BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 1

FIRM ENERGY SALES AGREEMENT

BETWEEN

IDAHO POWER COMPANY

AND

NEW ENERGY THREE, LLC

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FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

Project Name: Double B Dairy

Project Number: 31616120

THIS AGREEMENT, entered into on this 24th day of May 2010 between NEW ENERGY THREE, LLC, an Idaho limited liability company (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as "Parties" or individually as "Party."

WITNESSETH:

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 "Base Energy" – Monthly Net Energy less than 110% of the monthly Net Energy Amount as specified in paragraph 6.2 of this Agreement.

1.2 "Commission" - The Idaho Public Utilities Commission.

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

1.4 "Delay Liquidated Damages" – Damages payable to Idaho Power as calculated in paragraph 5.3, 5.4, 5.5, 5.6 and 5.8.

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

1.6 "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.

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

1.8 "Facility" - That electric generation facility described in Appendix B of this Agreement.

1.9 "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.

1.10 "Heavy Load Hours" – The daily hours beginning at 7:00 am, ending at 11:00 pm Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.

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

1.12 "Interconnection Facilities" - All equipment specified in Schedule 72.

1.13 "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.

1.14 "Light Load Hours" – The daily hours beginning at 11:00 pm, ending at 7:00 am Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.

1.15 "Losses" – The loss of electrical energy expressed in kilowatt hours (kWh) occurring as a result of the transformation and transmission of energy between the point where the Facility's energy is metered 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.

1.16 "Market Energy Reference Price" – Eighty-five percent (85%) of the Mid-Columbia Market Energy Cost.

1.17 "Material Breach" – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.

1.18 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.

1.19 "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 between the Seller's electric generation plant and Idaho Power's system.

1.20 "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.

1.21 "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-amperers, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

1.22 "Net Energy" – All of the electric energy produced by the Facility, less Station Use, less Losses, expressed in kilowatt hours (kWh). 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.

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

1.24 "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 the Idaho Power electrical system.

1.25 "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.

1.26 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller's Facility shall achieve the Operation Date.

1.27 "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 within Schedule 72.

1.28 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.

1.29 "Special Facilities" - Additions or alterations of transmission and/or distribution lines and transformers as described in Schedule 72.

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

1.31 "Surplus Energy" – Is (1) Net Energy produced by the Seller's Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Net Energy Amount for the corresponding month specified in paragraph 6.2. or (2) If the Net Energy produced by the Seller's Facility and delivered to the Idaho Power electrical system during the month is less than 90% of the monthly Net Energy Amount for the corresponding month specified in paragraph 6.2, then all Net Energy delivered by the Facility to the Idaho Power electrical system for that given month or (3) 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.

1.32 "Total Cost of the Facility" - The total cost of structures, equipment and appurtenances.

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 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 or 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. Idaho Power reserves the right to review the Facility's Qualifying Facility status and associated support and compliance documents at anytime during the term 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 under this Agreement, 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 certified 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, 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 Capacity 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 – The Seller's Facility has been designated as a network resource capable of delivering firm energy up to the amount of the Maximum Capacity.

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 15 *(not to exceed 20 years)* 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. Delays in the interconnection and transmission network upgrade study, design and construction process that **are not** Force Majeure events accepted by both Parties, **shall not** prevent Delay Liquidated Damages from being due and owing as calculated in accordance with this Agreement.

5.3.1 If the Operation Date occurs after the Scheduled Operation Date but on or prior to 90 days following 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 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 with the Maximum Capacity being measured in kW.

5.4 If Seller fails to achieve the Operation Date within ninety (90) days following the Scheduled Operation

Date, such failure will be a Material Breach and Idaho Power may terminate this Agreement at any time until the Seller cures the Material Breach. Additional Delay Liquidated Damages beyond those calculated in 5.3.1 and 5.3.2 will be calculated and payable using the Delay Liquidated 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 cures this Material Breach or Idaho Power terminates this Agreement.

5.5 Seller shall pay Idaho Power any calculated Delay Damages or Delay Liquidated Damages within 7 days of when Idaho Power calculates and presents any Delay Damages or 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 shall draw funds from the Delay Security provided by the Seller in an amount equal to the calculated Delay Damages or 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 Prior to the Seller executing this Agreement, the Seller shall have agreed to and executed a Letter of Understanding with Idaho Power that contains at minimum the following requirements:

a) Seller has filed for interconnection and is in compliance with all payments and requirements of the interconnection process

b) Seller has received and accepted an interconnection feasibility study for this Facility.

c) Seller has provided all information required to enable Idaho Power to file an initial transmission capacity request.

d) Results of the initial transmission capacity request are known and acceptable to the Seller.

e) Seller acknowledges responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power firm network resource.

f) If the Facility is located outside of the Idaho Power service territory, in addition to the above requirements, the Seller must provide evidence that the Seller has acquired firm transmission capacity from all required transmitting entities to deliver the Facility's energy to an acceptable point of delivery on the Idaho Power electrical system.

5.8 Within thirty (30) days of the date of a final non-appealable order as specified in Article XXI approving this Agreement the Seller shall post liquid security ("Delay Security") in a form as described in Appendix D equal to or exceeding the amount calculated in paragraph 5.8.1.

5.8.1 Delay Security The greater of forty five ($45) multiplied by the Maximum Capacity with the Maximum Capacity being measured in kW or the sum of three month's estimated revenue. Where the estimated three months of revenue is the estimated revenue associated with the first three full months following the estimated Scheduled Operation Date, the estimated kWh of energy production as specified in paragraph 6.2.1 for those three months multiplied by the All Hours Energy Price specified in paragraph 7.3 for each of those three months.

5.8.1.1 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 the Seller is in compliance with all terms and conditions of the generation interconnection agreement, the Delay Security calculated in accordance with paragraph 5.8.1 will be reduced by ten percent (10%).

5.8.1.2 If the Seller has received a reduction in the calculated Delay Security as specified in paragraph 5.8.1.1 and subsequently (1) at Seller's request, the generation interconnection agreement specified in paragraph 5.8.1.1 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 5.8.1 will be subject to reinstatement and will be due and owing within 5 business days from the date Idaho Power requests reinstatement. Failure to timely reinstate the Delay Security will be a Material Breach of this Agreement.

5.8.2 Idaho Power shall release any remaining security posted hereunder after all calculated Delay Damages and/or 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) 60 days after the Agreement has been terminated.

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:

6.2.1 Initial Year Monthly Net Energy Amounts:

	Month	kWh
Season 1	March	648,000
	April	648,000
	May	648,000
Season 2	July	648,000
	August	648,000
	November	648,000
	December	648,000
Season 3	June	648,000
	September	648,000
	October	648,000
	January	648,000
	February	648,000

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates beyond those generation estimates previously provided. This information will be provided to Idaho Power by written notice in accordance with paragraph 25.1, no later than 5:00 PM of the 5th day following the end of the previous month. If the Seller does not provide the Ongoing Monthly Net Energy Amounts in a timely manner, Idaho Power will use the most recent 3 months of the Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 for the next 3 months of monthly Net Energy amounts.

6.2.3 Seller's Adjustment of Net Energy Amount

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 25.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 9th month after the Operation Date and at the end of every third month thereafter: (1) the Seller may not revise the immediate next three

months of previously provided Net Energy Amounts, (2) but by written notice given to Idaho Power in accordance with paragraph 25.1, no later than 5:00 PM of the 5th day following the end of the previous month, the Seller may revise all other previously provided Net Energy Amounts. Failure to provide timely written notice of changed amounts will be deemed to be an election of no change.

6.2.4 Idaho Power Adjustment of Net Energy Amount – If Idaho Power is excused from accepting the Seller's Net Energy as specified in paragraph 12.2.1 or if the Seller declares a Suspension of Energy Deliveries as specified in paragraph 12.3.1 and the Seller's declared Suspension of Energy Deliveries is accepted by Idaho Power, the Net Energy Amount as specified in paragraph 6.2 for the specific month in which the reduction or suspension under paragraph 12.2.1 or 12.3.1 occurs will be reduced in accordance with the following:

Where:

NEA = Current Month's Net Energy Amount (Paragraph 6.2)

SGU = a.) If Idaho Power is excused from accepting the Seller's Net Energy as specified in paragraph 12.2.1 this value will be equal to the percentage of curtailment as specified by Idaho Power multiplied by the TGU as defined below.

b.) If the Seller declares a Suspension of Energy Deliveries as specified in paragraph 12.3.1 this value will be the sum of the individual generation units size ratings as specified in Appendix B that are impacted by the circumstances causing the Seller to declare a Suspension of Energy Deliveries.

TGU = Sum of all of the individual generator ratings of the generation units at this Facility as specified in Appendix B of this agreement.

RSH = Actual hours the Facility's Net Energy deliveries were either reduced or suspended under paragraph 12.2.1 or 12.3.1

TH = Actual total hours in the current month

Resulting formula being:

$$\text{Adjusted Net Energy Amount} = NEA - \left(\left(TGU \times NEA \right) \times \left(TH \right) \right)$$

This Adjusted Net Energy Amount will be used in applicable Surplus Energy calculations for only the specific month in which Idaho Power was excused from accepting the Seller's Net Energy or the Seller declared a Suspension of Energy.

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 Net Energy Amounts as specified in paragraph 6.2 shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30415 for Heavy Load Hour Energy deliveries with seasonalization factors applied:

	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
Year	**Mills/kWh**	**Mills/kWh**	**Mills/kWh**
2010	57.98	94.67	78.89
2011	59.54	97.21	81.01
2012	61.22	99.95	83.29
2013	62.62	102.23	85.19
2014	64.05	104.57	87.14
2015	65.52	106.97	89.14
2016	67.10	109.55	91.29
2017	68.63	112.05	93.38
2018	70.29	114.77	95.64
2019	71.91	117.40	97.83
2020	73.56	120.10	100.08
2021	75.26	122.87	102.39
2022	76.99	125.70	104.75
2023	78.78	128.61	107.18
2024	80.60	131.59	109.66
2025	82.47	134.65	112.21
2026	84.75	138.37	115.31
2027	87.10	142.21	118.51

2028	89.53	146.17	121.81
2029	92.03	150.25	125.21
2030	94.60	154.45	128.71
2031	96.69	157.85	131.55

7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30415 for Light Load Hour Energy deliveries with seasonalization factors applied :

	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
Year	**Mills/kWh**	**Mills/kWh**	**Mills/kWh**
2010	52.63	85.93	71.61
2011	54.19	88.47	73.73
2012	55.87	91.21	76.01
2013	57.27	93.49	77.91
2014	58.70	95.83	79.86
2015	60.17	98.23	81.86
2016	61.75	100.81	84.01
2017	63.28	103.32	86.10
2018	64.94	106.03	88.36
2019	66.56	108.66	90.55
2020	68.21	111.36	92.80
2021	69.90	114.13	95.11
2022	71.64	116.97	97.47
2023	73.42	119.88	99.90
2024	75.25	122.86	102.38
2025	77.12	125.91	104.93
2026	79.40	129.64	108.03
2027	81.75	133.48	111.23
2028	84.18	137.43	114.53
2029	86.68	141.51	117.93
2030	89.25	145.71	121.43
2031	91.33	149.12	124.27

7.3 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the non-levelized energy price in accordance with Commission Order 30744 and 30738 with seasonalization factors applied:

Year	Season 1 - (73.50 %) Mills/kWh	Season 2 - (120.00 %) Mills/kWh	Season 3 - (100.00 %) Mills/kWh
2010	55.60	90.78	75.65
2011	57.16	93.32	77.77
2012	58.84	96.06	80.05
2013	60.24	98.34	81.95
2014	61.67	100.68	83.90
2015	63.14	103.08	85.90
2016	64.72	105.66	88.05
2017	66.25	108.17	90.14
2018	67.91	110.88	92.40
2019	69.53	113.51	94.59
2020	71.18	116.21	96.84
2021	72.87	118.98	99.15
2022	74.61	121.82	101.51
2023	76.39	124.72	103.94
2024	78.22	127.71	106.42
2025	80.09	130.76	108.97
2026	82.37	134.49	112.07
2027	84.72	138.32	115.27
2028	87.15	142.28	118.57
2029	89.64	146.36	121.97
2030	92.22	150.56	125.47
2031	94.30	153.97	128.31

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 – Undisputed Energy payments, less any payments due to 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 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 Afton 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 P.2d 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 Seller retains ownership under this Agreement of Green Tags and Renewable Energy Certificate (RECs), or the equivalent environmental attributes, directly associated with the production of energy from the Seller's Facility sold to Idaho Power.

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.

ARTICLE X: METERING AND TELEMETRY

10.1 Metering - Idaho Power shall, for the account of Seller, provide, install, and maintain Metering 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 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 acceptable to 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, or temporary disconnection of the Facility in accordance with Schedule 72. If, for reasons other than an event of Force Majeure, 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. Seller's failure to limit deliveries to the Maximum Capacity Amount will be a Material Breach of this Agreement.

12.2.4 If Idaho Power is unable to accept the energy from this Facility and is not excused from accepting the Facility's energy, Idaho Power's damages shall be limited to only the value of the estimated energy that Idaho Power was unable to accept. Idaho Power will have no responsibility to pay for any other costs, lost revenue or consequential damages the Facility may incur.

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as provided in paragraph 12.3.2 below, temporarily suspend all deliveries of Net Energy to Idaho Power from the Facility or from individual generation unit(s) within the Facility impacted by the forced outage for a period of not less than 48 hours to correct the forced outage condition ("Declared Suspension of Energy Deliveries"). The Seller's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller's telephone notification as specified in paragraph 12.3.2 and will continue for the time as specified (not less than 48 hours) in the written

notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Net Energy Amount will be adjusted as specified in paragraph 6.2.4.

12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with XXIV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries and a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries. Idaho Power will review the documentation provided by the Seller to determine Idaho Power's acceptance of the described forced outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power's acceptance of the Seller's forced outage as an acceptable forced outage will be based upon the clear documentation provided by the Seller that the forced outage is not due do an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.

12.4 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.

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

12.6 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system,

and/or unplanned events 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 (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement or (b) negligent or intentional acts, errors or omissions. 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. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

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 4.1.5 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 reasonable foresight such party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome. If either Party is rendered wholly or in part unable to perform its obligations under this Agreement because of an event of Force Majeure, both Parties shall be excused from whatever performance is affected by the event of Force Majeure, provided that:

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

(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 Limitation of Liability. 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. Neither party shall be liable to the other for any indirect, special, consequential, nor punitive damages, except as expressly authorized by this Agreement. Consequential damages will include, but not be limited to, the value of renewable energy certificate and, if the Facility is fueled by gas produced by an anaerobic digester system, any diminution or loss of anaerobic activity due to the inability of Idaho Power to accept energy from the Facility.

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

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 it is exercising such rights or remedies.

ARTICLE XXIII: MODIFICATION

23.1 No modification to this Agreement shall be valid unless it is in 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:

To Seller:

Original document to:

Laura Knothe, PE
New Energy Three, LLC
8720 Vic Lane
Middleton ID 83644

Telephone:
Cell: (208) 890-8783
FAX: (208) 585-9016

E-mail: laura@thenewenergycompany.com

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
PO Box 70
Boise, Idaho 83707
Email: LGgrow@idahopower.com

Copy of document to:

Cogeneration and Small Power Production
Idaho Power Company
PO Box 70
Boise, Idaho 83707
E-mail: rallphin@idahopower.com

Either Party may change the contact person and/or address information listed above, by providing written notice from an authorized person representing the Party.

ARTICLE XXVI: ADDITIONAL TERMS AND CONDITIONS

26.1 This Agreement includes the following appendices, which are attached hereto and included by reference:

Appendix A	-	Generation Scheduling and Reporting
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Forms of Liquid Security

ARTICLE XXVII: SEVERABILITY

27.1 The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other terms or provisions and this Agreement shall be construed in all other respects as if the invalid or unenforceable term or provision were omitted.

ARTICLE XXVIII: COUNTERPARTS

28.1 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

ARTICLE XXIX: ENTIRE AGREEMENT

29.1 This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

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	New Energy Three, LLC
By Lisa A. Grow	By
Lisa A Grow Sr. Vice President, Power Supply	Laura Knothe, PE
Dated 5·24·10	Dated 5/21/10
"Idaho Power"	"Seller"

APPENDIX A

A –1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

Idaho Power Company
Attn: Cogeneration and Small Power Production
PO 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 and Station Usage delivered to Idaho Power 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:

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

Project Name _____ Project Number: _____

Address _____ Phone Number: _____

City _____ State _____ Zip _____

	Facility Output	Station Usage	Station Usage	Metered Maximum Generation
Meter Number:				
End of Month kWh Meter Reading:				kW
Beginning of Month kWh Meter:				
Difference:				
Times Meter Constant:				Net Generation
kWh for the Month:	-	-	=	
Metered Demand:				

Breaker Opening Record

Date	Time	Meter	*	Reason

Breaker Closing Record

Date	Time	Meter

* Breaker Opening Reason Codes

1 Lack of Adequate Prime Mover
2 Forced Outage of Facility
3 Disturbance of IPCo System
4 Scheduled Maintenance
5 Testing of Protection Systems
6 Cause Unknown
7 Other (Explain)

I hereby certify that the above meter readings are true and correct as of Midnight on the last day of the above month and that the switching record is accurate and complete as required by the Firm Energy Sales Agreement to which I am a Party.

_____ 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

Once the Facility has achieved its Operation Date and has operated in a reliable and consistent manner for a reasonable period of time, the Parties may mutually agree to modify this Routine Reporting requirement.

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:	Jay Kesting
Telephone Number:	(208) 947-4519
Cell Phone:	(208) 559-4244

Project On-site Contact information

Name:	Kurt Standley
Telephone Number:	(208) 280-1166

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Double B Dairy

Project Number: 31616120

B-1 DESCRIPTION OF FACILITY

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

The facility consists of an anaerobic digester, gen sets and waste handling equipment. The total nameplate capacity of the three generators is 2000 kW.

Var Capability (Both leading and lagging) Leading is .98 Lagging is .8.

B-2 LOCATION OF FACILITY

Near: Murtaugh, ID

Sections: 33 Township: 10S Range: 21E Milner ID Quadrangle County: Cassia ID.

Description of Interconnection Location: Near 1250 West 1100 South Murtaugh, ID

Nearest Idaho Power Substation: Buckhorn Substation

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected October 1, 2011 as the Scheduled First Energy Date.

Seller has selected December 1, 2012 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 __2__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 Sellers 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 months 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 with Idaho Power's communications equipment and dedicated to Idaho Power's 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.

B-8 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until a Network Resource Designation ("NRD") application has been accepted by Idaho Power's delivery business unit. Federal Energy Regulatory Commission ("FERC") Rules require Idaho Power to prepare and submit the NRD. Because much of the information Idaho Power needs to prepare the NRD is specific to the Seller's Facility, Idaho Power's ability to file the NRD in a timely manner is contingent upon timely receipt of the required information from the Seller. Prior to Idaho Power beginning the process to enable Idaho Power to submit a request for NRD status for this Facility, the Seller shall have completed all requirements as specified in Paragraph 5.7 of this Agreement. **Seller's failure to provide complete and accurate information in a timely manner can significantly impact Idaho Power's ability and**

cost to attain the NRD designation for the Seller's Facility and the Seller shall bear the costs of any of these delays that are a result of any action or inaction by the Seller.

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 _____ 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 fifteen (15) 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 fifteen (15) 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 operations 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 Idaho Power 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 _____, Boise Meridian, _____ County, Idaho.

5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a fifteen (15) 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 _____ 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 requirement 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 Corporation 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.

2. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Delay Security: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) a 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.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 2

The New Energy Company, LLC

8720 Vic Lane
Middleton, ID 8366

Phone: 208.890.8783
Fax: 208.585.9016
E-mail:
laura@thenewenergycompany.com

October 12, 2009

Rowena Bishop
Idaho Power Company
1221 W. State Street
Boise ID 83702

Re: Small Generator Interconnection Applications for 2 Locations

Dear Rowena:

Please find enclosed Small Generator Interconnection Request Application Forms for two locations:

1. **Double B Dairy**
   1250 West 1100 South
   Murtaugh, ID 83344

2. Swager Farms
   1707 E 3800 N
   Buhl, ID 83316

New Energy plans to complete anaerobic digesters at both facilities in 2010. Please find enclosed the $1000 deposit for each project for a total of $2000. Please call me at 208.890.8783 with questions or if more information is required.

Thank you,

Laura Knothe, PE
The New Energy Company, LLC

RECEIVED 10/12/09 KB

SMALL GENERATOR INTERCONNECTION REQUEST
(Application Form)

Transmission Provider: IDAHO POWER COMPANY

Designated Contact Person:	Rowena Bishop
Address:	1221 W. Idaho Street, Boise ID 83702
Telephone Number:	208-388-2658
Fax:	208-388-6647
E-Mail Address:	rbishop@idahopower.com

An Interconnection Request is considered complete when it provides all applicable and correct information required below.

Preamble and Instructions

An Interconnection Customers who request interconnection must submit this Interconnection Request by hand delivery, mail, e-mail, or fax to the Transmission Provider.

Processing Fee or Deposit:

If the Interconnection Request passes ALL screens of SGIP Section 2.2.1, the application may be submitted under the Fast Track Process, and the non-refundable processing fee is $500. Please contact Idaho Power if you have any questions.

All Interconnection Requsts submitted under the Study Process, whether a new submission or an Interconnection Request that did not pass the Fast Track Process, shall submit to the Transmission Provider a deposit not to exceed $1,000 towards the cost of the feasibility study.

Interconnection Customer Information

Legal Name of the Interconnection Customer (or, if an individual, individual's name)

Name: Owner/Operator Company being formed. Please see contact information below.

Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Facility Location (if different from above): _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Alternative Contact Information (if different from the Interconnection Customer)

Contact Name: Laura Knothe, PE

Title: Project Manager

Address: 8720 Vic Lane

Middleton, ID 83644

Telephone (Day): 208.890.8783 Telephone (Evening): 208.890.8783

Fax: 208.585.9016 E-Mail Address: laura@thenewenergycompany.com

Application is for: X New Small Generating Facility
_____ Capacity addition to Existing Small Generating Facility

If capacity addition to existing facility, please describe: NA

Will the Small Generating Facility be used for any of the following?

To Supply Power to the Interconnection Customer? Yes ___ No X
To Supply Power to Others? Yes ____ No X

For installations at locations with existing electric service to which the proposed Small Generating Facility will interconnect, provide:

Idaho Power Company
(Local Electric Service Provider*)

(Existing Account Number*)

[*To be provided by the Interconnection Customer if the local electric service provider is different from the Transmission Provider]

Contact Name: _____

Title: _____

Address: _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Requested Point of Interconnection: 1250 West 1100 South Murtaugh ID 83344

Interconnection Customer's Requested In-Service Date: July 2010

Small Generating Facility Information
Data apply only to the Small Generating Facility, not the Interconnection Facilities.

Energy Source: ___ Solar ___ Wind ___ Hydro ___ Hydro Type (e.g. Run-of-River):_____
___ Diesel ___ Natural Gas ___ Fuel Oil _X_ Other (state type) Methane Gas

Prime Mover: ___Fuel Cell _X_ Recip Engine ___Gas Turb ___Steam Turb
___Microturbine ___PV ___Other

Type of Generator: ☑ Synchronous ____Induction ____ Inverter

Generator Nameplate Rating: 1200 kW (Typical) Generator Nameplate kVAR: _____

Interconnection Customer or Customer-Site Load: None kW (if none, so state)

Typical Reactive Load (if known): NA

Maximum Physical Export Capability Requested: 1200 kW

List components of the Small Generating Facility equipment package that are currently certified:

Equipment Type	Certifying Entity
1.	
2.	
3.	
4.	
5.	

Is the prime mover compatible with the certified protective relay package? ____Yes ____No

Generator (or solar collector)
Manufacturer, Model Name & Number: (2) Caterpillar G3512 Gas Gensets @ 600kW
Version Number: _____

Nameplate Output Power Rating in kW: (Summer) 1200 (Winter) 1200
Nameplate Output Power Rating in kVA: (Summer) 1500 (Winter) 1500

Individual Generator Power Factor
Rated Power Factor: Leading: _____ Lagging: 0.8

Total Number of Generators in wind farm to be interconnected pursuant to this NA
Interconnection Request: _____ Elevation: _____ ___Single phase ___Three phase

Inverter Manufacturer, Model Name & Number (if used): NA

List of adjustable set points for the protective equipment or software: NA

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Request.

Small Generating Facility Characteristic Data (for inverter-based machines)

Max design fault contribution current: NA Instantaneous ___ or RMS? ___

Harmonics Characteristics: NA

Start-up requirements: NA

Small Generating Facility Characteristic Data (for rotating machines)

RPM Frequency: 1200/60Hz
(*) Neutral Grounding Resistor (If Applicable): _____

Synchronous Generators:

Direct Axis Synchronous Reactance, Xd: _____ P.U.
Direct Axis Transient Reactance, X'_d: _____ P.U.
Direct Axis Subtransient Reactance, X''_d: _____ P.U.
Negative Sequence Reactance, X_2: _____ P.U.
Zero Sequence Reactance, X_0: _____ P.U.
KVA Base: _____
Field Volts: _____
Field Amperes: _____

Induction Generators:

Motoring Power (kW): _____
I_2^2t or K (Heating Time Constant): _____
Rotor Resistance, Rr: _____
Stator Resistance, Rs: _____
Stator Reactance, Xs: _____
Rotor Reactance, Xr: _____
Magnetizing Reactance, Xm: _____
Short Circuit Reactance, Xd": _____
Exciting Current: _____
Temperature Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load): _____
Reactive Power Required In Vars (Full Load): _____
Total Rotating Inertia, H: Per Unit on kVA Base

Note: Please contact the Transmission Provider prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

Interconnection Facilities Information

Will a transformer be used between the generator and the point of common coupling? ☑ Yes ___No

Will the transformer be provided by the Interconnection Customer? ☑ Yes ____No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer):

Is the transformer: ____single phase _____three phase? Size: _____kVA
Transformer Impedance: _____% on _____kVA Base

If Three Phase:
Transformer Primary: _____ Volts _____ Delta _____Wye _____ Wye Grounded
Transformer Secondary: _____ Volts _____ Delta _____Wye _____ Wye Grounded
Transformer Tertiary: _____ Volts _____ Delta _____Wye _____ Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse):

(Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)

Manufacturer: _____ Type: _____ Size: _____Speed: _____

Interconnecting Circuit Breaker (if applicable):

Manufacturer: _____ Type: _____
Load Rating (Amps): _____ Interrupting Rating (Amps): _____ Trip Speed (Cycles): _____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled:

List of Functions and Adjustable Setpoints for the protective equipment or software:

Setpoint Function	Minimum	Maximum
1. See attached SEL-547 Relay Settings Sheet		
2.		
3.		
4.		
5.		
6.		

If Discrete Components:

(Enclose Copy of any Proposed Time-Overcurrent Coordination Curves)

Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____

Current Transformer Data (If Applicable):

(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves)

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: ____

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: ____

Potential Transformer Data (If Applicable):

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: ____

Manufacturer: _____
Type: _____ Accuracy Class: ___ Proposed Ratio Connection: ____

General Information

Enclose copy of site electrical one-line diagram showing the configuration of all Small Generating Facility equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Small Generating Facility is larger than 50 kW. Is One-Line Diagram Enclosed? [✓] Yes ___ No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Small Generating Facility (e.g., USGS topographic map or other diagram or documentation).

Proposed location of protective interface equipment on property (include address if different from the Interconnection Customer's address) 1250 West 1100 South; Murtaugh ID 83344

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is Available Documentation Enclosed? ___ Yes X No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable).
Are Schematic Drawings Enclosed? ___ Yes X No

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this Interconnection Request is true and correct.

For Interconnection Customer:

Signed

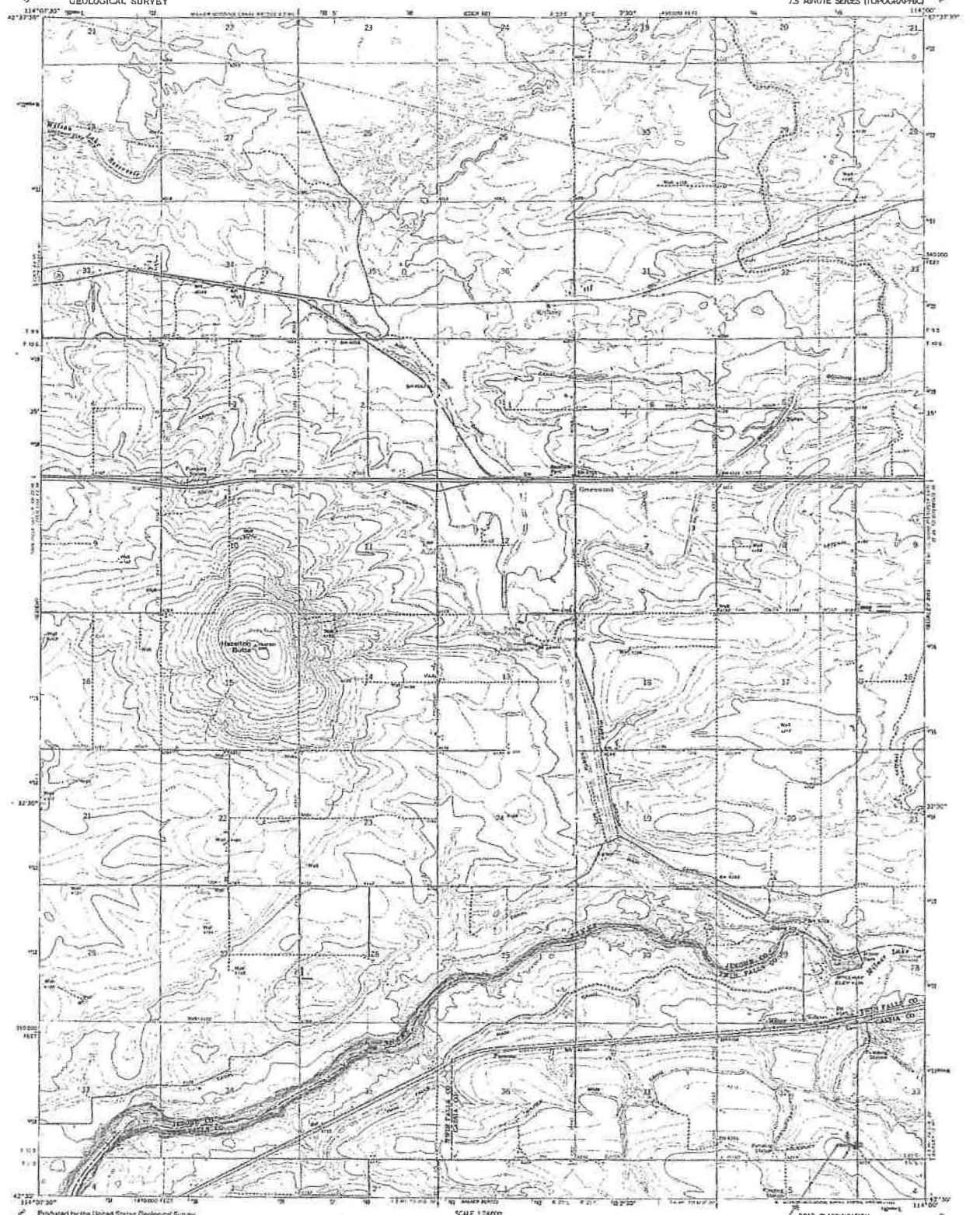
Date: 10/9/09

Printed

Laura Knothe, PE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MILNER QUADRANGLE
IDAHO
7.5 MINUTE SERIES (TOPOGRAPHIC)



Produced by the United States Geological Survey
Owned by USGS and NOS/NOAA

Compiled from aerial photographs taken 1967. Information shown in more has been updated from aerial photographs taken 1967 and field checked 1982. Contours may exist between some cultural features and previously mapped contours.

North American Datum of 1927 (NAD 27). Projection and 10,000 foot grid ticks: Idaho Coordinate System, central zone (Transverse Mercator). 1000 meter Universal Transverse Mercator grid ticks, zone 11, shown in blue.
The difference between NAD 27 and North American Datum of 1983 (NAD 83) for 7.5 minute intersections is given in USGS Bulletin 1875. The NAD 83 is shown by dashed corner ticks.

SCALE 1:24000

CONTOUR INTERVAL 10 FEET
NATIONAL GEODETIC VERTICAL DATUM OF 1929

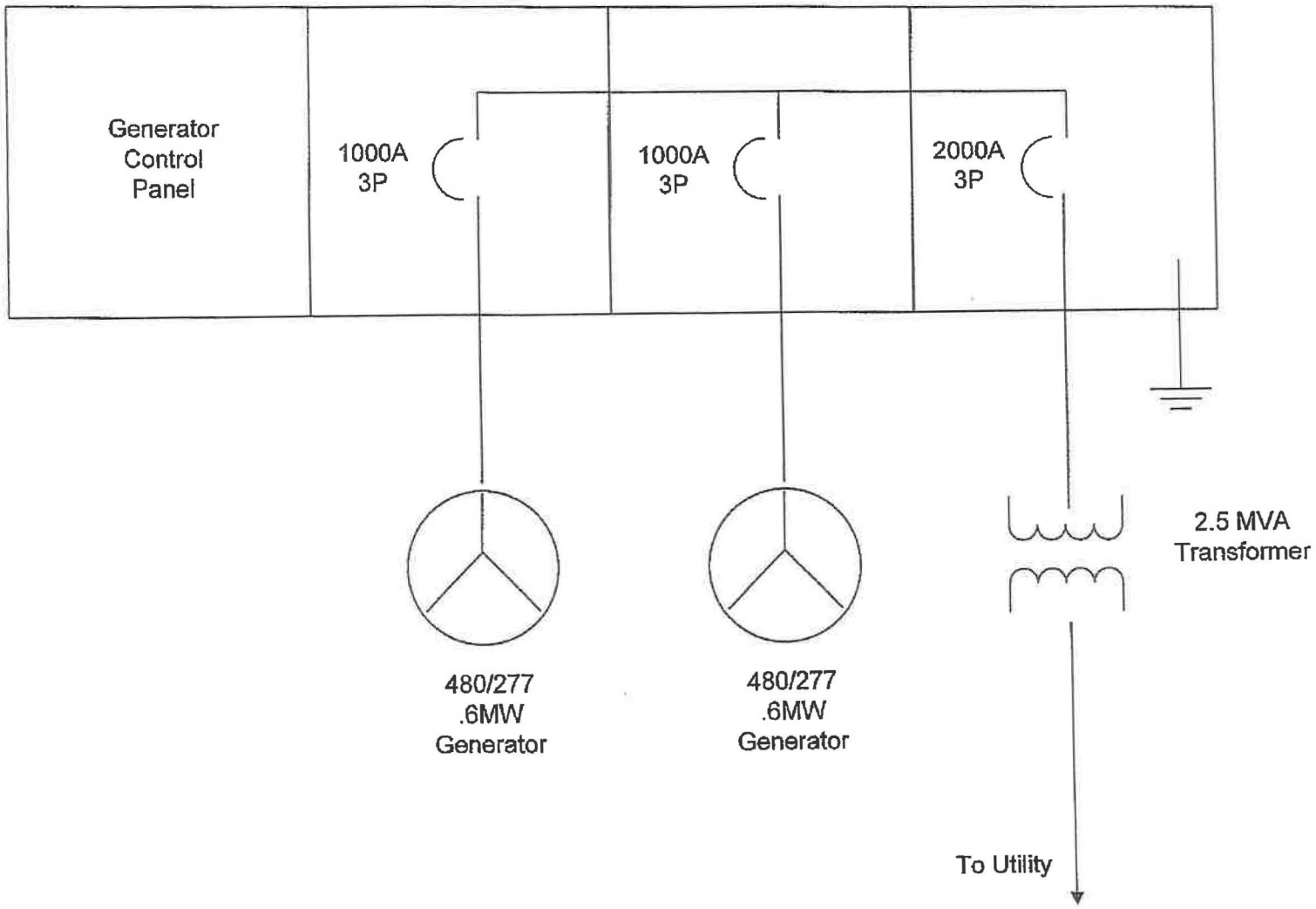
COMPILED WITH U.S. GEOLOGICAL SURVEY STANDARDS FOR SPATIAL ACCURACY-CLASS 2
FOR SALE BY U.S. GEOLOGICAL SURVEY
DENVER, COLORADO 80225, OR RESTON, VIRGINIA 22092.
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

ROAD CLASSIFICATION
Primary highway, all weather, hard surface — Light duty road, all weather, improved surface
Secondary highway, all weather, hard surface — Unimproved road, fair or dry weather
Interstate Route — U.S. Route — State Route

MILNER, IDAHO
42114 E1-TF-024

1964
REVISED 1982
DMA 3159 II SE-NE/SE-NW

Point of
INTERCONNECTION


Generator
Control
Panel
1000A
3P
1000A
3P
2000A
3P
480/277
.6MW
Generator
480/277
.6MW
Generator
2.5 MVA
Transformer
To Utility

Appendix C

SEL-547 Relay EZ Settings Sheet

EZ Settings (use SHO E and SET E commands)

General Settings

Relay Identifier (30 characters)	RELID	= _____
Terminal Identifier (30 characters)	TERMID	= _____
Current Transformer Ratio (1–1000)	CRATIO	= _____
Nominal Input Voltage, line-to-line (208–480 Vac)	NOMV	= _____
Three-Phase Voltage Connection (WYE); fixed setting	3PCONN	= _____
Nominal System Frequency (50, 60 Hz)	FREQ	= _____
Phase Rotation (ABC, ACB)	ROTATE	= _____
Date Format (MDY, YMD)	DATE	= _____
LED Flash Interval (OFF, 5, 10, 15, 30, 60 sec.)	LEDFL	= _____

Voltage Element Settings (device 27/59; 4 elements)

Undervoltage 1 Pickup (OFF, 50–100%); see *Note 1*	27UV1P	= _____
Undervoltage 1 Time Delay (0.00–16000 cyc)	27UV1D	= _____
Undervoltage 2 Pickup (OFF, 50–100%); see *Note 1*	27UV2P	= _____
Undervoltage 2 Time Delay (0.00–16000 cyc)	27UV2D	= _____
Overvoltage 1 Pickup (OFF, 50–144%); see *Note 1*	59OV1P	= _____
Overvoltage 1 Time Delay (0.00–16000 cyc)	59OV1D	= _____
Overvoltage 2 Pickup (OFF, 50–144%); see *Note 1*	59OV2P	= _____
Overvoltage 2 Time Delay (0.00–16000 cyc)	59OV2D	= _____

Frequency Element Settings (device 81; 4 elements)

Undervoltage Block Pickup (50–100%); see *Note 1*	27BLKP	= _____
Over- and Underfrequency 1 Pickup (OFF, 40.1–69.9 Hz)	81OU1P	= _____
Over- and Underfrequency 1 Time Delay (5.00–16000 cyc)	81OU1D	= _____
Over- and Underfrequency 2 Pickup (OFF, 40.1–69.9 Hz)	81OU2P	= _____

Date_____

Over- and Underfrequency 2 Time Delay (5.00–16000 cyc)	**81OU2D**	= _____
Over- and Underfrequency 3 Pickup (OFF, 40.1–69.9 Hz)	**81OU3P**	= _____
Over- and Underfrequency 3 Time Delay (5.00–16000 cyc)	**81OU3D**	= _____
Over- and Underfrequency 4 Pickup (OFF, 40.1–69.9 Hz)	**81OU4P**	= _____
Over- and Underfrequency 4 Time Delay (5.00–16000 cyc)	**81OU4D**	= _____

Directional Power Element Settings (device 32; 1 element)

Three-Phase Power Pickup (OFF, 40–900 Watts, secondary)	**32P**	= _____
Power Element, Forward or Reverse (F, R)	**32FR**	= _____
Power Element Time Delay (0.00–16000 cyc)	**32D**	= _____

Synchronism Check Element Settings (device 25; 1 element)

Difference Voltage Pickup (OFF, 1–50%); see *Note 1*	**25DIFP**	= _____
Maximum Slip Frequency (0.1–0.5 Hz)	**25SLP**	= _____
Maximum Angle (2–60 degrees)	**25ANG**	= _____

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 3

IDAHO POWER®
An IDACORP Company

October 19, 2009

Laura Knothe, PE
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

Re: Double B Dairy - Project # 308

Dear Laura:

Thank you for your Generator Interconnection application for the Rock Creek Dairy Project to be connected to the Idaho Power system at Twin Falls County, Idaho (see attached copy). Since we have received all of the required materials, this application is now considered complete. As you may be aware, we are required to post certain information to our OASIS (Open Access Same Time Information) website. Please refer to the website periodically to view a list of current projects at http://www.oatioasis.com/IPCO/index.html under GENERATOR INTERCONNECTION INFORMATION folder, on the left side of the screen.

For your reference, enclosed is a copy of Idaho Power Company's Requirements for Generation Interconnection which may or may not apply to your project. More information about the Generation Interconnection process can be found on the Idaho Power website at: http://www.idahopower.com/AboutUs/BusinessToBusiness/GenerationInterconnect/default.cfm

At this time, Idaho Power Company will assign a planning engineer for this project, and we will contact you in the near future to schedule a Scoping Meeting. For your review, I am attaching a copy of the standard Interconnection Feasibility Study Agreement that needs to be executed by you soon after our Scoping Meeting. Please feel free to contact me with your questions about the Generator Interconnection Process anytime.

I will forward this application to our T&D Planning Leader, Marc Patterson, who will be evaluating your request.

Sincerely,

Rowena Bishop

Rowena Bishop
Operations Analyst
Ph 208-388-2658

Encl Application
Idaho Power Company's Requirements for Generation Interconnection
Standard Interconnection Feasibility Study Agreement

Cc: Marc Patterson/IPC (via email)

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

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 4

Feasibility Study Agreement

THIS AGREEMENT is made and entered into this 27 day of October 2009 by and between The New Energy Company, LLC, a LLC organized and existing under the laws of the State of Idaho, ("Interconnection Customer,") and Idaho Power Company a Corporation existing under the laws of the State of Idaho ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by Interconnection Customer on October 12, 2009, also known as Project # 308; and

WHEREAS, Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Transmission System; and

WHEREAS, Interconnection Customer has requested the Transmission Provider to perform a feasibility study to assess the feasibility of interconnecting the proposed Small Generating Facility with the Transmission Provider's Transmission System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Transmission Provider shall cause to be performed an interconnection feasibility study consistent the standard Small Generator Interconnection Procedures in accordance with the Open Access Transmission Tariff.

3.0 The scope of the feasibility study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The feasibility study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the scoping meeting. The Transmission Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the feasibility study and as designated in accordance with the standard Small Generator Interconnection Procedures. If the Interconnection Customer modifies its Interconnection Request, the time to complete the feasibility study may be extended by agreement of the Parties.

5.0 In performing the study, the Transmission Provider shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the feasibility study.

