serve as the relevant annual standard, taking into account expected variations in production conditions.

Information Required for Topping-Cycle Cogeneration Facility

If you indicated in line 10a that your facility represents topping-cycle cogeneration technology, then you must respond to the items on pages 14 and 15. Otherwise, skip pages 14 and 15.

Usefulness of Topping-Cycle Thermal Output	<p>The thermal energy output of a topping-cycle cogeneration facility is the net energy made available to an industrial or commercial process or used in a heating or cooling application. Pursuant to sections 292.202(c), (d) and (h) of the Commission's regulations (18 C.F.R. §§ 292.202(c), (d) and (h)), the thermal energy output of a qualifying topping-cycle cogeneration facility must be useful. In connection with this requirement, describe the thermal output of the topping-cycle cogeneration facility by responding to lines 12a and 12b below.</p>		
	<p>12a Identify and describe each thermal host, and specify the annual average rate of thermal output made available to each host for each use. For hosts with multiple uses of thermal output, provide the data for each use <i>in separate rows</i>.</p>		
	Name of entity (thermal host) taking thermal output	Thermal host's relationship to facility; Thermal host's use of thermal output	Average annual rate of thermal output attributable to use (net of heat contained in process return or make-up water)
	1)	Select thermal host's relationship to facility	Btu/h
		Select thermal host's use of thermal output	
	2)	Select thermal host's relationship to facility	Btu/h
		Select thermal host's use of thermal output	
	3)	Select thermal host's relationship to facility	Btu/h
		Select thermal host's use of thermal output	
	4)	Select thermal host's relationship to facility	Btu/h
	Select thermal host's use of thermal output		
5)	Select thermal host's relationship to facility	Btu/h	
	Select thermal host's use of thermal output		
6)	Select thermal host's relationship to facility	Btu/h	
	Select thermal host's use of thermal output		
<input type="checkbox"/> Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed			
<p>12b Demonstration of usefulness of thermal output: At a minimum, provide a brief description of each use of the thermal output identified above. In some cases, this brief description is sufficient to demonstrate usefulness. However, if your facility's use of thermal output is not common, and/or if the usefulness of such thermal output is not reasonably clear, then you must provide additional details as necessary to demonstrate usefulness. Your application may be rejected and/or additional information may be required if an insufficient showing of usefulness is made. (Exception: If you have previously received a Commission certification approving a specific use of thermal output related to the instant facility, then you need only provide a brief description of that use and a reference by date and docket number to the order certifying your facility with the indicated use. Such exemption may not be used if any change creates a material deviation from the previously authorized use.) If additional space is needed, continue in the Miscellaneous section starting on page 19.</p>			

Topping-Cycle Operating and Efficiency Value Calculation

Applicants for facilities representing topping-cycle technology must demonstrate compliance with the topping-cycle operating standard and, if applicable, efficiency standard. Section 292.205(a)(1) of the Commission's regulations (18 C.F.R. § 292.205(a)(1)) establishes the operating standard for topping-cycle cogeneration facilities: the useful thermal energy output must be no less than 5 percent of the total energy output. Section 292.205(a)(2) (18 C.F.R. § 292.205(a)(2)) establishes the efficiency standard for topping-cycle cogeneration facilities for which installation commenced on or after March 13, 1980: the useful power output of the facility plus one-half the useful thermal energy output must (A) be no less than 42.5 percent of the total energy input of natural gas and oil to the facility; and (B) if the useful thermal energy output is less than 15 percent of the total energy output of the facility, be no less than 45 percent of the total energy input of natural gas and oil to the facility. To demonstrate compliance with the topping-cycle operating and/or efficiency standards, or to demonstrate that your facility is exempt from the efficiency standard based on the date that installation commenced, respond to lines 13a through 13l below.

If you indicated in line 10a that your facility represents *both* topping-cycle and bottoming-cycle cogeneration technology, then respond to lines 13a through 13l below considering only the energy inputs and outputs attributable to the topping-cycle portion of your facility. Your mass and heat balance diagram must make clear which mass and energy flow values and system components are for which portion (topping or bottoming) of the cogeneration system.