6.0 The feasibility study report shall provide the following analyses for the purpose of identifying any potential adverse system impacts that would result from the interconnection of the Small Generating Facility as proposed:

6.1 Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;

6.3 Initial review of grounding requirements and electric system protection; and

6.4 Description and non-bonding estimated cost of facilities required to interconnect the proposed Small Generating Facility and to address the identified short circuit and power flow issues.

7.0 The feasibility study shall model the impact of the Small Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Small Generating Facility is being installed.

8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as requested by the Interconnection Customer and at the Interconnection Customer's cost.

9.0 In lieu of Feasibility Study deposit, Interconnection Customer agrees that study funds will be drawn from the application fee for the performance of the Interconnection Feasibility Study.

Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study. Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

10.0 Once the feasibility study is completed, a feasibility study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the feasibility study must be completed and the feasibility study report transmitted within 30 business days of the Interconnection Customer's agreement to conduct a feasibility study.

11.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

Transmission Provider:
Idaho Power Company – Delivery

Signed Marc Patterson
Printed Marc Patterson
Title Engineering Leader
Date 10/27/09

Interconnection Customer:
The New Energy Company, LLC

Signed [illegible] PE
Printed Laura Knothe PE
Title Managing Partner
Date 10/27/09

Attachment A to Feasibility Study Agreement

Assumptions Used in Conducting the Feasibility Study

The feasibility study will be based upon the information set forth in the Interconnection Request and agreed upon in the scoping meeting held on 10/27/09:

1) Designation of Point of Interconnection and configuration to be studied.

34.5 kV line adjacent to 1250 West 1100 South. Murtaugh ID

2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Transmission Provider.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 5

GENERATOR INTERCONNECTION FEASIBILITY STUDY

for integration of the proposed

PROJECT #308

to the

IDAHO POWER COMPANY ELECTRICAL SYSTEM

for the

INTERCONNECTION CUSTOMER

DRAFT REPORT

DECEMBER 9, 2009

CP

1.0 Introduction

The Generation Interconnection Customer has contracted with Idaho Power Company (IPCo) to perform a Generator Interconnection Feasibility Study for the integration of a proposed 1.2 MW dairy digester project (project #308). The location of the project is in Idaho Power's Southern Idaho service territory in Cassia County, Idaho.

This report documents the basis for and the results of this Feasibility Study for the Generation Interconnection Customer. It describes the proposed project, the study cases used, the impact of associated projects, and results of all work in the areas of concern.

2.0 Summary

The proposed small generation project is a 1.2 MW biogas generation project. The proposed Point of Interconnection (POI) for the generating facility with the IPCo system is in Cassia County, Idaho at the 12.5 kV distribution level near the generating facility.

This feasibility study indicates the existing local transmission system does currently have the capacity for the 1.2 MW output of the digester project

The installation of a generation interconnection and protection package is the only upgrade needed. The estimated cost to interconnect this generation project to Idaho Power's system is **$225,000**.

3.0 Scope of Interconnection Feasibility Study

The Interconnection Feasibility Study was done and prepared in accordance with Idaho Power Company Standard Generator Interconnection Procedures, to provide a preliminary evaluation of the feasibility of the interconnection of the proposed generating project to the Idaho Power system. As listed in the Interconnection Feasibility Study agreement, the Interconnection Feasibility Study report provides the following information:

- preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and
- preliminary description and non-binding estimated cost of facilities required to interconnect the Small Generating Facility to the Distribution System and to address the identified short circuit and power flow issues.

All other proposed Generation projects prior to this project in the Generator Interconnect queue were considered in this study. A current list of these projects can be found on the Idaho Power web site as follows:

http://www.oatioasis.com/ipco/index.html.

4.0 Description of Proposed Generating Project

Project #308 proposes to connect to the IPCo distribution system for an injection of 1.2 MW (maximum project output).

5.0 Description of Existing Substation Facilities

The distribution substation that serves this area is located approximately two and a half miles south and east of the POI. The existing substation transformer is a 69:34.5 kV transformer that has adequate capacity for this project.

The associated feeder breaker at the substation is rated for use at 34.5 kV. This breaker's interrupting capabilities are not exceeded with the added generation.

6.0 Description of Existing Distribution Facilities

The distribution feeder serving this area is grounded wye and operates at both 34.5 kV and 12.5 kV. At the location of generation the feeder is at the 12.5 kV voltage level. There is adequate capacity on this distribution line to serve this project. The project will be required to run at unity power factor during full output. This facility cannot have a leading power factor (produce VARs) during periods of light loading (fall through spring) or a lagging power factor during summer peak.

Since the biogas generation project is served by a feeder that also serves other Idaho Power customers, and to minimize the risk of islanding the generator with local load, a generation interconnection and protection package will be required at the POI. This package includes a 12.5 kV recloser, controls, CTs, PTs, and communications per Idaho Power's standard for generators connected to the distribution system.

7.0 Description of Existing Transmission Facilities

The transmission line that serves this area is a 69 kV radial tap. With the addition of this generation project no capacity related problems occur on this tap. Therefore, no improvements need to be made on the immediate transmission system.

8.0 Description and Cost Estimate of Required Facility Upgrades

The estimated costs to interconnect the 1.2 MW biogas generation project in Twin Falls County, Idaho is **$225,000**. These upgrades are listed in the following Table.

Description	Estimated Cost
Generation Interconnection Protection Package (Includes 12.5 kV recloser, controls, CTs, PTs, and communications	$225,000
Total Estimated Cost	**$225,000**

Table 1: Cost Estimates

These cost estimates include direct equipment and installation labor costs, indirect labor costs and overheads. (Tax Gross Up has not been included presuming construction of interconnection facilities will not qualify under IRS rules as a taxable event. Allowance for funds used during construction (AFUDC) has not been included in the cost estimates since it is assumed that IPC will be provided up-front funding by the Project). These are cost estimates only and final charges to the customer will be based on the actual construction costs incurred.

9.0 Description of Operating Requirements

In addition to the upgrades listed in section 9.0 of this report, the proposed project must meet several operating requirements. The project must be controlled to operate at a unity power factor or meet the voltage schedule provided by Idaho Power. If this requirement cannot be met, further voltage studies will be necessary. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the point of interconnection. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems*. The project must also limit the ground fault current at the point of interconnection to 20 Amps. See Appendix A for more details

10.0 Conclusions

The requested interconnection of project #308 to IPCo's system was studied. The results of this study indicate that it is feasible to connect this project to the existing IPCo system with the upgrades outlined above.

APPENDIX A

A-1.0 Method of Study

The Feasibility Study plan inserts the Project up to the maximum requested injection into the selected Western Electric Coordinating Council (WECC) power flow case and then, using Power World Simulator Version 12, examines the impacts of the new resource on Idaho Power's transmission system (lines, transformers, etc.) within the study area under various operating/outage scenarios. The WECC and Idaho Power reliability criteria and Idaho Power operating procedures were used to determine the acceptability of the configurations considered. The WECC case is a recent case modified to simulate stressed but reasonable pre-contingency energy transfers utilizing the IPC system. For distribution feeder analysis, Idaho Power utilizes Advantica's SynerGEE Software.

A-2.0 Acceptability Criteria

The following acceptability criteria were used in the power flow analysis to determine under which system configuration modifications may be required:

> The continuous rating of equipment is assumed to be the normal thermal rating of the equipment. This rating will be as determined by the manufacturer of the equipment or as determined by Idaho Power. Less than or equal to 100% of continuous rating is acceptable.
>
> Idaho Power's Voltage Operating Guidelines were used to determine voltage requirements on the system. This states, in part, that distribution voltages, under normal operating conditions, are to be maintained within plus or minus 5% (0.05 per unit) of nominal everywhere on the feeder. Therefore, voltages greater than or equal to 0.95 pu voltage and less than or equal to 1.05 pu voltage are acceptable.
>
> Voltage flicker during starting or stopping the generator is limited to 5% as measured at the point of interconnection, per Idaho Power's T&D Advisory Information Manual.
>
> Idaho Power's Reliability Criteria for System Planning was used to determine proper transmission system operation.
>
> All customer generation must meet IEEE 519 and ANSI C84.1 Standards.
>
> All other applicable national and Idaho Power standards and prudent utility practices were used to determine the acceptability of the configurations considered.
>
> The stable operation of the system requires an adequate supply of volt-amperes reactive (VARs) to maintain a stable voltage profile under both steady-state and dynamic system conditions. An inadequate supply of VARs will result in voltage decay or even collapse under the worst conditions.

Equipment/line/path ratings used will be those that are in use at the time of the study or that are represented by IPC upgrade projects that are either currently under construction or whose budgets have been approved for construction in the near future. All other potential future ratings are outside the scope of this study. Future transmission changes may, however, affect current facility ratings used in the study.

A-3.0 Grounding Guidance

Idaho Power Company (IPC) requires interconnected transformers to limit their ground fault current to 20 amps at the point of interconnection.

A-4.0 Electrical System Protection Guidance

IPC requires electrical system protection per Requirements for Generation Interconnections found on the Idaho Power Web site, http://www.idahopower.com/aboutus/business/generationInterconnect/.

A-5.0 WECC Coordinated Off-Nominal Frequency Load Shedding and Restoration Requirements

IPC requires frequency operational limits to adhere to WECC Under-frequency and Over-frequency Limits per the WECC Coordinated Off-Nominal Frequency Load Shedding and Restoration Requirements available upon request.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 6

IDAHO POWER®
An IDACORP Company

December 15, 2009

Mr. Laura Knothe
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

RE: Project #s 307, 308, and 309

Dear Ms. Knothe:

Enclosed are the Draft Feasibility Study Reports (DFeSR) for the above-referenced projects. The feasibility analysis indicates that modification/addition of some facilities will be required to integrate the network/energy resource capacity addition of your projects into the Idaho Power system.

Please schedule a technical meeting with Candace Gentry at 208.388.2276 if you wish to discuss the DFeSR. Under the generator interconnection process, you must schedule a technical meeting and/or provide your comments about the DFeSR within 10 business days upon receipt of the DFeSR. After which time (unless notified by you of your intention to withdraw your project) we will issue the Final Feasibility Study Report, and offer a signed System Impact Study Agreement for execution.

If you have any questions, please contact me.

Sincerely,

Marc Patterson
Engineering Leader, T&D Planning
208.388.2712

Enclosure: Draft Feasibility Study Report – December 15, 2009

C: Rowena Bishop/IPC

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

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 7

GENERATOR INTERCONNECTION
FEASIBILITY STUDY

for integration of the proposed

PROJECT #308

to the

IDAHO POWER COMPANY ELECTRICAL SYSTEM

for the

INTERCONNECTION CUSTOMER

FINAL REPORT

JANUARY 13, 2010

CP

1.0 Introduction

The Generation Interconnection Customer has contracted with Idaho Power Company (IPCo) to perform a Generator Interconnection Feasibility Study for the integration of a proposed 1.2 MW dairy digester project (project #308). The location of the project is in Idaho Power's Southern Idaho service territory in Cassia County, Idaho.

This report documents the basis for and the results of this Feasibility Study for the Generation Interconnection Customer. It describes the proposed project, the study cases used, the impact of associated projects, and results of all work in the areas of concern.

2.0 Summary

The proposed small generation project is a 1.2 MW biogas generation project consisting of [redacted]. The proposed Point of Interconnection (POI) for the generating facility with the IPCo system is in Cassia County, Idaho at the 12.5 kV distribution level near the generating facility.

This feasibility study indicates the existing local transmission system does currently have the capacity for the 1.2 MW output of the digester project

The installation of a generation interconnection and protection package is the only upgrade needed. The estimated cost to interconnect this generation project to Idaho Power's system is **$225,000**.

3.0 Scope of Interconnection Feasibility Study

The Interconnection Feasibility Study was done and prepared in accordance with Idaho Power Company Standard Generator Interconnection Procedures, to provide a preliminary evaluation of the feasibility of the interconnection of the proposed generating project to the Idaho Power system. As listed in the Interconnection Feasibility Study agreement, the Interconnection Feasibility Study report provides the following information:

- preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and
- preliminary description and non-binding estimated cost of facilities required to interconnect the Small Generating Facility to the Distribution System and to address the identified short circuit and power flow issues.

All other proposed Generation projects prior to this project in the Generator Interconnect queue were considered in this study. A current list of these projects can be found on the Idaho Power web site as follows:

http://www.oatioasis.com/ipco/index.html.

4.0 Description of Proposed Generating Project

Project #308 proposes to connect to the IPCo distribution system for an injection of 1.2 MW (maximum project output) using [redacted].

5.0 Description of Existing Substation Facilities

The distribution substation that serves this area is located approximately two and a half miles south and east of the POI. The existing substation transformer is a 69:34.5 kV transformer that has adequate capacity for this project.

The associated feeder breaker at the substation is rated for use at 34.5 kV. This breaker's interrupting capabilities are not exceeded with the added generation.

6.0 Description of Existing Distribution Facilities

The distribution feeder serving this area is grounded wye and operates at both 34.5 kV and 12.5 kV. At the location of generation the feeder is at the 12.5 kV voltage level. There is adequate capacity on this distribution line to serve this project. The project will be required to run at unity power factor during full output. This facility cannot have a leading power factor (produce VARs) during periods of light loading (fall through spring) or a lagging power factor during summer peak.

Since the biogas generation project is served by a feeder that also serves other Idaho Power customers, and to minimize the risk of islanding the generator with local load, a generation interconnection and protection package will be required at the POI. This package includes a 12.5 kV recloser, controls, CTs, PTs, and communications per Idaho Power's standard for generators connected to the distribution system.

7.0 Description of Existing Transmission Facilities

The transmission line that serves this area is a 69 kV radial tap. With the addition of this generation project no capacity related problems occur on this tap. Therefore, no improvements need to be made on the immediate transmission system.

8.0 Description and Cost Estimate of Required Facility Upgrades

The estimated costs to interconnect the 1.2 MW biogas generation project in Twin Falls County, Idaho is **$225,000**. These upgrades are listed in the following Table.

Description	Estimated Cost
Generation Interconnection Protection Package (Includes 12.5 kV recloser, controls, CTs, PTs, and communications	$225,000
Total Estimated Cost	**$225,000**

Table 1: Cost Estimates

These cost estimates include direct equipment and installation labor costs, indirect labor costs and overheads. (Tax Gross Up has not been included presuming construction of interconnection facilities will not qualify under IRS rules as a taxable event. Allowance for funds used during construction (AFUDC) has not been included in the cost estimates since it is assumed that IPC will be provided up-front funding by the Project). These are cost estimates only and final charges to the customer will be based on the actual construction costs incurred.

9.0 Description of Operating Requirements

In addition to the upgrades listed in section 9.0 of this report, the proposed project must meet several operating requirements. The project must be controlled to operate at a unity power factor or meet the voltage schedule provided by Idaho Power. If this requirement cannot be met, further voltage studies will be necessary. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the point of interconnection. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems*. The project must also limit the ground fault current at the point of interconnection to 20 Amps. See Appendix A for more details

10.0 Conclusions

The requested interconnection of project #308 to IPCo's system was studied. The results of this study indicate that it is feasible to connect this project to the existing IPCo system with the upgrades outlined above.

APPENDIX A

A-1.0 Method of Study

The Feasibility Study plan inserts the Project up to the maximum requested injection into the selected Western Electric Coordinating Council (WECC) power flow case and then, using Power World Simulator Version 12, examines the impacts of the new resource on Idaho Power's transmission system (lines, transformers, etc.) within the study area under various operating/outage scenarios. The WECC and Idaho Power reliability criteria and Idaho Power operating procedures were used to determine the acceptability of the configurations considered. The WECC case is a recent case modified to simulate stressed but reasonable pre-contingency energy transfers utilizing the IPC system. For distribution feeder analysis, Idaho Power utilizes Advantica's SynerGEE Software.

A-2.0 Acceptability Criteria

The following acceptability criteria were used in the power flow analysis to determine under which system configuration modifications may be required:

> The continuous rating of equipment is assumed to be the normal thermal rating of the equipment. This rating will be as determined by the manufacturer of the equipment or as determined by Idaho Power. Less than or equal to 100% of continuous rating is acceptable.
>
> Idaho Power's Voltage Operating Guidelines were used to determine voltage requirements on the system. This states, in part, that distribution voltages, under normal operating conditions, are to be maintained within plus or minus 5% (0.05 per unit) of nominal everywhere on the feeder. Therefore, voltages greater than or equal to 0.95 pu voltage and less than or equal to 1.05 pu voltage are acceptable.
>
> Voltage flicker during starting or stopping the generator is limited to 5% as measured at the point of interconnection, per Idaho Power's T&D Advisory Information Manual.
>
> Idaho Power's Reliability Criteria for System Planning was used to determine proper transmission system operation.
>
> All customer generation must meet IEEE 519 and ANSI C84.1 Standards.
>
> All other applicable national and Idaho Power standards and prudent utility practices were used to determine the acceptability of the configurations considered.
>
> The stable operation of the system requires an adequate supply of volt-amperes reactive (VARs) to maintain a stable voltage profile under both steady-state and dynamic system conditions. An inadequate supply of VARs will result in voltage decay or even collapse under the worst conditions.

Equipment/line/path ratings used will be those that are in use at the time of the study or that are represented by IPC upgrade projects that are either currently under construction or whose budgets have been approved for construction in the near future. All other potential future ratings are outside the scope of this study. Future transmission changes may, however, affect current facility ratings used in the study.

A-3.0 Grounding Guidance

Idaho Power Company (IPC) requires interconnected transformers to limit their ground fault current to 20 amps at the point of interconnection.

A-4.0 Electrical System Protection Guidance

IPC requires electrical system protection per Requirements for Generation Interconnections found on the Idaho Power Web site, http://www.idahopower.com/aboutus/business/generationInterconnect/.

A-5.0 WECC Coordinated Off-Nominal Frequency Load Shedding and Restoration Requirements

IPC requires frequency operational limits to adhere to WECC Under-frequency and Over-frequency Limits per the WECC Coordinated Off-Nominal Frequency Load Shedding and Restoration Requirements available upon request.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 8

IDAHO POWER®
An IDACORP Company

January 13, 2010

Laura Knothe
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

RE: Swager Farms, Double B Dairy and Rock Creek Dairy- Project #s 307, 308, 309

Dear Ms. Knothe:

Enclosed are the Final Feasibility Study Reports for the above-referenced projects. The feasibility analysis indicates that the system is capable of integrating your generator at the proposed location. However, the study does not provide any transmission rights which may be required for the sale of energy from this project. It is recommended that you contact Idaho Power's Power Supply Department to begin the study process for the delivery of energy from this project. Additional network upgrades may be required which could have a significant financial impact. If you have any comments to the draft report, please contact me as soon as possible.

Since no System Impact Study is required, I have enclosed two (2) copies of the Facility Study Agreement (FSA) for the above-referenced projects. In order to proceed with these applications, Idaho Power must receive your agreement to proceed with a Facility Study by executing both copies of each FSA and submitting completed Attachments, along with the required deposit in order to remain in the Generator Interconnection queue. The deposit under the FSA is based on the estimated engineering costs provided to you in the Feasibility Study Reports. The required deposits are:

#307 $11,740.00 #308 $11,250.00 #309 $17,760.00

If you wish to proceed, please sign both copies of each FSA and submit them along with the deposit(s) to Idaho Power Company, attn: Rowena Bishop by March 1, 2010, otherwise your application will be deemed withdrawn. Please contact me if you have any questions.

Sincerely,

Marc Patterson
Engineering Leader, T&D Planning
Ph. 208.388.2712

Encl: Final Feasibility Study Reports - #307, #308, #309
2 copies - Facility Study Agreement #307
2 copies - Facility Study Agreement #308
2 copies - Facility Study Agreement #309

C: Chris Punt/IPC
Ed Kosydar/IPC

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

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 9

IDAHO POWER®
An IDACORP Company

March 2, 2010

Randy C. Allphin
Sr. Energy Contract Coordinator
Tel: (208) 388-2614
rallphin@idahopower.com

The New Energy Company LLC
Attn: Laura Knothe
8720 Vic Lane
Middleton ID 83644

E-mail Copy: laura@thenewenergycompany.com

RE: Double B Dairy - Proposed Anaerobic Digester Project

Ms. Knothe,

Summarized below is a brief outline of the purchase power agreement, interconnection process and transmission capacity requirements for your proposed generation project.

Purchase Power Agreement

The project you have described appears to be eligible for a purchase power agreement under the guidelines for a Qualifying Facility as defined by the Public Utilities Regulatory Policies Act of 1978 (PURPA). At the time you are ready to proceed with a purchase power agreement for this project, Idaho Power will prepare a purchase power agreement that complies with the current rules and regulations that govern these PURPA agreements, any draft purchase power agreements previously provided to you for review must be updated to include current rules and regulations.

Prior to Idaho Power executing a purchase power agreement it will be required that you have:

1.) Provided documentation that substantiates that the project has filed for Interconnection and is in compliance with any payments and/or other requirements specified in the Interconnection process for this project and;

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

2.) Received and accepted an Interconnection feasibility study for this project and;

3.) Returned a signed copy of this letter of understanding and all of the required information to enable Idaho Power to file an application requesting transmission capacity for this project.

4.) Results of the initial transmission capacity application are known and the project accepts these results and intends to continue with the development of the project.

Interconnection and Transmission Capacity

Your project will be responsible for all costs of physically interconnecting the project to the Idaho Power electrical system and any costs associated with acquiring adequate firm transmission capacity on the Idaho Power transmission system to enable the project's energy to be delivered to Idaho Power customers.

Interconnection

Your project will be required to complete the interconnection process and execute a Generation Interconnection Agreement ("GIA").

Transmission Capacity

By requesting to sell your project's energy to Idaho Power, it will be required that your project be designated as a Network Resource ("DNR").

In order for this project to achieve DNR status, Idaho Power is required to make a request (complete and file an application) and be granted firm transmission capacity from the Idaho Power delivery business unit ("Delivery") to move your project's energy from the physical interconnection point to Idaho Power customers. In accordance with various rules and regulations, the project must be granted DNR status no later than 60 days prior to the project delivering any energy to Idaho Power.

Idaho Power will begin this firm transmission capacity application process only after the project has returned a signed copy of this letter of understanding and all of the information required for Idaho Power to file this application (see attached list of required information).

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

After filing the firm transmission capacity application with Delivery, Idaho Power will receive notification back from Delivery that: a) adequate transmission capacity is available for this project, b) a transmission capacity system impact study is required to determine the available transmission capacity and/or required upgrades, or c) of the required transmission upgrades and the associated costs. Idaho Power will notify the project of this response to the transmission capacity application in a timely manner after the response is received from Delivery.

If the response from Delivery is as specified in item a (transmission capacity is available), the project will be required to execute a purchase power agreement with Idaho Power within 30 days in order to retain this transmission capacity reservation.

If the response from Delivery is as specified in items b or c (studies required and/or upgrades required), the project will be required to execute a Network Resource Integration Study Agreement (sample copy attached for your information) in order for Idaho Power to continue the transmission capacity request. This Network Resource Integration Study Agreement will specify that the project will be responsible for costs incurred by Idaho Power to perform any required studies. If, after the studies are concluded the project wishes to continue the pursuit of transmission capacity, the project will also be responsible for all transmission system upgrade costs identified within the studies. The fees and costs will be in the form of both initial deposits as well as actual costs. If at any time after executing the Network Resource Integration Study Agreement the project does not pay any required fees, or elects to stop the transmission study or upgrade process, the project shall be responsible for all costs incurred by Idaho Power in performing the studies or upgrades up to the point of termination of the Network Resource Integration Study Agreement.

Upon successful completion of the transmission capacity upgrade process, a transmission capacity reservation will exist for this project. However, in order to finalize this transmission capacity reservation, a purchase power agreement with Idaho Power must be executed no later than 30 days after the transmission capacity upgrades are completed. If the purchase power agreement is not executed by this deadline, the transmission capacity reservation will be released and this process will have to be repeated if the project later requests transmission capacity.

As noted earlier, this transmission capacity acquisition and associated Network Resource designation must be completed, at the minimum, 60 days prior to the project delivering any energy to Idaho Power. In addition, the project must provide routine updates to Idaho Power of the expected online date of the generation project to ensure Idaho Power is capable of accepting the energy from the project on the actual date the project comes online.

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

Please return all required information to:

Idaho Power Company
Attn: Randy C. Allphin
P O Box 70
Boise, ID 83707
E-mail: rallphin@idahopower.com

Sincerely,

Randy C Allphin
Idaho Power Company

Understood and accepted this ____ day of _____, 2010

Signature _____

Print Name _____

Title _____

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

IDAHO POWER.
An IDACORP Company

Transmission Capacity Application Questionnaire

This list is the known information requirements as of the date of the letter transmitting this request. If additional information is required, Idaho Power will promptly notify the project developer of the additional information requirements.

A. Project Name

_____

B. Project Location

_____
_____
_____
_____

C. Project Developer

Name _____

Address _____

City / State / Zip _____

Phone Number _____

E-mail _____

D. Idaho Power Delivery Business unit Interconnection "Que" reference number (if not known, please contact the Idaho Power Interconnection group)

_____

E. Evidence of the Project's good standing status in the Idaho Power Interconnection Process

_____
_____
_____

F. Copy of the Idaho Power Interconnection feasibility study and a statement from the project that the project has accepted the results of the interconnection feasibility study and is continuing the process of interconnecting and developing the generation project.

G. Maximum Capacity (MW) _____

H. Beginning day and time of energy deliveries

Day (mm/dd/yyyy)_____

Time _____

I. Ending day and time of energy deliveries

Day (mm/dd/yyyy)_____

Time _____

J. VAR capability (both leading and lagging) of all generators _____

K. Identification of the control area(s) from which the energy will originate

_____

_____

L. List any periods of restricted operations throughout the year

_____

_____

_____

M. Maintenance schedule

_____

_____

_____

_____

_____

N. Minimum loading level of each generation unit _____

O. Normal operating level of each generation unit. _____

P. Any must-run generation unit designations required for system reliability or contractual reason

_____

_____

Q. Approximate variable generation cost ($/MWh) *Note – this will be estimated energy pricing from a potential purchase power agreement that this project may be eligible for.*

_____

R. If the generation resource is to be located in the Idaho Power Balancing Authority Area and if only a portion of the resource output is to be designated as a Network Resource, then explain arrangements governing sale and delivery of additional output to third parties.

_____

_____

_____

_____

S. If the project **is not directly interconnected** to the Idaho Power transmission system, provide the transmission provider(s) name, Point of Receipt, Point of Delivery and the transmission reservation number for all of the transmission providers required to deliver the project's energy to Idaho Power.

Transmission Provider(s) Name _____

Point of Receipt _____

Point of Delivery _____

Transmission Reservation Number(s) _____

T. If the project **is directly interconnected** to the Idaho Power transmission system, provide the Point of Receipt, physical location and voltage.

Point of Receipt _____

Physical Location _____

Voltage _____

U. Is the project committed to execute a purchase power agreement with Idaho Power upon a favorable resolution of the identified interconnection and transmission costs?

Yes ☐ No ☐

V. Is any portion of the maximum capacity identified for this project committed to any other party?

Yes ☐ No ☐

Signature _____ Date _____

NETWORK RESOURCE INTEGRATION STUDY AGREEMENT

THIS Agreement is made and entered into this ____ day of _____ 20___ between Idaho Power Company ("Idaho Power" or "Company") through its Power Supply business unit ("Power Supply") and _____, ("Developer"). Power Supply and Developer may hereinafter be referred to individually as "Party" or collectively as "Parties."

RECITALS:

A. Developer has advised Power Supply that it intends to develop a generating facility that would meet the criteria for a Qualifying Facility ("QF") as that term is defined in the Public Utility Regulatory Policies Act of 1978. Developer desires to sell the energy to be generated by the QF to Idaho Power as a non-interruptible designated network resource ("DNR").

B. In order for the QF to be classified as a DNR and for Idaho Power to purchase the energy to be generated by the QF on a firm basis, a network resource integration system impact study ("SIS") must be performed by Idaho Power's delivery business unit ("Delivery"). The SIS will identify the need and associated costs for Delivery to install facilities, including "upgrades" (as that term is defined in Idaho Power Company's Schedule 72), to allow the QF to operate as a DNR and deliver firm energy to the Company's load centers. The Federal Energy Regulatory Commission's rules require that Power Supply make the request to Delivery to perform the SIS. Delivery will bill Power Supply for the costs incurred to perform the SIS.

DRAFT

AGREEMENTS:

1. Developer hereby requests that Power Supply initiate the process for Delivery to conduct a SIS for determining the cost of the QF's becoming a DNR for the Company. Developer agrees to pay all charges associated with any analyses that Delivery determines are reasonably necessary to evaluate the impact of the QF on Idaho Power's transmission system.

2. In order for Power Supply to initiate a SIS, Developer must submit the estimated SIS cost of _____ within fourteen (14) days of the date of this Agreement. This amount is based on Delivery's estimate of the actual cost of performing the SIS, including appropriate loading and administrative and general overheads. Should the scope of the SIS be changed by Developer or further study be necessitated due to reasons beyond the control of Delivery, Power Supply will advise Developer of the revised charges, if any.

3. Upon receipt of this Agreement executed by Developer, payment of the amount specified in paragraph 2, and all information required to enable Power Supply to complete the necessary request, Power Supply will submit the necessary request and documentation to Delivery to commence the SIS. Subject to Developer's providing requested information and making any requested supplemental payments in a timely manner, Delivery will perform the SIS with due diligence. Power Supply will respond to Developer's reasonable requests for information regarding an estimated completion date for the SIS and, if necessary, with an explanation of why additional time is required to complete the SIS.

DRAFT

4. Following completion of the SIS, a copy of the completed SIS shall be provided to Developer. Power Supply and Developer shall then reconcile the payments made for the SIS and "true-up" any over or under payments made by Developer. The total charge to Developer for the SIS will not exceed the actual cost of the SIS as billed by Delivery to Power Supply.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed effective on the first day written above.

IDAHO POWER COMPANY

By:_____

Title:_____

DEVELOPER

By:_____

Title:_____

DRAFT

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 10

IDAHO POWER®
An IDACORP Company

March 3, 2010

Randy C. Allphin
Sr. Energy Contract Coordinator
Tel: (208) 388-2614
rallphin@idahopower.com

The New Energy Company LLC
Attn: Laura Knothe
8720 Vic Lane
Middleton ID 83644

E-mail Copy: laura@thenewenergycompany.com

received
3/10/10

RE: Letter of Understanding
Double B Dairy - Proposed Anaerobic Digester Project

Ms. Knothe,

Summarized below is a brief outline of the purchase power agreement, interconnection process and transmission capacity requirements for your proposed generation project.

Purchase Power Agreement

The project you have described appears to be eligible for a purchase power agreement under the guidelines for a Qualifying Facility as defined by the Public Utilities Regulatory Policies Act of 1978 (PURPA). At the time you are ready to proceed with a purchase power agreement for this project, Idaho Power will prepare a purchase power agreement that complies with the current rules and regulations that govern these PURPA agreements, any draft purchase power agreements previously provided to you for review must be updated to include current rules and regulations.

Prior to Idaho Power executing a purchase power agreement it will be required that you have:

1.) Provided documentation that substantiates that the project has filed for interconnection and is in compliance with any payments and/or other requirements specified in the Interconnection process for this project and;

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

2.) Received and accepted an interconnection feasibility study for this project and;

3.) Returned a signed copy of this letter of understanding and all of the required information to enable Idaho Power to file an application requesting transmission capacity for this project. Completion of the enclosed Transmission Capacity Application Questionnaire will provide the majority of this information and;

4.) Confirmation that the results of the initial transmission capacity application are known and the project accepts these results and intends to continue with the development of the project including, if applicable, execution of a Network Resource Integration Study Agreement in the form enclosed herein.

Interconnection and Transmission Capacity

Your project will be responsible for all costs of physically interconnecting the project to the Idaho Power electrical system and any costs associated with acquiring adequate firm transmission capacity on the Idaho Power transmission system to enable the project's energy to be delivered to Idaho Power customers.

Interconnection

Your project will be required to complete the interconnection process and execute a Generation Interconnection Agreement ("GIA").

Transmission Capacity

To sell your project's energy to Idaho Power, your project must be designated as a Network Resource ("DNR").

In order for this project to achieve DNR status, Idaho Power is required to make a request (complete and file an application) and be granted firm transmission capacity from the Idaho Power delivery business unit ("Delivery") to move your project's energy from the physical interconnection point to Idaho Power customers. In accordance with various rules and regulations, the project must be granted DNR status no later than 60 days prior to the project delivering any energy to Idaho Power.

Idaho Power will begin this firm transmission capacity application process only after the project has returned a signed copy of this letter of understanding and all of the information required for Idaho Power to file this application (see attached Transmission Capacity Application Questionnaire).

After filing a complete firm transmission capacity application with Delivery, Idaho Power will receive notification back from Delivery within 30 days that: (a) adequate transmission capacity is available for this project without the need to construct upgrades; or (b) a transmission capacity system impact study is required to determine the available transmission capacity and/or required upgrades; or (c) a statement of the required transmission upgrades and the associated costs. Idaho Power will notify the project of this response to the transmission capacity application in a timely manner after the response is received from Delivery.

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

If the response from Delivery is as specified in item (a) (transmission capacity is available), the project will be required to execute a purchase power agreement with Idaho Power within 30 days in order to retain this transmission capacity reservation.

If the response from Delivery is as specified in items (b) or (c) (studies required and/or upgrades required), the project will be required to execute a Network Resource Integration Study Agreement (sample copy attached for your information) and submit all required deposits or fees within 15 days after receiving notification of this requirement in order for Idaho Power to continue the transmission capacity request. This Network Resource Integration Study Agreement will specify that the project will be responsible for costs incurred by Idaho Power to perform any required studies. If, after the studies are concluded the project wishes to continue the pursuit of transmission capacity, the project will also be responsible for all transmission system upgrade costs identified within the studies. The fees and costs will be in the form of both initial deposits as well as actual costs. If at any time after executing the Network Resource Integration Study Agreement the project does not pay any required fees, or elects to stop the transmission study or upgrade process, the project shall be responsible for all costs incurred by Idaho Power in performing the studies or upgrades up to the point of termination of the Network Resource Integration Study Agreement.

Upon successful completion of the above described transmission capacity upgrade process, a transmission capacity reservation will exist for this project. However, in order to finalize this transmission capacity reservation, a purchase power agreement with Idaho Power must be executed no later than 30 days after the transmission capacity upgrades are completed. If the purchase power agreement is not executed by this deadline, the transmission capacity reservation will be released and this process will have to be repeated if the project later requests transmission capacity.

As noted earlier, this transmission capacity acquisition and associated Network Resource designation must be completed, at the minimum, 60 days prior to the project delivering any energy to Idaho Power. In addition, the project must provide routine updates to Idaho Power of the expected online date of the generation project to ensure Idaho Power is capable of accepting the energy from the project on the actual date the project comes online.

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

Please return all required information to:

Idaho Power Company
Attn: Randy C. Allphin
P O Box 70
Boise, ID 83707
E-mail: rallphin@idahopower.com

Sincerely,

Randy C Allphin
Idaho Power Company

Understood and accepted this 1 day of April, 2010

Signature 4/1/10

Print Name Laura Knothe, PE

Title Project Manager

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

IDAHO POWER.
An IDACORP Company

Transmission Capacity Application Questionnaire

This list is the known information requirements as of the date of the letter transmitting this request. If additional information is required, Idaho Power will promptly notify the project developer of the additional information requirements.

A. Project Name

Double B Dairy Digester

B. Project Location

1250 W 1100 S
Murtaugh ID 83344

C. Project Developer

Name: The New Energy Company, LLC
Address: 8720 Vic Lane
City / State / Zip: Middleton ID 83644
Phone Number: 208.890.8783
E-mail: laura@thenewenergycompany.com

D. Idaho Power Delivery Business unit Interconnection "Que" reference number (if not known, please contact the Idaho Power Interconnection group)

308

E. Evidence of the Project's good standing status in the Idaho Power Interconnection Process

See attached Feasibility Study.
New Energy has submitted the Facility Study Agreement and deposit.

F. Copy of the Idaho Power Interconnection feasibility study and a statement from the project that the project has accepted the results of the interconnection feasibility study and is continuing the process of interconnecting and developing the generation project.

G. Maximum Capacity (MW) 1.2

H. Beginning day and time of energy deliveries

Day (mm/dd/yyyy) 8/1/2011

Time 8:00 a.m

I. Ending day and time of energy deliveries

Day (mm/dd/yyyy) 8/1/2026

Time 5:00 p.m.

J. VAR capability (both leading and lagging) of all generators .98 leading, .8 lagging

K. Identification of the control area(s) from which the energy will originate

Power plant with anaerobic digester

L. List any periods of restricted operations throughout the year

None anticipated

M. Maintenance schedule

Due to system redundancies, the components will be maintained on a rolling basis, and it is expected that the system will remain on-line at all times. On an annual basis we expect to be connected 98% of the time.

N. Minimum loading level of each generation unit 60%

O. Normal operating level of each generation unit. 100%

P. Any must-run generation unit designations required for system reliability or contractual reason

System reliability depends on heat from the generators, which must remain base-loaded. We are contracted to take 100% of the waste from the dairy and must be operational at all times.

Q. Approximate variable generation cost ($/MWh) *Note – this will be estimated energy pricing from a potential purchase power agreement that this project may be eligible for.*

Not considered variable generation

R. If the generation resource is to be located in the Idaho Power Balancing Authority Area and if only a portion of the resource output is to be designated as a Network Resource, then explain arrangements governing sale and delivery of additional output to third parties.

NA

S. If the project **is not directly interconnected** to the Idaho Power transmission system, provide the transmission provider(s) name, Point of Receipt, Point of Delivery and the transmission reservation number for all of the transmission providers required to deliver the project's energy to Idaho Power.

Transmission Provider(s) Name NA

Point of Receipt

Point of Delivery

Transmission Reservation Number(s)

T. If the project **is directly interconnected** to the Idaho Power transmission system, provide the Point of Receipt, physical location and voltage.

Point of Receipt TBD

Physical Location 1250 W 1100 S Murtaugh ID, 83344

Voltage 12.5 kV

U. Is the project committed to execute a purchase power agreement with Idaho Power upon a favorable resolution of the identified interconnection and transmission costs?

Yes ☑ No ☐

V. Is any portion of the maximum capacity identified for this project committed to any other party?

Yes ☐ No ☑

Signature Date 4/1/2010

NETWORK RESOURCE INTEGRATION STUDY AGREEMENT

THIS Agreement is made and entered into this ____ day of _____ 20___ between Idaho Power Company ("Idaho Power" or "Company") through its Power Supply business unit ("Power Supply") and _____, ("Developer"). Power Supply and Developer may hereinafter be referred to individually as "Party" or collectively as "Parties."

RECITALS:

A. Developer has advised Power Supply that it intends to develop a generating facility that would meet the criteria for a Qualifying Facility ("QF") as that term is defined in the Public Utility Regulatory Policies Act of 1978. Developer desires to sell the energy to be generated by the QF to Idaho Power as a non-interruptible designated network resource ("DNR").

B. In order for the QF to be classified as a DNR and for Idaho Power to purchase the energy to be generated by the QF on a firm basis, a network resource integration system impact study ("SIS") must be performed by Idaho Power's delivery business unit ("Delivery"). The SIS will identify the need and associated costs for Delivery to install facilities, including "upgrades" (as that term is defined in Idaho Power Company's Schedule 72), to allow the QF to operate as a DNR and deliver firm energy to the Company's load centers. The Federal Energy Regulatory Commission's rules require that Power Supply make the request to Delivery to perform the SIS. Delivery will bill Power Supply for the costs incurred to perform the SIS.

AGREEMENTS:

1. Developer hereby requests that Power Supply initiate the process for Delivery to conduct a SIS for determining the cost of the QF's becoming a DNR for the Company. Developer agrees to pay all charges associated with any analyses that Delivery determines are reasonably necessary to evaluate the impact of the QF on Idaho Power's transmission system.

2. In order for Power Supply to initiate a SIS, Developer must submit the estimated SIS cost of _____ within fourteen (14) days of the date of this Agreement. This amount is based on Delivery's estimate of the actual cost of performing the SIS, including appropriate loading and administrative and general overheads. Should the scope of the SIS be changed by Developer or further study be necessitated due to reasons beyond the control of Delivery, Power Supply will advise Developer of the revised charges, if any.

3. Upon receipt of this Agreement executed by Developer, payment of the amount specified in paragraph 2, and all information required to enable Power Supply to complete the necessary request, Power Supply will submit the necessary request and documentation to Delivery to commence the SIS. Subject to Developer's providing requested information and making any requested supplemental payments in a timely manner, Delivery will perform the SIS with due diligence. Power Supply will respond to Developer's reasonable requests for information regarding an estimated completion date for the SIS and, if necessary, with an explanation of why additional time is required to complete the SIS.

DRAFT

4. Following completion of the SIS, a copy of the completed SIS shall be provided to Developer. Power Supply and Developer shall then reconcile the payments made for the SIS and "true-up" any over or under payments made by Developer. The total charge to Developer for the SIS will not exceed the actual cost of the SIS as billed by Delivery to Power Supply.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed effective on the first day written above.

IDAHO POWER COMPANY

By:_____

Title:_____

DEVELOPER

By:_____

Title:_____

DRAFT

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 11

The New Energy Company, LLC

8720 Vic Lane
Middleton, ID 8366

Phone: 208.890.8783
Fax: 208.585.9016
E-mail:
laura@thenewenergycompany.com

April 2, 2010
Rowena Bishop
Idaho Power Company
1221 W Idaho Street
Boise ID 83702

Re: Facility Study Agreements for Projects 307 and 308 and Interconnection Application for additional capacity for Project 309

Dear Ms. Bishop:

Please find enclosed the following applications and applicable deposits:

- Facility Study Agreement and deposit in the amount of $11,740 for Project 307, Swager Dairy Digester
- Facility Study Agreement and deposit in the amount of $11,250 for Project 308, Double B Dairy Digester
- Interconnection Application and deposit in the amount of $1000 for additional capacity of 1.6 MW (for a total of 4.0 MW) for Project 309, Rock Creek Dairy Digester.

Please contact me at 208.890.8783 if additional information is required.

Thank you,

Laura Knothe, PE
The New Energy Company, LLC

Facilities Study Agreement

THIS AGREEMENT is made and entered into this 2nd day of April 2010 by and between The New Energy Company, a Limited Liability Company organized and existing under the laws of the State of Idaho, ("Interconnection Customer,") and Idaho Power Company, a Corporation existing under the laws of the State of Idaho ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on October 12, 2009, and

WHEREAS, the Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Transmission System;

WHEREAS, the Transmission Provider has completed a system impact study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the Transmission Provider to perform a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the system impact study in accordance with Good Utility Practice to physically and electrically connect the Small Generating Facility with the Transmission Provider's Transmission System.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Transmission Provider shall cause a facilities study consistent with the standard Small Generator Interconnection Procedures to be performed in accordance with the Open Access Transmission Tariff.