13a Indicate the annual average rate of useful thermal energy output made available to the host(s), net of any heat contained in condensate return or make-up water	Btu/h
13b Indicate the annual average rate of net electrical energy output	kW
13c Multiply line 13b by 3,412 to convert from kW to Btu/h	0 Btu/h
13d Indicate the annual average rate of mechanical energy output taken directly off of the shaft of a prime mover for purposes not directly related to power production (this value is usually zero)	hp
13e Multiply line 13d by 2,544 to convert from hp to Btu/h	0 Btu/h
13f Indicate the annual average rate of energy input from natural gas and oil	Btu/h
13g Topping-cycle operating value = $100 * 13a / (13a + 13c + 13e)$	0 %
13h Topping-cycle efficiency value = $100 * (0.5*13a + 13c + 13e) / 13f$	0 %
13i Compliance with operating standard: Is the operating value shown in line 13g greater than or equal to 5%? <input type="checkbox"/> Yes (complies with operating standard) <input type="checkbox"/> No (does not comply with operating standard)	
13j Did installation of the facility in its current form commence on or after March 13, 1980? <input type="checkbox"/> Yes. Your facility is subject to the efficiency requirements of 18 C.F.R. § 292.205(a)(2). Demonstrate compliance with the efficiency requirement by responding to line 13k or 13l, as applicable, below. <input type="checkbox"/> No. Your facility is exempt from the efficiency standard. Skip lines 13k and 13l.	
13k Compliance with efficiency standard (for low operating value): If the operating value shown in line 13g is less than 15%, then indicate below whether the efficiency value shown in line 13h greater than or equal to 45%: <input type="checkbox"/> Yes (complies with efficiency standard) <input type="checkbox"/> No (does not comply with efficiency standard)	
13l Compliance with efficiency standard (for high operating value): If the operating value shown in line 13g is greater than or equal to 15%, then indicate below whether the efficiency value shown in line 13h is greater than or equal to 42.5%: <input type="checkbox"/> Yes (complies with efficiency standard) <input type="checkbox"/> No (does not comply with efficiency standard)	

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Information Required for Bottoming-Cycle Cogeneration Facility

If you indicated in line 10a that your facility represents bottoming-cycle cogeneration technology, then you must respond to the items on pages 16 and 17. Otherwise, skip pages 16 and 17.

Usefulness of Bottoming-Cycle Thermal Output	<p>The thermal energy output of a bottoming-cycle cogeneration facility is the energy related to the process(es) from which at least some of the reject heat is then used for power production. Pursuant to sections 292.202(c) and (e) of the Commission's regulations (18 C.F.R. § 292.202(c) and (e)), the thermal energy output of a qualifying bottoming-cycle cogeneration facility must be useful. In connection with this requirement, describe the process(es) from which at least some of the reject heat is used for power production by responding to lines 14a and 14b below.</p>						
	<p>14a Identify and describe each thermal host and each bottoming-cycle cogeneration process engaged in by each host. For hosts with multiple bottoming-cycle cogeneration processes, provide the data for each process in separate rows.</p>						
	<p>Name of entity (thermal host) performing the process from which at least some of the reject heat is used for power production</p>	<p>Thermal host's relationship to facility; Thermal host's process type</p>	<p>Has the energy input to the thermal host been augmented for purposes of increasing power production capacity? (if Yes, describe on p. 19)</p>				
	1)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">Select thermal host's relationship to facility</td> <td style="width: 50%; padding: 2px;">Yes <input type="checkbox"/> No <input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">Select thermal host's process type</td> <td style="padding: 2px;"></td> </tr> </table>	Select thermal host's relationship to facility	Yes <input type="checkbox"/> No <input type="checkbox"/>	Select thermal host's process type		
	Select thermal host's relationship to facility	Yes <input type="checkbox"/> No <input type="checkbox"/>					
Select thermal host's process type							
2)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">Select thermal host's relationship to facility</td> <td style="width: 50%; padding: 2px;">Yes <input type="checkbox"/> No <input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">Select thermal host's process type</td> <td style="padding: 2px;"></td> </tr> </table>	Select thermal host's relationship to facility	Yes <input type="checkbox"/> No <input type="checkbox"/>	Select thermal host's process type			
Select thermal host's relationship to facility	Yes <input type="checkbox"/> No <input type="checkbox"/>						
Select thermal host's process type							
3)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">Select thermal host's relationship to facility</td> <td style="width: 50%; padding: 2px;">Yes <input type="checkbox"/> No <input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">Select thermal host's process type</td> <td style="padding: 2px;"></td> </tr> </table>	Select thermal host's relationship to facility	Yes <input type="checkbox"/> No <input type="checkbox"/>	Select thermal host's process type			
Select thermal host's relationship to facility	Yes <input type="checkbox"/> No <input type="checkbox"/>						
Select thermal host's process type							
<p><input type="checkbox"/> Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed</p>							
<p>14b Demonstration of usefulness of thermal output: At a minimum, provide a brief description of each process identified above. In some cases, this brief description is sufficient to demonstrate usefulness. However, if your facility's process is not common, and/or if the usefulness of such thermal output is not reasonably clear, then you must provide additional details as necessary to demonstrate usefulness. Your application may be rejected and/or additional information may be required if an insufficient showing of usefulness is made. (Exception: If you have previously received a Commission certification approving a specific bottoming-cycle process related to the instant facility, then you need only provide a brief description of that process and a reference by date and docket number to the order certifying your facility with the indicated process. Such exemption may not be used if any material changes to the process have been made.) If additional space is needed, continue in the Miscellaneous section starting on page 19.</p>							