3.0 The scope of the facilities study shall be subject to data provided in Attachment A to this Agreement.

4.0 The facilities study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the system impact study(s).

The facilities study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Transmission Provider's

Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

5.0 The Transmission Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Small Generating Facility if it is willing to pay the costs of those facilities.

6.0 A deposit of $11,250.00 is due upon execution of this agreement by the Interconnection customer.

7.0 In cases where Upgrades are required, the facilities study must be completed within 45 Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the facilities study must be completed within 30 Business Days.

8.0 Once the facilities study is completed, a facilities study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the facilities study must be completed and the facilities study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a facilities study.

9.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

10.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

Transmission Provider:
Idaho Power Company - Delivery

Signed: Edward Kosydar

Printed Name: EDWARD KOSYDAR

Title: PM SUPERVISOR

4/14/10

Interconnection Customer:

Signed: Laura Knothe

Printed Name: Laura Knothe, PE

Title: Project Manager

Attachment A to
Facilities Study Agreement

Data to Be Provided by the Interconnection Customer With the Facilities Study Agreement

1. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

   On the one-line diagram, indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

   On the one-line diagram, indicate the location of auxiliary power. (Minimum load on CT/PT) Amps

2. One set of metering is required for each generation connection to the new ring bus or existing Transmission Provider station. Number of generation connections:
   1 connection

3. Will an alternate source of auxiliary power be available during CT/PT maintenance?
   Yes _____ No _____N/A

4. Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes _____ No __x___
   (Please indicate on the one-line diagram).

5. What type of control system or PLC will be located at the Small Generating Facility?

   Automation Direct

6. What protocol does the control system or PLC use?

   Modbus or other if required

7. Please provide a 7.5-minute quadrangle map of the site. Indicate the plant, station, transmission line, and property lines.

8. Physical dimensions of the proposed interconnection station:

   NE Corner of 1250 W and 1100 S with approximate coordinates: 42° 47'3" N, 114° 38'39" w

9. Bus length from generation to interconnection station:

____TBD - less than 250' anticipated_____

10. Line length from interconnection station to Transmission Provider's Transmission System.

_____TBD_____

11. Tower number observed in the field. (Painted on tower leg)*:

_____TBD_____

12. Number of third party easements required for transmission lines*:

_____None anticipated_____

* To be completed in coordination with Transmission Provider.

13. Is the Small Generating Facility located in Transmission Provider's service area?

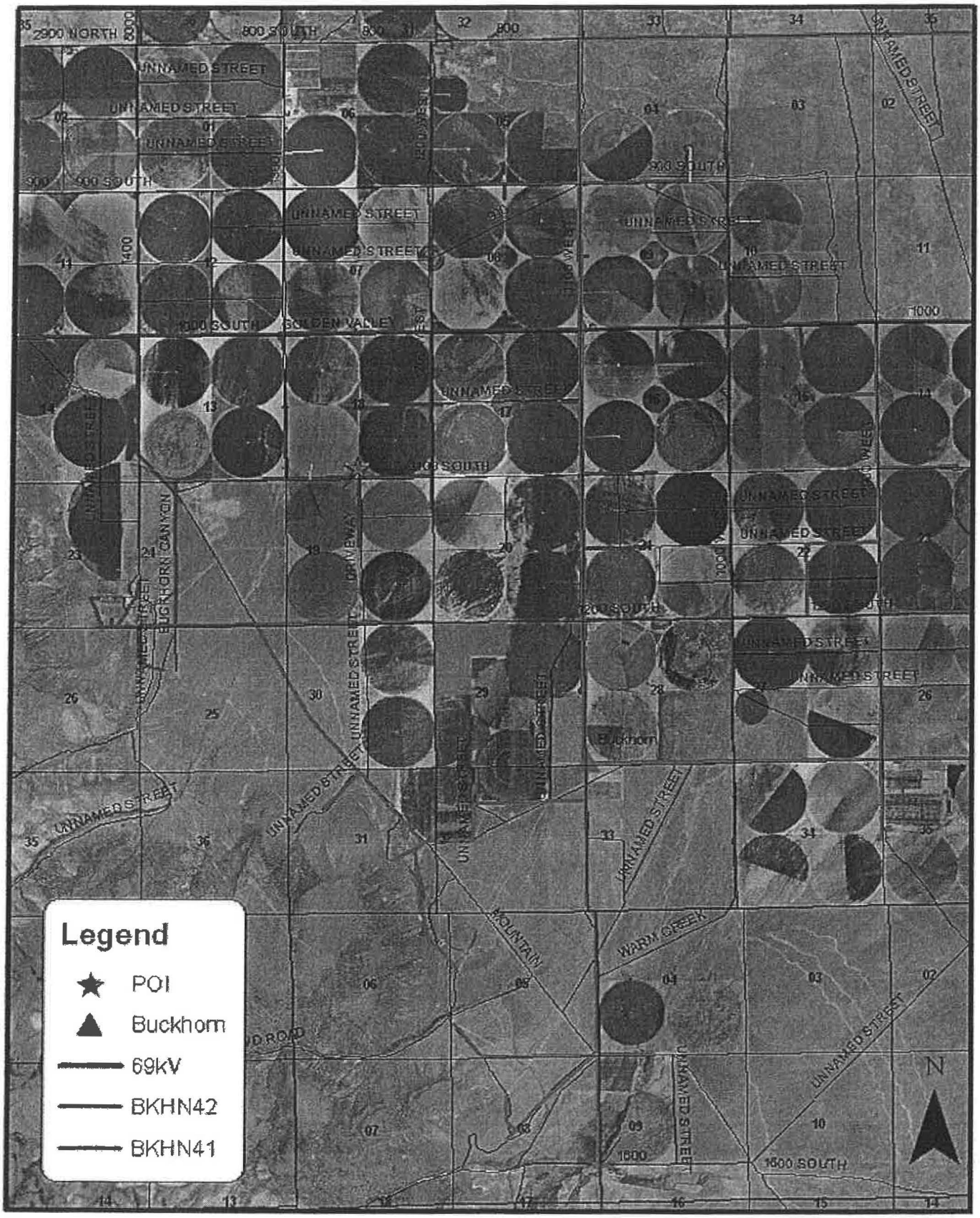
Yes ___x___ No _____ If No, please provide name of local provider:

_____

14. Please provide the following proposed schedule dates:

Begin Construction	Date: __October 1, 2010_____
Generator Step-Up Transformers Receive Back Feed Power	Date: ___March 15, 2011_____
Generation Testing	Date: ____April 15, 2011_____
Commercial Operation	Date: _____July 15, 2011_____

Project #308 Double B Dairy



BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 12

IDAHO POWER®
An IDACORP Company

May 7, 2010

The New Energy Company LLC
Attn: Laura Knothe
8720 Vic Lane
Middleton, ID 83644

Original and Attachments: Scheduled for Pick up at Idaho Power on May 7, 2010

Cover letter E-mail copy:

Laure Knothe	laura@thenewenergycompany.com
Dean J. (Joe) Miller	joe.mcdevitt-miller.com

Re: Double B Dairy, Project #21615150

Ms. Knothe,

As you are aware on March 16, 2010, the Idaho Public Utilities Commission (IPUC) issued Order 31025 which revised the Published Avoided Cost rates. These rates are the energy prices Idaho Power is required to include in PURPA purchase power agreements for projects less than 10 average MW. This Order was very specific in stating that any contracts executed after March 16, 2010, must have the new energy pricing.

However, in regards to the Double B Dairy Digester project, our records indicate that prior to March 16, 2010:

a.) The interconnection feasibility study had been completed and the project was continuing to progress through the interconnection process.

b.) Information from the project required to complete and file the transmission capacity application had been provided. Subsequently the transmission applications were filed and Idaho Power received confirmation that contingent upon execution of both a Generation Interconnection Agreement (GIA) and purchase power agreement, transmission capacity is available for this project.

c.) A PURPA purchase power agreement was materially complete and except for routine final processing, an agreement would have been executed prior to March 16, 2010.

P.O. Box 70 (83707)
1221 W. Idaho St

At this time Idaho Power is willing to execute the attached PURPA purchase power agreement that contains the energy prices that were in effect prior to IPUC order 31025 issued on March 16, 2010 contingent upon the project returning fully executed agreements to Idaho Power prior to 5 PM Mountain time, on May 24, 2010.

Upon receipt from you of the three signed copies of the PURPA purchase power agreement enclosed with this letter by the above due date, I will arrange for and present the agreement to Idaho Power Company management for their signature. I will return to you one fully executed copy for your records, and Idaho Power will prepare and file a copy with the Idaho Public Utilities Commission (IPUC) requesting approval of the agreement. Idaho Power will keep the third copy for our records.

If all three copies of the PURPA purchase power agreement are not executed and received by Idaho Power by the time and date specified above, this specific agreement (which includes the pre March 16, 2010 PURPA energy prices) will no longer be available for this project. Idaho Power will update any future proposed PURPA agreements for this project to be in accordance with all current and applicable rules, regulations and energy pricing.

Please use one of the following addresses to return the executed agreements to Idaho Power:

US Mail:	Overnight Mailing Address:
Idaho Power Company Attn: Randy Allphin PO Box 70 Boise, ID 83707	Idaho Power Company Attn: Randy Allphin 1221 W Idaho Boise, ID 83702

This agreement as with all PURPA purchase power agreement will require Idaho Public Utilities Commission (IPUC) approval. Only after both parties have executed this agreement **and** the IPUC has approved the agreement, as specified within the agreement, shall the agreement be considered to be effective and a binding commitment shall exist between the parties.

If you have any questions please do not hesitate to contact me.

Sincerely,

Randy C. Allphin
Senior Energy Contract Coordinator
(208) 388-2614
E-mail: rallphin@idahopower.com

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 13

IDAHO POWER®
An IDACORP Company

August 17, 2010

Laura Knothe
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

Re: Double B Dairy Digester Project Facility Study Report – Project #308

Dear Ms. Knothe:

Idaho Power Company (IPC) has completed the Facility Study cost estimate for your Generator Interconnection project. Attached please find a Draft Facility Study Report (FSR). I am available to discuss the FSR, and begin Construction arrangements for the project.

In order to proceed with this project, please provide your comments to the Facility Study Report to me by September 17, 2010 and indicate whether you wish to proceed with final design and construction. The final report will be used to prepare a draft Generator Interconnection Agreement in preparation for Construction. Rowena Bishop will be working with you to finalize the Interconnection Agreement.

Before we can begin Construction or order materials, you are responsible for contacting Idaho Power's credit department to discuss credit requirements for construction funding. Please contact Kelley Noe (208-388-5736) at your earliest convenience. Once we receive funding, or the credit requirement is met, we can proceed with construction of the project.

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

I look forward to hearing from you soon.

Sincerely,

Eric Hackett

Eric Hackett
Project Leader

Attachment: Double B Dairy Digester Project Draft Facility Study Report with Drawings

Cc: R Bishop/IPC
K Noe/IPC
A Sloan/IPC

DRAFT

IDAHO POWER®
An IDACORP Company

DRAFT
Generator Interconnection Facility Study Report

for the

Double B Dairy Digester Project – Project #308

for

The New Energy Group

in

Twin Falls County, Idaho

August 17, 2010

DRAFT

DRAFT - FACILITY STUDY REPORT (FSR)

Double B Dairy Digester
Project #308
August 17, 2010

1. General Facility Description

The proposed project will consist of Idaho Power's standard overhead generation interconnection package including an overhead recloser, metering package, local service power transformer, disconnect switches, and a relay/control box. Additionally, one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer will be installed, including the associated underground cabling and vaults. The project is located in Cassia County, Idaho and connects to the 12.5 kV system on Idaho Power Company's Buckhorn (BKHN-041) distribution line. The total project output is 1.2 MW.

Interconnection Customer:
Laura Knothe
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

A Standard Generator Interconnection Agreement under Idaho Power Company's Open Access Transmission Tariff (OATT) or Schedule 72 between Interconnection Customer and Idaho Power Company – Delivery (Transmission Owner) for the Double B Dairy Digester Project, specifically Generator Interconnection Project #308, will be prepared for this project. Final drawings will be produced in the timeline shown below in MILESTONES.

2. Interconnection Point

The Interconnection Point for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1). The project's location is in T12S R21E Section 18 of Cassia County, Idaho. A drawing identifying the Point of Interconnection is attached.

3. Point of Change of Ownership

The Point of Change of Ownership for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1).

4. Interconnection Details

In general, interconnection equipment includes, but is not limited to, switching/disconnection, metering, system protection and control, and communications/telemetry. All interconnection equipment electrically located on the generator side of the Point of Change Ownership shall be owned and maintained by the Generator. All interconnection equipment electrically located on the utility side of the Point of Change Ownership shall be owned, operated, and maintained by Idaho Power.

4.1 Project Team

An Idaho Power Company project team was assembled to investigate the proposed project, and develop cost estimates and a project schedule to construct Idaho Power facilities required for the interconnection. The project team consisted of the following employees:

Project Manager	Senior Engineer
Principal Engineer	Relay & Communications Leader
Engineer – Protection	Metering Technical Advisor
Area Apparatus Leader	Right of Way Agent
Design Engineer	Distribution Line Designer
Stations Designer	

4.2 Customer's Interconnection Facilities

The Interconnection Customer will install generators, low-side disconnect switches, all wiring and conduit between the generators and the padmounted transformer, appropriate grounding measures, and associated auxiliary equipment. Interconnection Customer will build underground facilities to the Point of Change of Ownership for the generator facility.

The low-side disconnect switch should be visible, lockable, within ten (10) feet of the padmounted transformers, and accessible to Idaho Power personnel.

4.3 Other Facilities Provided by Interconnection Customer

4.3.1 Telecommunications

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

4.3.2 Ground Fault Equipment

The customer will install ground fault limiting equipment that will limit the zero sequence fault current to 20 amps at the Interconnection Point.

4.3.3 Monitoring Information

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

4.3.4 Easements

The Interconnection Customer will secure underground and overhead easements with Double B Dairy once a specific route is determined. Idaho Power will provide the documentation.

DRAFT

4.4 Idaho Power Company's Interconnection Facilities

Idaho Power will install a standard generation interconnection package on the existing distribution feeder (BKHN-041) on private property northwest of the intersection of 1200 South and 1100 West in Cassia County, ID. See the attached work order maps (WO 27328097, sheet 1 of 1) for details.

The new interconnection package will include four distribution poles to mount a local service transformer, solid blade disconnects, primary metering package, recloser, relays, fuses and riser necessary for the package. The interconnection will be controlled by a SEL-311C line protection relay. The relay will be located in a pole mounted enclosure and will also contain a test switch (TS4), SLSS, modems, isolation interface, power supply, DC converter, control switch and surge protector.

Idaho Power will install (and subsequently own and maintain) one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer on top of a vault. Conduit and underground cables will be installed from the interconnection package to padmounted transformer. Protective posts will be installed to protect the ground mounted equipment from damage.

A 2" conduit will be installed alongside the underground primary to facilitate information exchange to the customer about the recloser. (The Interconnection Customer is responsible for providing and installing the appropriate cable.)

4.5 Operational Limitations

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

The project must be controlled to operate at unity power factor. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the point of interconnection. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. This forces the generating facility to start the generators separately.

The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems.*

DRAFT

5. Budget

The following good faith estimates are provided in 2010 dollars:

Estimated Cost & Ownership:

Description	Ownership	Cost Estimate
Generation Facilities:		
Provided by the customer (Including low-side disconnect switch)	Customer	N/A
TOTAL		**N/A**
Interconnection Facilities:		
Overhead Generation Interconnection Package	IPC	$200,000
Underground Equipment and 1500 kVA Transformer	IPC	$45,000
TOTAL		**$245,000**
GRAND TOTAL		**$245,000**

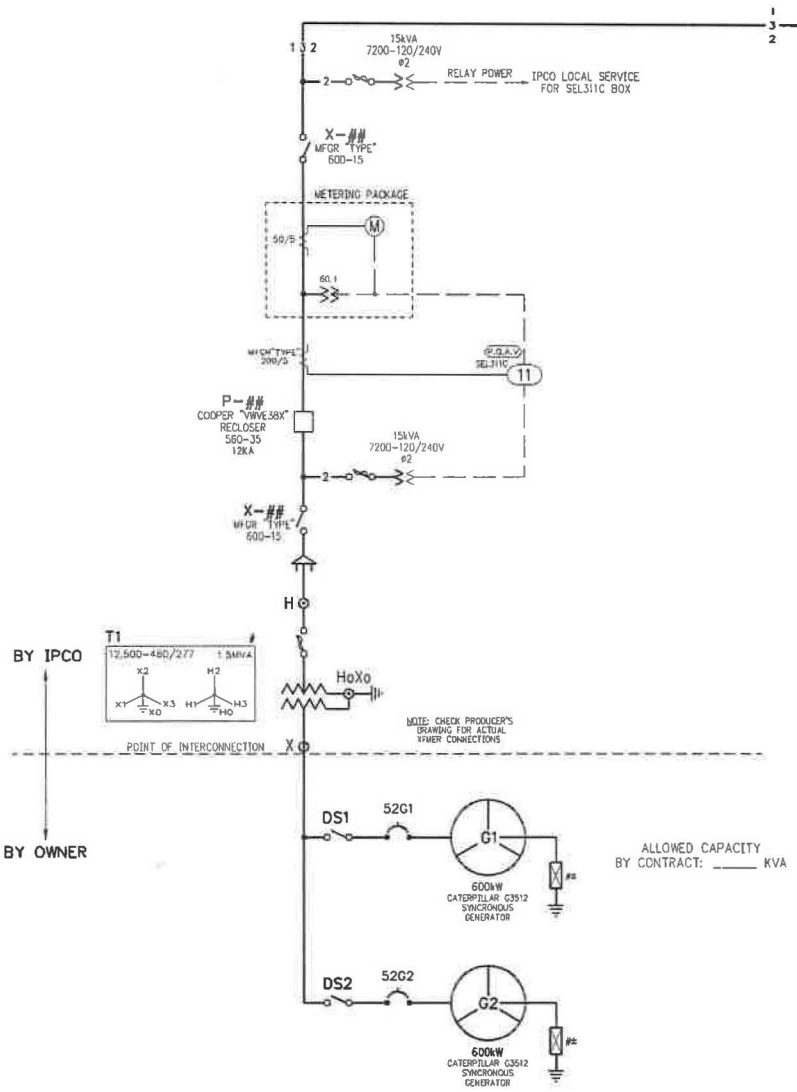
Milestones:

Date	Milestones
08/17/10	***Design Completion and Facility Study Report Submitted to Customer***
9/17/10	***Construction Funds Received by IPC***
10/5/10	***Order Materials***
11/20/10	***Finalize Construction Documents***
1/15/11	***Begin Construction (Assuming Materials are Available-Otherwise as Materials are Received)***
2/15/11	***Construction Completion***
3/1/11	***Test and Commission Equipment***
3/10/11	***Commercial Operation***

Construction Budget Timeline:

Period	Amount
Jan 2010 – March 2011	$245,000
GRAND TOTAL	**$245,000**

DRAFT



PROJECT LOCATION:
T12S, R21E, SECTION 18
1100 SOUTH 1200 WEST, CASSIA COUNTY, IDAHO

IN SERVICE BY MAY 2011

REVISION

7-20-10
Install interconnection for
Double B Dairy Digester
W.O.#27314741
RGB

SINGLE LINE
APPROVAL

Structural Engineer
Control Engineer
Spill Prot Eng.
Apparatus Engineer
SPC Regional Leader
App. Regional Leader
Project Leader
Planning
Grid Ops
REQUIRE BY
TO STEVE GALL
W.O. 27314741

REFERENCE DRAWINGS

D-62873-1,2	AC SCHEMATIC
D-62874-(1-3)	CONTROL SCHEMATICS

DOUBLE B DAIRY DIGESTER
INTERCONNECTION
SINGLE LINE

IDAHO POWER COMPANY BOISE, IDAHO

SCALE: NONE DATE: 7-20-10

DR. RGB APPROVED
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VAULT NO. 21D-62872-1

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BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 14

Western States Equipment Company
500 East Overland Road
Meridian, ID 83642
208-888-2287 (office)
208-884-2308 (fax)

LETTER OF GUARANTEE

Reference: **Double B Dairy**

Subject: **Financial guarantee for the payment of Liquidated Damages payable under the Firm Energy Sales Agreement for Double B Dairy, Project Number 31616120.**

We, the undersigned, Western States Equipment Company, an Idaho corporation ("Guarantor") hereby declare that we irrevocably and unconditionally guarantee as primary guarantor on behalf of New Energy Three, LLC ("Customer") with its place of business at 8720 Vic Lane, Middleton ID, the full and prompt payment when due of the payment obligations of Customer to Idaho Power Company ("Idaho Power") in the amount of eighty-one thousand dollars ($81,000.00). This Guarantee is provided to cover Customer's payment obligations to Idaho Power under paragraph 5.3 and 5.4 of the Firm Energy Sales Agreement for the Double B Dairy, Project Number 31616120 (hereafter referred to as "the Agreement").

Payment shall be made by Guarantor to Idaho Power hereunder when demand for such payment is made by Idaho Power upon the failure of Customer to meet its obligations under paragraph 5.8 of the Agreement regarding the failure to meet the scheduled operation date as defined in Appendix "B". Payment shall be unconditional and absolute and without objection or legal proceedings and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by any modification, amendment, waiver, extension of or supplement to the Agreement, any change in the corporate existence of the Customer or Guarantor, or any insolvency, bankruptcy, reorganization or other similar proceedings affecting the Customer or its assets, or the Guarantor. . This Guarantee is a guarantee of payment and not merely of collection and Guarantor agrees that its obligations hereunder are of a primary obligor and not merely of a surety. The Guarantor agrees that Idaho Power may resort to the Guarantor for payment of the obligation whether or not Idaho Power has resorted to any collateral security, or shall have proceeded against Customer or any other obligor principally or secondarily obligated with respect to the obligation. All payments hereunder by Guarantor shall be made without set-off or counterclaim in U.S. dollars in immediately available funds.

This Guarantee shall remain in force until New Energy has, to the satisfaction of Idaho Power, under the terms of paragraph 5.2 of the Agreement, achieved the Operation Date or until Guarantor is released from this Guarantee pursuant to paragraph 5.8.2 of the Agreement.

Double B

This Guarantee is governed by the law applicable to the Agreement. The courts having jurisdiction for matters relating to the Agreement shall have jurisdiction in respect of matters relating to this guarantee. This Guarantee may not be amended, supplemented or modified, nor any of the terms and conditions hereof waived, except by a written instrument executed by the Guarantor and Idaho Power.

This Guarantee is effective as of the date executed below.

Done at Meridian, ID on August 30, 2010

Tom Harris
President
Western States Equipment Company

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 15

IDAHO POWER®
An IDACORP Company

September 16, 2010

Laura Knothe
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

Re: Double B Dairy Digester Project Final Facility Study Report – Project #308

Dear Ms. Knothe:

Idaho Power Company (IPC) has completed the Facility Study cost estimate for your Generator Interconnection project. Attached please find a Final Facility Study Report (FSR). I am available to discuss the FSR, and begin Construction arrangements for the project.

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

Before we can begin Construction or order materials, you are responsible for contacting Idaho Power's credit department to discuss credit requirements for construction funding. Please contact Kelley Noe (208-388-5736) at your earliest convenience. Once we receive funding, or the credit requirement is met, we can proceed with construction of the project.

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

I look forward to hearing from you soon.

Sincerely,

Eric Hackett

Eric Hackett
Project Leader

Attachment: Double B Dairy Digester Project Final Facility Study Report with Drawings

Cc: R Bishop/IPC
K Noe/IPC
A Sloan/IPC

FINAL
Generator Interconnection Facility Study Report

for the

Double B Dairy Digester Project – Project #308

for

The New Energy Group

in

Twin Falls County, Idaho

September 16, 2010

FINAL - FACILITY STUDY REPORT (FSR)

Double B Dairy Digester
Project #308
September 16, 2010

1. General Facility Description

The proposed project will consist of Idaho Power's standard overhead generation interconnection package including an overhead recloser, metering package, local service power transformer, disconnect switches, and a relay/control box. Additionally, one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer will be installed, including the associated underground cabling and vaults. The project is located in Cassia County, Idaho and connects to the 12.5 kV system on Idaho Power Company's Buckhorn (BKHN-041) distribution line. The total project output is 1.2 MW.

Interconnection Customer:
Laura Knothe
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

A Standard Generator Interconnection Agreement under Idaho Power Company's Open Access Transmission Tariff (OATT) or Schedule 72 between Interconnection Customer and Idaho Power Company – Delivery (Transmission Owner) for the Double B Dairy Digester Project, specifically Generator Interconnection Project #308, will be prepared for this project. Final drawings will be produced in the timeline shown below in MILESTONES.

2. Interconnection Point

The Interconnection Point for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1). The project's location is in T12S R21E Section 18 of Cassia County, Idaho. A drawing identifying the Point of Interconnection is attached.

3. Point of Change of Ownership

The Point of Change of Ownership for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1).

4. Interconnection Details

In general, interconnection equipment includes, but is not limited to, switching/disconnection, metering, system protection and control, and communications/telemetry. All interconnection equipment electrically located on the generator side of the Point of Change Ownership shall be owned and maintained by the Generator. All interconnection equipment electrically located on the utility side of the Point of Change Ownership shall be owned, operated, and maintained by Idaho Power.

4.1 Project Team

An Idaho Power Company project team was assembled to investigate the proposed project, and develop cost estimates and a project schedule to construct Idaho Power facilities required for the interconnection. The project team consisted of the following employees:

Project Manager	Senior Engineer
Principal Engineer	Relay & Communications Leader
Engineer – Protection	Metering Technical Advisor
Area Apparatus Leader	Right of Way Agent
Design Engineer	Distribution Line Designer
Stations Designer	

4.2 Customer's Interconnection Facilities

The Interconnection Customer will install generators, low-side disconnect switches, all wiring and conduit between the generators and the padmounted transformer, appropriate grounding measures, and associated auxiliary equipment. Interconnection Customer will build underground facilities to the Point of Change of Ownership for the generator facility.

The low-side disconnect switch should be visible, lockable, within ten (10) feet of the padmounted transformers, and accessible to Idaho Power personnel.

4.3 Other Facilities Provided by Interconnection Customer

4.3.1 Telecommunications

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

4.3.2 Ground Fault Equipment

The customer will install ground fault limiting equipment that will limit the zero sequence fault current to 20 amps at the Interconnection Point.

4.3.3 Monitoring Information

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

4.3.4 Easements

The Interconnection Customer will secure underground and overhead easements with Double B Dairy once a specific route is determined. Idaho Power will provide the documentation.

4.4 Idaho Power Company's Interconnection Facilities

Idaho Power will install a standard generation interconnection package on the existing distribution feeder (BKHN-041) on private property northwest of the intersection of 1200 South and 1100 West in Cassia County, ID. See the attached work order maps (WO 27328097, sheet 1 of 1) for details.

The new interconnection package will include four distribution poles to mount a local service transformer, solid blade disconnects, primary metering package, recloser, relays, fuses and riser necessary for the package. The interconnection will be controlled by a SEL-311C line protection relay. The relay will be located in a pole mounted enclosure and will also contain a test switch (TS4), SLSS, modems, isolation interface, power supply, DC converter, control switch and surge protector.

Idaho Power will install (and subsequently own and maintain) one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer on top of a vault. Conduit and underground cables will be installed from the interconnection package to padmounted transformer. Protective posts will be installed to protect the ground mounted equipment from damage.

A 2" conduit will be installed alongside the underground primary to facilitate information exchange to the customer about the recloser. (The Interconnection Customer is responsible for providing and installing the appropriate cable.)

4.5 Operational Limitations

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

The project must be controlled to operate at unity power factor. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the point of interconnection. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. This forces the generating facility to start the generators separately.

The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems.*

5. Budget

The following good faith estimates are provided in 2010 dollars:

Estimated Cost & Ownership:

Description	Ownership	Cost Estimate
Generation Facilities:		
Provided by the customer (Including low-side disconnect switch)	Customer	N/A
TOTAL		**N/A**
Interconnection Facilities:		
Overhead Generation Interconnection Package	IPC	$200,000
Underground Equipment and 1500 kVA Transformer	IPC	$45,000
TOTAL		**$245,000**
GRAND TOTAL		**$245,000**

Milestones:

Date	Milestones
09/16/10	***Final Facility Study Report Submitted to Customer***
10/17/10	***Construction Funds Received by IPC***
11/5/10	***Order Materials***
3/15/11	***IPCO Construction Completion***
4/1/11	***IPCO Test and Commission Equipment Completion***
TBD	***Commercial Operation***

Construction Budget Timeline:

Period	Amount
Feb 2010 – April 2011	$245,000
GRAND TOTAL	**$245,000**

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 16

Bishop, Rowena

From: Bishop, Rowena
Sent: Monday, October 25, 2010 4:01 PM
To: 'Laura Knothe'
Cc: Hackett, Eric; Bauer, Rich; Sprenger, Jill; Allphin, Randy
Subject: GI 307 & 308
Attachments: cover offer dgia 307 308.pdf; draft GIA 307.doc; draft GIA 308.doc

Hi Laura,
Please review the attached draft GIA & cover letter for Swager Farms & Double B projects. Note that the project owner information needs to be included in the GIA. Please contact me or Eric if you have any questions.
I look forward to hearing from you soon!

Rowena Bishop
Operations Analyst
ph 208.388.2658

IDAHO POWER®
An IDACORP Company

October 25, 2010
Via email &
Certified Mail # 7006 0810 0006 5511 2990

Laura Knothe
The New Energy Company
8720 Vic Lane
Middleton, ID 83644

Re: Swager Farms Project #307 & Double B Dairy Project #308

Dear Laura:

Attached please find a copy of the final Facility Study Report (FSR) and a draft Generator Interconnection Agreement (GIA) for your Generator Interconnection projects. This GIA is part of Idaho Power Company's Rate Schedule 72 tariff approved by the Idaho Public Utilities Commission (IPUC). The IPUC has the authority to review and modify these schedules periodically. You may view the most current tariff at Idaho Power's website at: http://www.idahopower.com/aboutus/regulatoryinfo/tariffs.asp . If you would like to schedule a meeting or conference call to discuss the GIA please contact me as soon as possible.

Under the Generator Interconnection process, the following items must be provided to me on or before execution of the GIA:

- Proof of Site Control for the project
- Insurance certification
- Financial arrangements/construction funding

Although the preferred method of funding is full deposit upfront; payment arrangements may be requested. If you have not already done so, please contact Jill Sprenger (208-388-6424), Finance at your earliest convenience to discuss Idaho Power's credit requirements for construction funding. Once we receive funding, or the credit requirement is met, we can proceed with construction of the project. The actual construction and labor charges will be reconciled approximately 90 days subsequent to project completion.

PLEASE NOTE - While the Generator Interconnection process (Feasibility, System Impact, and Facility studies) we are going through identifies any necessary Network Upgrades that may have to be made to move your Project energy to load, it does not secure the transmission rights to do so. The GIA only provides for the physical connection of the project output to the generator side of the point of interconnection with Idaho Power's grid. It does not cover the transmission service to transfer your project output across the connection point or to the ultimate load.

An additional agreement providing for transmission of the energy is required to be secured to deliver your energy from the point of interconnection with your project to Idaho Power load. You or the energy purchaser must arrange for transmission, and provide the necessary documentation prior to commercial operation. This would include either a Transmission Service

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

Request (TSR) or a Network Designation from the energy purchaser. My records show that this has already been done.

You may have noticed that we have drafted the GIA Attachments based on the Facility Study Report provided to you on September 16, 2010. Please review the Attachments to make sure they are comprehensive and accurate and advise me of any changes as soon as possible. The completed Attachments must be sent to me by close of business on November 29, 2010, so that we may prepare the GIA for execution.

Failure to respond to this letter will be considered as an election not to proceed with the project, and we will consider your Generator Interconnection request to have been withdrawn and terminated. If you have any further questions, please don't hesitate to contact me.

Sincerely,

Rowena Bishop
Operations Analyst
rbishop@idahopower.com
ph 208.388.2658

Encl: Final Facility Study Reports - # 307 & #308
draft GIA for Swager Farms Project # 307
draft GIA for Double B Dairy Project # 308

Cc: (via email)
Eric Hackett /IPC
Rich Bauer/IPC
Jill Sprenger/IPC
Randy Allphin/IPC

October 25, 2010

GENERATOR INTERCONNECTION AGREEMENT
Schedule 72

DOUBLE B DAIRY DIGESTER PROJECT
1.2 MW

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This Generator Interconnection Agreement ("Agreement") under Idaho Power Company's Schedule 72 is effective as of the ____ day of _____, 2010 between _____, ("Seller" or "The Project") and Idaho Power Company – Delivery ("Company", or "Transmission Owner").

RECITALS

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

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

AGREEMENTS

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

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

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

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

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

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

Attachment 3 – Milestones For Interconnecting the Generation Facility.

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

Attachment 5 – Reactive Power.

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

5. Effective Date, Term, Termination and Disconnection.

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

5.2 Termination.

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

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

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

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

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

5.3.2 Routine Maintenance, Construction, and Repair. The Company may interrupt interconnection service or curtail the output of the Seller's Generation Facility

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

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

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

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

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

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

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

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

5.4 Land Rights.

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

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

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

5.4.4 Conditions of Use. It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Paragraph 5.4. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in Paragraphs

5.4.2 and 5.4.3 shall: (1) comply with all applicable laws, codes and Good Utility Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Paragraph 5.4.

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

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

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

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

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

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

6.3 Indemnity.

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

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

6.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest,

settle or consent to the entry of any judgment with respect to, or pay in full, such claim. Failure to defend is a Material Breach.

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

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

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

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

(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.

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6.5 Default and Material Breaches.

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

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

7. Insurance.

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

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

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

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

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

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

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

8. Miscellaneous.

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

8.2 Salvage. No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value

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of those Idaho Power furnished Interconnection Facilities as required under Schedule 72 and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.

9. Notices.

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

If to the Seller:

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

If to the Company:
Idaho Power Company - Delivery
Attention: Operations Manager
1221 W. Idaho Street
Boise: Idaho 83702
Phone: 208-388-5669 Fax: 208-388-5504

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

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

Idaho Power Company - Delivery
Attention: Corporate Cashier
PO Box 447
Salt Lake City Utah 84110-0447
Phone: 208-388-5697 email: asloan@idahopower.com

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

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Seller's Operating Representative:

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

Company's Operating Representative:

Idaho Power Company - Delivery
Attention: Regional Outage Coordinator - Regional Dispatch
1221 W. Idaho Street
Boise, Idaho 83702
Phone: 208-388-2633, 388-5125, or 388-5175 during regular business hours
(after hours Southern Region 208-388-5190).

9.5 Changes to the Notice Information. Either Party may change this information by giving five (5) Business Days written notice prior to the effective date of the change.

10. Signatures.

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

For the Seller

Name: _____

Title:_____

Date: _____

For the Company

Name: _____
Title: Manager, Grid Operations – Idaho Power Company, Delivery

Date: _____

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Attachment 1

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

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

General Facility Description

The proposed project will connect to Idaho Power's 12.5kV system on Idaho Power Company's Buckhorn (BKHN-041) distribution line. The total project output is 1.2 MW.

Interconnection Point

The Interconnection Point for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1). The project's location is in T12S R21E Section 18 of Cassia County, Idaho. A drawing identifying the Point of Interconnection is included as Attachment 2. The Point of Change of Ownership will be the low-side bushings on the padmounted transformer (DB1).

Seller's Interconnection Facilities

The Seller will install generators, low-side disconnect switches, all wiring and conduit between the generators and the padmounted transformer, appropriate grounding measures, and associated auxiliary equipment. The Seller will build underground facilities to the Point of Change of Ownership for the generator facility. The low-side disconnect switch should be visible, lockable, within ten (10) feet of the padmounted transformers, and accessible to Idaho Power personnel.

The Seller will provide phone service to IPCo's generator interconnect package as described in *Telecommunications* below.

All interconnection equipment electrically located on the generator side of the Point of Change Ownership shall be owned and maintained by the Seller.

Other Facilities Provided by Seller

Telecommunications

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

Ground Fault Equipment

The Seller will install ground fault limiting equipment that will limit the zero sequence fault current to 20 amps at the Interconnection Point.

Monitoring Information

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

Easements

The Seller will secure underground and overhead easements with Double B Dairy once a specific route is determined. Idaho Power will provide the documentation.

Idaho Power Company's Interconnection Facilities

Idaho Power will install a standard generation interconnection package on the existing distribution feeder (BKHN-041) on private property southwest of the intersection of 1200 South and 1100 West in Cassia County, Idaho. The new interconnection package will include four distribution poles to mount a local service transformer, solid blade disconnects, primary metering package, recloser, relays, fuses and riser necessary for the package. The interconnection will be controlled by a SEL-311C line protection relay. The relay will be located in a pole mounted enclosure and will also contain a test switch (TS4), SLSS, modems, isolation interface, power supply, DC converter, control switch and surge protector.

Idaho Power will install (and subsequently own and maintain) one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer on top of a vault. Conduit and underground cables will be installed from the interconnection package to padmounted transformer. Protective posts will be installed to protect the ground mounted equipment from damage.

A 2" conduit will be installed alongside the underground primary to facilitate information exchange to the customer about the recloser. (The Interconnection Customer is responsible for providing and installing the appropriate cable).

All interconnection equipment electrically located on the utility side of the Point of Change Ownership shall be owned, operated, and maintained by Idaho Power.

Estimated Cost & Ownership: The following good faith estimates are provided in 2010 dollars

Description	Ownership	Cost Estimate
Generation Facilities:		
Provided by Seller	Seller	$N/A
Interconnection Facilities:		
Overhead Generation Interconnection Package	IPCO	$200,000
Underground Equipment and 1500 kVA Transformer	IPCO	$45,000
TOTAL		**$245,000**
GRAND TOTAL		**SEE ATTACHMENT 6**

Full payment is required up front in accordance with Section 9, unless payment arrangements are made in advance with Idaho Power Delivery Finance.

Billing for construction activities will be based upon actual expenditures.

Billing and Payment during Construction

Transmission Provider will prepare monthly invoices for services performed in accordance with this Agreement and deliver the invoices to Seller. Seller will transmit payment to Transmission Provider no later than 30 days after receiving the invoice. In the event any monthly payment is missed, Idaho Power Company may revoke the unsecured nature of the construction funding and will require security for the remaining funds. In the event of payment default construction will cease until remediation is made by the Seller.

Invoices are to be addressed to Seller as follows:

_____

_____

_____

_____

In the event of a billing dispute, Seller must pay invoices when due subject to refund (without interest). Invoices must be accompanied by appropriate supporting documentation and proof of expenditures as applicable.

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Attachment 2

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

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Attachment 3

Milestones:

Date	Milestones
9/16/10	***Final FSR submitted to Seller***
10/17/10	***Construction Funds received by IPCO***
11/5/10	***Order Materials***
3/15/11	***IPCO Construction Complete***
4/1/11	***IPCO Testing & Commissioning Complete***
[to be provided by Seller at a later date]	***Commercial Operation***

Agreed to by:

For the Seller: _____ Date_____

For the Transmission Provider
Idaho Power Company, Delivery _____ Date_____

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Attachment 4

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

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

Operating Requirements

The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems* or any subsequent standards as they may be updated from time to time.

Seller will be able to modify power plant facilities on the generator side of the Interconnection Point with no impact upon the operation of the transmission system whenever the generation facilities are electrically isolated from the transmission system and a terminal clearance is issued by Idaho Power Company's Grid Operator.

Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. This forces the generating facility to start the generators separately.

Low Voltage Ride Through

The Project shall remain interconnected upon the occurrence of a three phase or single phase to ground fault down to a voltage of zero at locations on Idaho Power's system as close to the Seller's facilities as **Idaho Power Company's Clover Substation** prior to the fault being cleared for the minimum times stated below before tripping off-line:

- Three phase fault: Normal clearing that takes up to 9 cycles.
- Single phase to ground fault: Delayed clearing that takes up to 50 cycles.

Ground Fault Equipment

The Seller will install transformer configurations that provide a ground source to the transmission system.

Commercial Operation Requirements

The Seller will be granted a requested Commercial Operation date only when all requirements have been met under this GIA and Idaho Power Company's Power Sales Agreement. A transmission service request ("TSR") for this generation has been submitted to Idaho Power Company's Grid Operations group under TSR 74117864.

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Attachment 5

Reactive Power Requirements

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

The project must be controlled to operate at unity power factor.

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Attachment 6

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

As provided in Schedule 72 this Attachment describes Upgrades, Special Facilities, including Network Upgrades, and provides an itemized best estimate of the cost of the required facilities.

Upgrades

Distribution Upgrades
n/a

Description	Ownership	Cost Estimate
Distribution Upgrades:		
na		
TOTAL		
Interconnection costs (from Attachment 1)		$245,000
Project GRAND TOTAL		$245,000

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BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 17

Bishop, Rowena

From: Hackett, Eric
Sent: Monday, January 03, 2011 9:53 AM
To: Laura Knothe
Cc: Bishop, Rowena
Subject: RE: GI 307 & 308 - Swager Farms and Double B Dairy

Great to hear from you Laura. As you can see if the FSR for both, it is approximately 6 months from the time we receive construction funding to the time we can have the project in-service on our end. We are still in good shape for meeting a late summer or early fall date. However, as you mentioned, the sooner funding is received and I can order materials and get the designers going on final design the better. I would anticipate material orders being placed within a couple weeks of payment and design to start a month or so after that based on current workload and resource availability. I think payment in the next 4-6 weeks would be best so we can schedule construction resources as well for this summer.

Thanks again.

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

From: Laura Knothe [mailto:laura@thenewenergycompany.com]
Sent: Monday, January 03, 2011 9:43 AM
To: Hackett, Eric
Cc: Bishop, Rowena
Subject: GI 307 & 308 - Swager Farms and Double B Dairy

Good morning Eric and Happy New Year! I just wanted to check in with you regarding the above referenced projects. We have an investor on board and will proceed with the GIA in the next week or so. We have several meetings this week, so I should know more by the end of the week. How is your work load at this point? We are looking at construction this spring/summer and an operation date in September or October. I'm sure we need to get this proceeding right away. Please advise!

Thank you.

Laura Knothe, PE, LEED AP
The New Energy Company
www.thenewenergycompany.com
208.890.8783

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 18

SMALL GENERATOR INTERCONNECTION REQUEST
(Application Form)

Transmission Provider: IDAHO POWER COMPANY

Designated Contact Person:	Rowena Bishop
Address:	1221 W. Idaho Street, Boise ID 83702
Telephone Number:	208-388-2658
Fax:	208-388-6647
E-Mail Address:	rbishop@idahopower.com

An Interconnection Request is considered complete when it provides all applicable and correct information required below.

Preamble and Instructions

An Interconnection Customers who request interconnection must submit this Interconnection Request by hand delivery, mail, e-mail, or fax to the Transmission Provider.

Processing Fee or Deposit:

If the Interconnection Request passes ALL screens of SGIP Section 2.2.1, the application may be submitted under the Fast Track Process, and the non-refundable processing fee is $500. Please contact Idaho Power if you have any questions.