Bottoming-Cycle Operating and Efficiency Value Calculation

Applicants for facilities representing bottoming-cycle technology and for which installation commenced on or after March 13, 1990 must demonstrate compliance with the bottoming-cycle efficiency standards. Section 292.205(b) of the Commission's regulations (18 C.F.R. § 292.205(b)) establishes the efficiency standard for bottoming-cycle cogeneration facilities: the useful power output of the facility must be no less than 45 percent of the energy input of natural gas and oil for supplementary firing. To demonstrate compliance with the bottoming-cycle efficiency standard (if applicable), or to demonstrate that your facility is exempt from this standard based on the date that installation of the facility began, respond to lines 15a through 15h below.

If you indicated in line 10a that your facility represents both topping-cycle and bottoming-cycle cogeneration technology, then respond to lines 15a through 15h below considering only the energy inputs and outputs attributable to the bottoming-cycle portion of your facility. Your mass and heat balance diagram must make clear which mass and energy flow values and system components are for which portion of the cogeneration system (topping or bottoming).

15a Did installation of the facility in its current form commence on or after March 13, 1980?

- Yes. Your facility is subject to the efficiency requirement of 18 C.F.R. § 292.205(b). Demonstrate compliance with the efficiency requirement by responding to lines 15b through 15h below.
- No. Your facility is exempt from the efficiency standard. Skip the rest of page 17.

15b Indicate the annual average rate of net electrical energy output	kW
15c Multiply line 15b by 3,412 to convert from kW to Btu/h	0 Btu/h
15d Indicate the annual average rate of mechanical energy output taken directly off of the shaft of a prime mover for purposes not directly related to power production (this value is usually zero)	hp
15e Multiply line 15d by 2,544 to convert from hp to Btu/h	0 Btu/h
15f Indicate the annual average rate of supplementary energy input from natural gas or oil	Btu/h
15g Bottoming-cycle efficiency value = $100 * (15c + 15e) / 15f$	0 %

15h Compliance with efficiency standard: Indicate below whether the efficiency value shown in line 15g is greater than or equal to 45%:

- Yes (complies with efficiency standard)
- No (does not comply with efficiency standard)

Miscellaneous

Use this space to provide any information for which there was not sufficient space in the previous sections of the form to provide. For each such item of information *clearly identify the line number that the information belongs to*. You may also use this space to provide any additional information you believe is relevant to the certification of your facility.

Your response below is not limited to one page. Additional page(s) will automatically be inserted into this form if the length of your response exceeds the space on this page. Use as many pages as you require.

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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-10-53

CHARLIE WIND LLC

AFFIDAVIT OF KEVIN SIMMONS

EXHIBIT NO. 4

SEE AFFIDAVIT OF KEVIN SIMMONS FILED IN CASE NO.

IPC-E-10-54 FOR EXHIBIT NO. 4

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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-10-53

CHARLIE WIND LLC

AFFIDAVIT OF KEVIN SIMMONS

EXHIBIT NO. 5

SEE AFFIDAVIT OF KEVIN SIMMONS FILED IN CASE NO.

IPC-E-10-55 FOR EXHIBIT NO. 5