All Interconnection Requsts submitted under the Study Process, whether a new submission or an Interconnection Request that did not pass the Fast Track Process, shall submit to the Transmission Provider a deposit not to exceed $1,000 towards the cost of the feasibility study.

Interconnection Customer Information

Legal Name of the Interconnection Customer (or, if an individual, individual's name)

Name: New Energy Three, LLC

Contact Person: Laura Knothe, PE

Mailing Address: 8720 Vic Lane

City: Middleton State: ID Zip: 83644

Facility Location (if different from above): _____

Telephone (Day): 208.890.8783 Telephone (Evening): 208.585.9016

Fax: 208.585.9016 E-Mail Address: laura@thenewenergycompany.com

Alternative Contact Information (if different from the Interconnection Customer) NA

Contact Name: _____

Title: _____

Address: _____

_____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Application is for: _____New Small Generating Facility
___x__Capacity addition to Existing Small Generating Facility

If capacity addition to existing facility, please describe: Project has completed Facility Study and Draft GIA, but no physical work has been completed – Project Number 308. This application is for an additional 800kW to bring the total request to 2000kW. The values below indicate the total project capacity and not the additional capacity for this specific request.

Will the Small Generating Facility be used for any of the following?

To Supply Power to the Interconnection Customer? Yes ___No _x__
To Supply Power to Others? Yes ____ No _x__

For installations at locations with existing electric service to which the proposed Small Generating Facility will interconnect, provide:

_____ _____
(Local Electric Service Provider*) (Existing Account Number*)
[*To be provided by the Interconnection Customer if the local electric service provider is different from the Transmission Provider]

Contact Name: _____

Title: _____

Address: _____

Telephone (Day): _____ Telephone (Evening): _____

Fax: _____ E-Mail Address: _____

Requested Point of Interconnection: See previous studies – Project Number 308

Interconnection Customer's Requested In-Service Date: September 2011

Small Generating Facility Information
Data apply only to the Small Generating Facility, not the Interconnection Facilities.

Energy Source: ___ Solar ___ Wind ___ Hydro ___ Hydro Type (e.g. Run-of-River):_____
___ Diesel ___ Natural Gas ___ Fuel Oil _x_ Other (state type) _____methane gas_____

Prime Mover: ___Fuel Cell _x_Recip Engine ___Gas Turb ___Steam Turb
___Microturbine ___PV ___Other

Type of Generator: _x_Synchronous ____Induction ____ Inverter

Generator Nameplate Rating: __up to2000_____kW (Typical) Generator Nameplate kVAR: ___up to 1500____

Interconnection Customer or Customer-Site Load: __none_____kW (if none, so state)

Typical Reactive Load (if known): _____

Maximum Physical Export Capability Requested: _____2000__ kW (total for both applications; 800kW Additional for this application)

List components of the Small Generating Facility equipment package that are currently certified:

Equipment Type	Certifying Entity
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Is the prime mover compatible with the certified protective relay package? ____Yes ____No

Generator (or solar collector)
Manufacturer, Model Name & Number: MWM TCG 2016 V16 C – 800kW
Version Number: _____

Nameplate Output Power Rating in kW: (Summer) _____2000_____ (Winter) ___2000_____
Nameplate Output Power Rating in kVA: (Summer) ____2500_____ (Winter) _____2500_____

Individual Generator Power Factor
Rated Power Factor: Leading: _____Lagging: __.8_____

Total Number of Generators in wind farm to be interconnected pursuant to this Interconnection Request: _____ Elevation: _____ ___Single phase ___Three phase

Inverter Manufacturer, Model Name & Number (if used): _____

List of adjustable set points for the protective equipment or software: _____

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Request.

Small Generating Facility Characteristic Data (for inverter-based machines)

Max design fault contribution current: _____ Instantaneous ___ or RMS? ___

Harmonics Characteristics: _____

Start-up requirements: _____

Small Generating Facility Characteristic Data (for rotating machines)

RPM Frequency: _____
(*) Neutral Grounding Resistor (If Applicable): _____

Synchronous Generators:

Direct Axis Synchronous Reactance, Xd: _____ P.U.
Direct Axis Transient Reactance, X'_d: _____P.U.
Direct Axis Subtransient Reactance, X''_d: _____P.U.
Negative Sequence Reactance, X_2: _____ P.U.
Zero Sequence Reactance, X_0: _____ P.U.
KVA Base: _____
Field Volts: _____
Field Amperes: _____

Induction Generators: NA

Motoring Power (kW): _____
I_2^2t or K (Heating Time Constant): _____
Rotor Resistance, Rr: _____
Stator Resistance, Rs: _____
Stator Reactance, Xs: _____
Rotor Reactance, Xr: _____
Magnetizing Reactance, Xm: _____
Short Circuit Reactance, Xd": _____
Exciting Current: _____
Temperature Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load): _____
Reactive Power Required In Vars (Full Load): _____
Total Rotating Inertia, H: _____ Per Unit on kVA Base

Note: Please contact the Transmission Provider prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

Interconnection Facilities Information

Will a transformer be used between the generator and the point of common coupling? __x_Yes ___No

Will the transformer be provided by the Interconnection Customer? ____Yes _x__No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer):

Is the transformer: ____single phase _____three phase? Size: _____kVA
Transformer Impedance: _____% on _____kVA Base

If Three Phase:
Transformer Primary: _____ Volts _____ Delta _____Wye _____ Wye Grounded
Transformer Secondary: _____ Volts _____ Delta _____Wye _____ Wye Grounded
Transformer Tertiary: _____ Volts _____ Delta _____Wye _____ Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse):

(Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)

Manufacturer: _____ Type: _____ Size: _____Speed: _____

Interconnecting Circuit Breaker (if applicable):

Manufacturer: _____ Type: _____
Load Rating (Amps): _____ Interrupting Rating (Amps): _____ Trip Speed (Cycles): _____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled:

List of Functions and Adjustable Setpoints for the protective equipment or software:

Setpoint Function	Minimum	Maximum
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____

If Discrete Components:

(Enclose Copy of any Proposed Time-Overcurrent Coordination Curves)

Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____
Manufacturer: _____ Type: _____ Style/Catalog No.: _____ Proposed Setting: _____

Current Transformer Data (If Applicable):

(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves)

Manufacturer: _____
Type: _____ Accuracy Class: __ Proposed Ratio Connection: ____

Manufacturer: _____
Type: _____ Accuracy Class: __ Proposed Ratio Connection: ____

Potential Transformer Data (If Applicable):

Manufacturer: _____
Type: _____ Accuracy Class: __ Proposed Ratio Connection: ____

Manufacturer: _____
Type: _____ Accuracy Class: __ Proposed Ratio Connection: ____

General Information

Enclose copy of site electrical one-line diagram showing the configuration of all Small Generating Facility equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Small Generating Facility is larger than 50 kW. Is One-Line Diagram Enclosed? __X__Yes ____No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Small Generating Facility (e.g., USGS topographic map or other diagram or documentation). See earlier applications.

Proposed location of protective interface equipment on property (include address if different from the Interconnection Customer's address) _____1250 W 1100 S Murtaugh ID 83344_____

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is Available Documentation Enclosed? ___Yes ____No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable).
Are Schematic Drawings Enclosed? ___Yes ____No

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this Interconnection Request is true and correct.

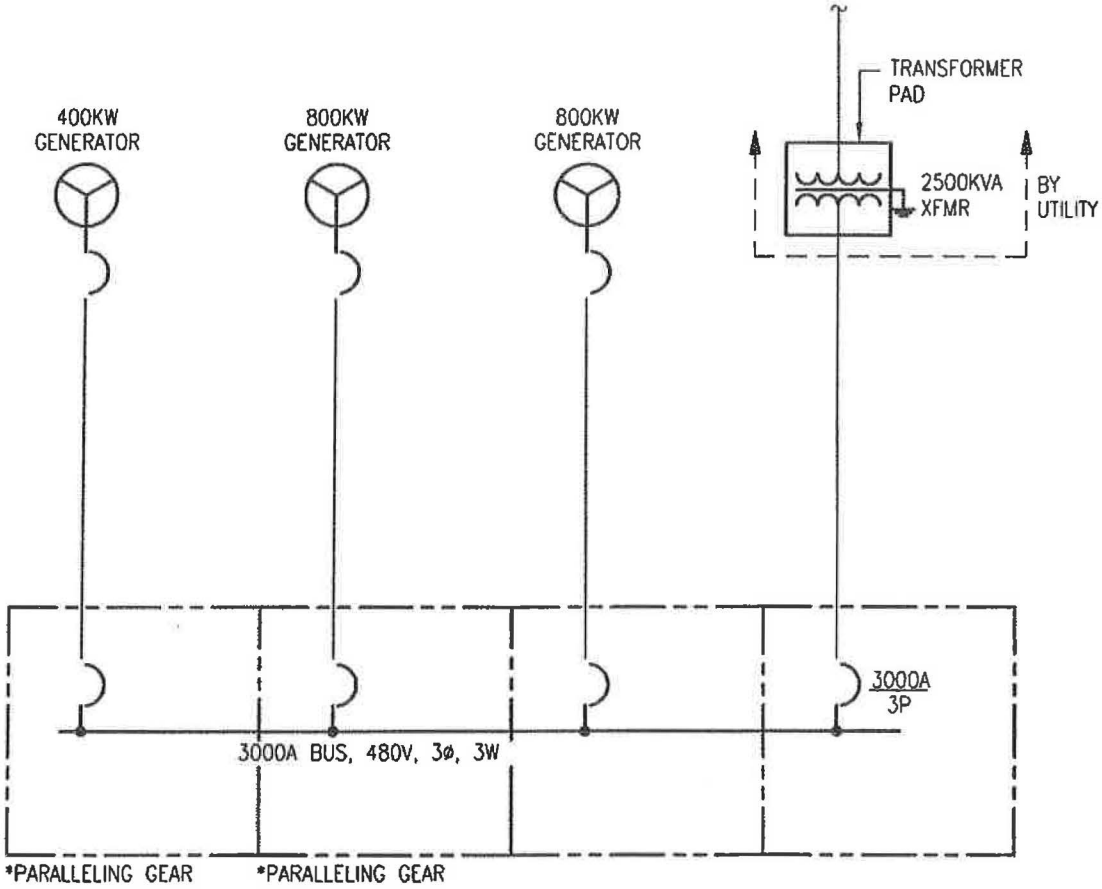
For Interconnection Customer:

Signed

_____Date: _1/12/11_____

Printed

_____Laura Knothe_____



DATE: 01/11/11	SKE-1	DOUBLE B ONE-LINE DIAGRAM	DC ENGINEERING 440 East Corporate Dr., Ste. 103 Meridian ID 83642 ph 208-288-2181 fax 208-288-2182 project 00000
JOB NO. -	SKETCH NO.	-	
SCALE NTS	REF. SHTS: -		

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 19

IDAHO POWER®
An IDACORP Company

January 20, 2011
via email and
Certified Mail # 70060810000655113157

Laura Knothe
8720 Vic Lane
Middleton, ID 83694

Re: Expansion Projects # 364 (Swager Farms) and # 365 (Double B)

Dear Laura:

Thank you for your Generator Interconnection applications for the expansion projects shown above (see attached copy). Since we have received all of the required materials, these applications are now considered complete. As you may be aware, we are required to post certain information to our OASIS (Open Access Same Time Information) website. Please refer to the website periodically to view a list of current projects at http://www.oatioasis.com/IPCO/index.html under GENERATOR INTERCONNECTION INFORMATION folder, on the left side of the screen.

Since you will be selling the project output to Idaho Power Company-Power Supply (as a Network Resource-NR, or as a PURPA), transmission studies for moving this energy to the load or a point of delivery inside of our system will be included in the Generator Interconnection studies. If you haven't already done so, please contact Randy Allphin for your Power Sales contract under a parallel process. He can be reached at 208-388-2614.

At this time, Idaho Power Company will assign a planning engineer for this project, and we will contact you in the near future to schedule a Scoping Meeting. If your project passes screening for the FAST TRACK process, which means your project output can be accommodated into our system without facility upgrades or further studies, we will immediately notify you of next steps to proceed.

For your review, I am attaching a copy of the standard Interconnection Feasibility Study Agreement that needs to be executed by you soon after our Scoping Meeting. Please feel free to contact me with your questions about the Generator Interconnection Process anytime.

I will forward this application to our T&D Planning Leader, Marc Patterson, who will be evaluating your request.

Sincerely,

Rowena Bishop

Rowena Bishop
Ph 208-388-2658

Encl Application
Idaho Power Company's Facility Connection Requirements
Standard Interconnection Feasibility Study Agreement

Cc (via email):
Marc Patterson/IPC
Randy Allphin/IPC

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 20

Feasibility Study Agreement

THIS AGREEMENT is made and entered into this 2 day of February 2011, by and between the New Energy Company LLC, a LLC organized and existing under the laws of the State of Idaho, ("Interconnection Customer,") and Idaho Power Company a Corporation existing under the laws of the State of Idaho ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by Interconnection Customer on January 14, 2011; also known as Project # 365 ; and

WHEREAS, Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Transmission System; and

WHEREAS, Interconnection Customer has requested the Transmission Provider to perform a feasibility study to assess the feasibility of interconnecting the proposed Small Generating Facility with the Transmission Provider's Transmission System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Transmission Provider shall cause to be performed an interconnection feasibility study consistent the standard Small Generator Interconnection Procedures in accordance with the Open Access Transmission Tariff.

3.0 The scope of the feasibility study shall be subject to the assumptions set forth in Attachment A to this Agreement.

4.0 The feasibility study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the scoping meeting. The Transmission Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the feasibility study and as designated in accordance with the standard Small Generator

Interconnection Procedures. If the Interconnection Customer modifies its Interconnection Request, the time to complete the feasibility study may be extended by agreement of the Parties.

5.0 In performing the study, the Transmission Provider shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the feasibility study.

6.0 The feasibility study report shall provide the following analyses for the purpose of identifying any potential adverse system impacts that would result from the interconnection of the Small Generating Facility as proposed:

6.1 Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;

6.3 Initial review of grounding requirements and electric system protection; and

6.4 Description and non-bonding estimated cost of facilities required to interconnect the proposed Small Generating Facility and to address the identified short circuit and power flow issues.

7.0 The feasibility study shall model the impact of the Small Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Small Generating Facility is being installed.

8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as requested by the Interconnection Customer and at the Interconnection Customer's cost.

9.0 In lieu of Feasibility Study deposit, Interconnection Customer agrees that study funds will be drawn from the application fee for the performance of the Interconnection Feasibility Study.

Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study. Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

10.0 Once the feasibility study is completed, a feasibility study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the feasibility study must be completed and the feasibility study report transmitted within 30 business days of the Interconnection Customer's agreement to conduct a feasibility study.

11.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

Transmission Provider:
Idaho Power Company – Delivery

Signed: Marc Patterson

Printed: Marc Patterson

Title: Engineering Leader, T&D Planning

Date: Feb 2, 2011

Interconnection Customer:
The New Energy Co, LLC

Signed: [illegible]

Printed: Laura Knothe

Title: Manager, The New Energy Co, LLC

Date: 2/2/2011

Leslie White
Manager, The New Energy Co, LLC
2/2/2011

Attachment A to Feasibility Study Agreement

Assumptions Used in Conducting the Feasibility Study

The feasibility study will be based upon the information set forth in the Interconnection Request and agreed upon in the scoping meeting held on Feb 21 2011:

1) Designation of Point of Interconnection and configuration to be studied.

12.5
~~34.5~~kV line adjacent to 1250 West 1100 South. Murtaugh
800 kW
(This is an expansion to #308) Total project will be 2,000kW

2) Designation of alternative Points of Interconnection and configuration.

1) and 2) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Transmission Provider.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 21

GENERATOR INTERCONNECTION
FEASIBILITY STUDY

For integration of the proposed

DOUBLE B DAIRY DIGESTER EXPANSION PROJECT

In

CASSIA COUNTY, IDAHO

To the

IDAHO POWER COMPANY ELECTRICAL SYSTEM

For

NEW ENERGY THREE, LLC

The

INTERCONNECTION CUSTOMER

DRAFT REPORT
MARCH 16, 2011

BH

Generator Interconnection Feasibility Study

General Interconnection Information

Queue	Date of Request	Location	Total (MW)	Station or Trans Line for POI	Projected In-Service Date	Type of facility (combined cycle, base load, CT, fuel type)
#365	January 2011	Cassia County	2.0	34.5 kV through Buckhorn (BKHN) substation	September 2011	Biogas

Short Circuit Analysis Results

System Changes Required: ☐Yes ☒No

Power Flow Analysis Results

System Changes Required: ☒Yes ☐No

System upgrades are required to the Idaho Power substation and to the existing distribution system to interconnect the 2 MW dairy digester generation project at Double B Dairy. These upgrades are shown in the Table 1 below:

Description	Estimated Cost
Distribution Upgrades including 1/2 mile new 34.5 kV line and cutover of existing line near Double B Dairy to 34.5 kV	$151,000
Generation Interconnection Protection Package (Includes 34.5 kV recloser, controls, CTs, PTs, and communications	$225,000
Total Estimated Cost	**$376,000**

Good Faith Cost Estimate

Interconnection cost estimate for 2 MW generator project: **$376,000.**

System Impact Study Required? ☐Yes ☒ No

This Feasibility Study only addresses the work required to interconnect the Double B Dairy digester project to the Idaho Power system. There are no transmission rights secured for the project until a transmission system request is submitted by the corresponding transmission customer. The required transmission facilities, if any, to support energy transfers will then be determined based on first come first serve basis (queue order).

Operating Requirements:

Project #365 will be controlled to operate at unity power factor with an operating bandwidth of ± 300 kVAR.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 22

GENERATOR INTERCONNECTION
FEASIBILITY STUDY

For integration of the proposed

DOUBLE B DAIRY DIGESTER EXPANSION PROJECT

In

CASSIA COUNTY, IDAHO

To the

IDAHO POWER COMPANY ELECTRICAL SYSTEM

For

NEW ENERGY THREE, LLC

The

INTERCONNECTION CUSTOMER

FINAL REPORT

APRIL 26, 2011

BH

Generator Interconnection Feasibility Study

General Interconnection Information

Queue	Date of Request	Location	Total (MW)	Station or Trans Line for POI	Projected In-Service Date	Type of facility (combined cycle, base load, CT, fuel type)
#365	January 2011	Cassia County	2.0	34.5 kV through Buckhorn (BKHN) substation	September 2011	Biogas

Short Circuit Analysis Results

System Changes Required: ☐Yes ☒No

Power Flow Analysis Results

System Changes Required: ☒Yes ☐No

System upgrades are required to the Idaho Power substation and to the existing distribution system to interconnect the 2 MW dairy digester generation project at Double B Dairy. These upgrades are shown in the Table 1 below:

Description	Estimated Cost
Distribution Upgrades including 1/2 mile new 34.5 kV line and cutover of existing line near Double B Dairy to 34.5 kV	$151,000
Generation Interconnection Protection Package (Includes 34.5 kV recloser, controls, CTs, PTs, and communications	$225,000
Total Estimated Cost	**$376,000**

Good Faith Cost Estimate

Interconnection cost estimate for 2 MW generator project: **$376,000.**

System Impact Study Required? ☐Yes ☒ No

This Feasibility Study only addresses the work required to interconnect the Double B Dairy digester project to the Idaho Power system. There are no transmission rights secured for the project until a transmission system request is submitted by the corresponding transmission customer. The required transmission facilities, if any, to support energy transfers will then be determined based on first come first serve basis (queue order).

Operating Requirements:

Project #365 will be controlled to operate at unity power factor with an operating bandwidth of ± 300 kVAR.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 23

IDAHO POWER®
An IDACORP Company

April 27, 2011
Certified Mail #70092820000284567176

Laura Knothe
8720 Vic Lane
Middleton, ID 83694

RE: Swager Farms expansion (GI 364) and Double B expansion (GI 365)

Dear Laura:

Enclosed is the Final Feasibility Study Report for each of the above-referenced projects. The feasibility analysis indicates that modification/addition of some facilities will not be required to integrate the network resource capacity addition of your project into the Idaho Power system.

Since no System Impact Study is required, I have enclosed two (2) copies of the Facility Study Agreement (FSA) for each project. In order to proceed, Idaho Power must receive your agreement to proceed with the project(s) by executing both copies of the FSA and submitting completed Attachments, along with the deposit in order to remain in the Generator Interconnection queue. The deposit under each FSA is based on the estimated engineering costs.
For GI 364 – Swager Farms, the deposit is $30,000;
For GI 365 – Double B Dairy, the deposit is $18,800.00.

In order for your application to remain in the Generator Interconnection study queue, Idaho Power must receive all of these items by June 9, 2011; otherwise the application will be deemed withdrawn:

1. the executed Facility Study Agreement,
2. the completed Attachment A, and
3. the corresponding deposit.

Please submit to: Idaho Power Company, Attention: Rowena Bishop, 1221 West Idaho Street, Boise, ID 83702. Please contact me if you have questions.

Sincerely,

Marc Patterson

Marc Patterson
Engineering Leader, T&D Planning
Ph. 208.388.2712

Enclosures: Final Feasibility Study Report (2) GI 364 & 365
Facility Study Agreements (s) GI 364 & 365

C: Rowena Bishop/IPC

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

Facilities Study Agreement

THIS AGREEMENT is made and entered into this _____day of_____ 2011 by and between _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") and Idaho Power Company, a Corporation existing under the laws of the State of Idaho ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Small Generating Facility or generating capacity addition to an existing Small Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on 1/14/11; and

WHEREAS, the Interconnection Customer desires to interconnect the Small Generating Facility with the Transmission Provider's Transmission System;

WHEREAS, the Transmission Provider has completed a system impact study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the Transmission Provider to perform a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the system impact study in accordance with Good Utility Practice to physically and electrically connect the Small Generating Facility with the Transmission Provider's Transmission System.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated or the meanings specified in the standard Small Generator Interconnection Procedures.

2.0 The Interconnection Customer elects and the Transmission Provider shall cause a facilities study consistent with the standard Small Generator Interconnection Procedures to be performed in accordance with the Open Access Transmission Tariff.

3.0 The scope of the facilities study shall be subject to data provided in Attachment A to this Agreement.

4.0 The facilities study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the system impact study(s).

The facilities study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Transmission Provider's

Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

5.0 The Transmission Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Small Generating Facility if it is willing to pay the costs of those facilities.

6.0 A deposit of $18,800.00 is due upon execution of this agreement by the Interconnection customer.

7.0 In cases where Upgrades are required, the facilities study must be completed within 45 Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the facilities study must be completed within 30 Business Days.

8.0 Once the facilities study is completed, a facilities study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the facilities study must be completed and the facilities study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a facilities study.

9.0 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

10.0 The Interconnection Customer must pay any study costs that exceed the deposit without interest within 30 calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within 30 calendar days of the invoice without interest.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

Transmission Provider: **Idaho Power Company - Delivery**	**Interconnection Customer:** _____
Signed: _____	Signed: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Attachment A to
Facilities Study Agreement

Data to Be Provided by the Interconnection Customer With the Facilities Study Agreement

1. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

   On the one-line diagram, indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

   On the one-line diagram, indicate the location of auxiliary power. (Minimum load on CT/PT) Amps

2. One set of metering is required for each generation connection to the new ring bus or existing Transmission Provider station. Number of generation connections:

   _____

3. Will an alternate source of auxiliary power be available during CT/PT maintenance? Yes _____ No _____

4. Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes _____ No _____
   (Please indicate on the one-line diagram).

5. What type of control system or PLC will be located at the Small Generating Facility?

   _____

   _____

6. What protocol does the control system or PLC use?

   _____

   _____

7. Please provide a 7.5-minute quadrangle map of the site. Indicate the plant, station, transmission line, and property lines.

8. Physical dimensions of the proposed interconnection station:

_____

9. Bus length from generation to interconnection station:

_____

10. Line length from interconnection station to Transmission Provider's Transmission System.

_____

11. Tower number observed in the field. (Painted on tower leg)*:

_____

12. Number of third party easements required for transmission lines*:

_____

* To be completed in coordination with Transmission Provider.

13. Is the Small Generating Facility located in Transmission Provider's service area?

Yes _____ No _____ If No, please provide name of local provider:

_____

14. Please provide the following proposed schedule dates:

Begin Construction	Date: _____
Generator Step-Up Transformers Receive Back Feed Power	Date: _____
Generation Testing	Date: _____
Commercial Operation	Date: _____

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 24

IDAHO POWER®
An IDACORP Company

June10, 2011
VIA email &
Certified mail # 70090820000123019190

Laura Knothe
8720 Vic Lane
Middleton, ID 83694

Subject: Double B expansion Project #365 – FINAL NOTICE

Dear Laura:

By letter dated April 27, 2011 Idaho Power provided you with a Facility Study Agreement for interconnection of the proposed Double B expansion to be interconnected in Cassia County, Idaho.

Interconnection Customer was to execute and return to me the Facility Study Agreement with the required $18,800.00 deposit by June 9, 2011. That time period has now expired. Your application for Generation Interconnection has now been deemed withdrawn.

Failure to submit the deficient items to me by June 24, 2011 will cause your Generator Interconnection request to be terminated. If you have any further questions, please don't hesitate to contact me.

Sincerely,

Rowena Bishop
Operations Analyst
Ph 208.388.2658
rbishop@idahopower.com

cc (via email):
Orlando Ciniglio/IPC
Marc Patterson/IPC
Eric Hackett/IPC
Aubrae Sloan/IPC

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

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 25

Bishop, Rowena

From: Bishop, Rowena
Sent: Wednesday, September 28, 2011 2:23 PM
To: 'Laura Knothe'
Cc: Hackett, Eric; Bauer, Rich; Sloan, Aubrae; Allphin, Randy
Subject: DRAFT GIA for Double B Dairy - GI 308
Attachments: coverDGIA308.pdf; DGIA308.doc

Hi Laura,
The attached is being mailed today. Please note response due date.
We need proof of Site Control for the physical property from the landowner on record before we can sign. This can be a deed, lease, etc.
I look forward to hearing from you soon!

Rowena Bishop
Operations Analyst
ph 208.388.2658

IDAHO POWER®
An IDACORP Company

September 28, 2011
Via email & Certified Mail
70090080000182635485

Laura Knothe
8720 Vic Lane
Middleton, ID 83644
208-890-8783

Re: Double B Dairy Project # 308

Dear Laura:

Attached please find a draft Generator Interconnection Agreement (GIA) for your Generator Interconnection project. This Agreement is part of Idaho Power Company's Rate Schedule 72 tariff approved by the Idaho Public Utilities Commission (IPUC). The IPUC has the authority to review and modify these schedules periodically. You may view the most current tariff at Idaho Power's website at: http://www.idahopower.com/aboutus/regulatoryinfo/tariffs.asp . If you would like to schedule a meeting or conference call to discuss the GIA please contact me as soon as possible.

Under the Generator Interconnection process, the following items must be provided to me on or before execution of the GIA:

Proof of Site Control for the project and financial arrangements/construction funding

Although the preferred method of funding is full deposit upfront; payment arrangements may be requested. If you have not already done so, please contact Aubrae Sloan (208-388-5697), Operations Finance at your earliest convenience to discuss Idaho Power's credit requirements for construction funding. Once we receive funding, or the credit requirement is met, we can proceed with construction of the project. The actual construction and labor charges will be reconciled approximately 90 days subsequent to project completion.

You may have noticed that we have drafted the GIA Attachments based on the Facility Study Report dated September 16, 2010. Please review the GIA Attachments to make sure they are comprehensive and accurate and contact Eric Hackett with any questions as soon as possible.

Failure to respond to this letter by November 28, 2011 will cause your Generator Interconnection request to have been deemed withdrawn and terminated. If you have any further questions, please don't hesitate to contact me at 208-388-2658.

Sincerely,

Rowena Bishop

Rowena Bishop
Operations Analyst
rbishop@idahopower.com

Encl: draft GIA for Double B Dairy Project # 308

Cc: (via email)
Eric Hackett Project Leader/IPC
Rich Bauer/IPC
Aubrae Sloan/IPC

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

September 28, 2011

GENERATOR INTERCONNECTION AGREEMENT
Schedule 72

DOUBLE B DAIRY DIGESTER PROJECT
1.2 MW

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This Generator Interconnection Agreement ("Agreement") under Idaho Power Company's Schedule 72 is effective as of the ____ day of _____, 2011 between _____, ("Seller" or "The Project") and Idaho Power Company – Delivery ("Company", or "Transmission Owner").

RECITALS

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

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

AGREEMENTS

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

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

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

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

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

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

Attachment 3 – Milestones For Interconnecting the Generation Facility.

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

Attachment 5 – Reactive Power.

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

5. Effective Date, Term, Termination and Disconnection.

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

5.2 Termination.

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

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

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

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

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

5.3.2 Routine Maintenance, Construction, and Repair. The Company may interrupt interconnection service or curtail the output of the Seller's Generation Facility

DRAFT

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

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

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

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

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

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

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

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

5.4 Land Rights.

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

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

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

5.4.4 Conditions of Use. It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Paragraph 5.4. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in Paragraphs

5.4.2 and 5.4.3 shall: (1) comply with all applicable laws, codes and Good Utility Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Paragraph 5.4.

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

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

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

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

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

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

6.3 Indemnity.

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

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

6.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest,

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settle or consent to the entry of any judgment with respect to, or pay in full, such claim. Failure to defend is a Material Breach.

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

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

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

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

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

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

6.5 Default and Material Breaches.

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

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

7. Insurance.

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

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

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

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

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

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

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

8. Miscellaneous.

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

8.2 Salvage. No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value

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of those Idaho Power furnished Interconnection Facilities as required under Schedule 72 and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.

9. Notices.

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

If to the Seller:

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

If to the Company:
Idaho Power Company - Delivery
Attention: Operations Manager
1221 W. Idaho Street
Boise: Idaho 83702
Phone: 208-388-5669 Fax: 208-388-5504

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

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

Idaho Power Company - Delivery
Attention: Corporate Cashier
PO Box 447
Salt Lake City Utah 84110-0447
Phone: 208-388-5697 email: asloan@idahopower.com

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

Seller's Operating Representative:

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

Company's Operating Representative:

Idaho Power Company - Delivery
Attention: Regional Outage Coordinator - Regional Dispatch
1221 W. Idaho Street
Boise, Idaho 83702
Phone: 208-388-2633, 388-5125, or 388-5175 during regular business hours
(after hours Southern Region 208-388-5190).

9.5 Changes to the Notice Information. Either Party may change this information by giving five (5) Business Days written notice prior to the effective date of the change.

10. Signatures.

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

For the Seller

Name: _____

Title:_____

Date: _____

For the Company

Name: _____
Title: Manager, Grid Operations – Idaho Power Company, Delivery

Date: _____

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Attachment 1

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

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

General Facility Description

The proposed project will connect to Idaho Power's 12.5kV system on Idaho Power Company's Buckhorn (BKHN-041) distribution line. The total project output is 1.2 MW.

Interconnection Point

The Interconnection Point for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1). The project's location is in T12S R21E Section 18 of Cassia County, Idaho. A drawing identifying the Point of Interconnection is included as Attachment 2. The Point of Change of Ownership will be the low-side bushings on the padmounted transformer (DB1).

Seller's Interconnection Facilities

The Seller will install generators, low-side disconnect switches, all wiring and conduit between the generators and the padmounted transformer, appropriate grounding measures, and associated auxiliary equipment. The Seller will build underground facilities to the Point of Change of Ownership for the generator facility. The low-side disconnect switch should be visible, lockable, within ten (10) feet of the padmounted transformers, and accessible to Idaho Power personnel.

The Seller will install equipment to receive signals from Idaho Power Company Grid Operations for Generator Output Limit Control ("GOLC") - see Attachment 4 Operating Requirements.

The Seller will provide phone service to IPCo's generator interconnect package as described in *Telecommunications* below.

All interconnection equipment electrically located on the generator side of the Point of Change Ownership shall be owned and maintained by the Seller.

Other Facilities Provided by Seller

Telecommunications

In addition to communication circuits that may be needed by the Seller, the Seller shall provide the following communication circuits for Idaho Power's use:

1. One POTS (Plain Old Telephone Service) dial-up circuit for revenue metering at the generation interconnection site.
2. One DDS (Digital Data Service) circuit guaranteed minimum data rate of 19,200 bits per second for SCADA between the generation interconnection site and a point designated by Idaho Power Company.

The Seller is required to coordinate with the local communications provider to provide the communications circuits and pay the associated monthly charges. The communication circuits will need to be installed and operational prior to generating into Idaho Power system. Note that installation by the local communications provider may take several months and should be ordered in advance to avoid delaying the project. If the communication circuit types listed above are not available at the site by the local communications provider, the Seller shall confer with Idaho Power.

If high voltage protection is required by the local communications provider for the incoming cable, the high voltage protection assembly shall be engineered and supplied by the Seller. Options are available for indoor or outdoor mounting. The high voltage protection assembly shall be located in a manner that provides Idaho Power 24-hour access to the assembly for communications trouble-shooting of Idaho Power owned equipment.

Ground Fault Equipment

The Seller will install ground fault limiting equipment that will limit the zero sequence fault current to 20 amps at the Interconnection Point.

Monitoring Information

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

Easements

The Seller will secure underground and overhead easements with Double B Dairy once a specific route is determined. The Seller will provide to IPCO a surveyed (Metes & Bounds) legal description along with exhibit map for IPCO's facilities. After the legal description has been delivered to IPCO for review, IPCO will supply to the Seller a completed IPCO easement for signature by the land owner of record. Once the signatures have been secured, the Seller will return the signed easement to IPCO for recording. IPCO construction will not proceed until the appropriate easements are secured.

Idaho Power Company's Interconnection Facilities

Idaho Power will install a standard generation interconnection package on the existing distribution feeder (BKHN-041) on private property southwest of the intersection of 1200 South and 1100 West in Cassia County, Idaho. The new interconnection package will include four distribution poles to mount a local service transformer, solid blade disconnects, primary metering package, recloser, relays, fuses and riser necessary for the package. The interconnection will be controlled by a SEL-311C line protection relay. The relay will be located in a pole mounted enclosure and will also contain a test switch (TS4), SLSS, modems, isolation interface, power supply, DC converter, control switch and surge protector.

Idaho Power will install (and subsequently own and maintain) one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer on top of a vault. Conduit and underground cables will be installed from the interconnection package to padmounted transformer. Protective posts will be installed to protect the ground mounted equipment from damage.

A 2" conduit will be installed alongside the underground primary to facilitate information exchange to the customer about the recloser. (The Interconnection Customer is responsible for providing and installing the appropriate cable).

All interconnection equipment electrically located on the utility side of the Point of Change Ownership shall be owned, operated, and maintained by Idaho Power.

Estimated Cost & Ownership: The following good faith estimates are provided in 2010 dollars

Description	Ownership	Cost Estimate
Generation Facilities:		
Provided by Seller	Seller	$N/A
Interconnection Facilities:		
Overhead Generation Interconnection Package	IPCO	$200,000
Underground Equipment and 1500 kVA Transformer	IPCO	$45,000
TOTAL		**$245,000**
PROJECT GRAND TOTAL		**SEE ATTACHMENT 6**

Full payment is required up front in accordance with Section 9, unless payment arrangements are made in advance with Idaho Power Operations Finance.

Billing for construction activities will be based upon actual expenditures.

Attachment 2

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

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Attachment 3

Milestones:

Date	Milestones
9/16/10	***Final FSR submitted to Seller***
TBD	***Construction Funds received by IPCO***
5 Months from Construction Funds Received by IPCO	***IPCO Construction Complete***
1 Month from IPCO Construction Complete	***IPCO Commissioning Complete***
[to be provided by Seller at a later date]	***Commercial Operation***

Agreed to by:

For the Seller: _____Date_____

For the Transmission Provider
Idaho Power Company, Delivery _____Date_____

Attachment 4

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

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

Operating Requirements

The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems* or any subsequent standards as they may be updated from time to time.

Seller will be able to modify power plant facilities on the generator side of the Interconnection Point with no impact upon the operation of the transmission system whenever the generation facilities are electrically isolated from the transmission system and a terminal clearance is issued by Idaho Power Company's Grid Operator.

Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. This forces the generating facility to start the generators separately.

Low Voltage Ride Through

The Project must be capable of riding through faults on adjacent section of the power system without tripping due to low voltage. It has been determined, through study, that the Project must be capable of remaining interconnected for any single phase voltage as low as 0.7 PU for 30 cycles, and for all three phase voltages as low as 0.8 PU for 30 cycles.

Ground Fault Equipment

The Seller will install transformer configurations that provide a ground source to the transmission system.

Generator Output Limit Control ("Re-dispatch" or "GOLC")

The Project will be subject to reductions directed by Idaho Power Company Grid Operations during transmission system contingencies and other reliability events. When these conditions occur, the Project will be subject to Generator Output Limit Control ("GOLC") and have equipment capable of receiving signals from Idaho Power for GOLC. Generator Output Limit Control will be a setpoint from Idaho Power to the Project indicating maximum output allowed during transmission contingencies.

Commercial Operation Requirements

The Seller will be granted a requested Commercial Operation date only when all requirements have been met under this GIA and Idaho Power Company's Power Sales Agreement.

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Attachment 5

Reactive Power Requirements

The project must be controlled to operate at unity power factor +/- XXX kVar. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point.

Attachment 6

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

As provided in Schedule 72 this Attachment describes Upgrades, Special Facilities, including Network Upgrades, and provides an itemized best estimate of the cost of the required facilities.

Upgrades

Distribution Upgrades
n/a

Description	Ownership	Cost Estimate
Distribution Upgrades:		
na		
TOTAL		
Interconnection costs (from Attachment 1)		$245,000
Project GRAND TOTAL		$245,000

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BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 26

CERTIFICATION OF AUTHORITY FOR AGENTS

I, **LAURA KNOTHE**, the duly authorized and appointed MANAGER of The New Energy Company, LLC ("Company"), HEREBY REPRESENT, WARRANT, AND CERTIFY to Idaho Power Company that the following are authorized and empowered, for and on behalf of the Company, to execute instruments, agreements, certificates, and other documents (collectively "Documents") and to take actions on behalf of the Company, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Company for all purposes, until such time as an authorized officer of the Company shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall not longer be an agent on behalf of the Company. Any Documents executed by such persons shall be deemed duly authorized by the Company for all purposes.

Name of Company: The New Energy Company, LLC
8720 Vic Lane
Middleton, ID 83644

Name of Project(s): Swager Farms (New Energy Two, LLC) and Double B Dairy (New Energy Three, LLC)

Name	Title
Leslie White	Manager
Laura Knothe	Manager

IN WITNESS WHEREOF, I have hereunto signed my name this 18 day of October, 2011.

Print Name: Laura Knothe

Title: Manager

I, **Kara Godfrey**, HEREBY CERTIFY, that **Laura Knothe** is the duly elected and acting Manager of the Company and that the signature appearing above is his/her signature.

IN WITNESS WHEREOF, I have hereunto signed my name this 20th day of October, 2011.

Print Name: KARA GODFREY

Title: Consultant

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 27

Clark, Danielle

From: Bauer, Rich
Sent: Tuesday, November 29, 2011 10:31 AM
To: 'lwhite@exergydevelopment.com'
Cc: Bishop, Rowena
Subject: RE: Double B GIA
Attachments: Attachment XX - Gen Int Control Req.docx

As to 5.3.9, we would give you notice that we are going to change the nominal voltage in 180 days. You would have the 180 days to modify your facilities if required. As you have indicated, since Idaho will own the transformer, the only effect on you would be if we changed the secondary voltage level. I cannot think of a reason that we would change the secondary voltage level on this project. In some older installations, if we were to upgrade the primary voltage level, we would have to change the secondary voltage configuration to a 277/480 volt configuration. You already have that configuration, so no change would be required.
As to the GOLC. We will give you a analog setpoint via DNP 3.0 protocol that will indicate the maximum MW allowed. The reliability events include transmission /distribution outages and excess generation on the system. I am including a attachment that gives a little more detail on the GOLC control.

Rich Bauer
Manager Grid Operations
Idaho Power Company
208-388-5669
IDAHO POWER.
An IDACORP Company

From: Bishop, Rowena
Sent: Monday, November 28, 2011 4:21 PM
To: Bauer, Rich
Subject: FW: Double B GIA

Rich,
Will you respond to Leslie White about her GIA questions below? thx

Rowena Bishop
Operations Analyst
Interchange Operations - chq 4
Ext. 388-2658

From: Leslie White [mailto:lwhite@exergydevelopment.com]
Sent: Monday, November 28, 2011 12:04 PM
To: Bishop, Rowena
Cc: Josh Gunderson
Subject: Double B GIA

Hello Rowena,

Can you provide some insight on the wording in section 5.3.9. Does the section copied below mean that Idaho Power may upgrade the voltage on the line and at that time IP would provide us with 6 months notice and we would be responsible to make the changes to our facility, but at IP's expense. (What is the timeframe we are allowed to make the required changes?) Does it appear that since Idaho Power owns the transformer, this type of change may require some protection changes or grounding changes but relatively minor upgrades within our battery limits?

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

Also Rowena the requirements around GOLC seem to be new. Can you give some detail about the setpoint (as I need to make sure this type of control is inherent in our engine control package) and what other reliability events we can expect.

Generator Output Limit Control ("Re-dispatch" or "GOLC")

The Project will be subject to reductions directed by Idaho Power Company Grid Operations during transmission system contingencies and other reliability events. When these conditions occur, the Project will be subject to Generator Output Limit Control ("GOLC") and have equipment capable of receiving signals from Idaho Power for GOLC. Generator Output Limit Control will be a setpoint from Idaho Power to the Project indicating maximum output allowed during transmission contingencies.

Thank you for your time and consideration on these points.

Leslie

Leslie White
802 W Bannock, 12th Floor Boise, ID 83702
Office: 208.336.9793 | Mobile: 208.890.4660
www.exergydevelopment.com

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Generation Interconnection Control Requirements

Generator Output Limit Control (GOLC)

- IPC requires Interconnected Power Producers to accept GOLC signals from our EMS.
- The GOLC signals will consist of two points shared between the IPC EMS and the Customer's Generator Controller:
  1. GOLC Setpoint: An analog output that contains the MW value the Customer should curtail to, should a GOLC request be made via the GOLC On/Off discrete output Control point.
     - An Analog Input feedback point must be updated (to reflect the GOLC setpoint value) by the Customer Controller upon the Controller's receipt of the GOLC setpoint change, with no intentional delay.
  2. GOLC On/Off: A discrete output (DO) control point with latching Off/On states. Following a "GOLC On" control, the Customer Controller will run power output back to the MW value specified in the GOLC Setpoint. Following a "GOLC Off" control, the Customer is free to run to maximum possible output.
     - A Discrete Input feedback point must be updated (to reflect the GOLC DO state) by the Customer Controller upon the Controller's receipt of the GOLC DO state change, with no intentional delay.
- If a GOLC control is issued, it is expected to see MW reductions start within 1 minute and plant output to be below the GOLC Setpoint value within 10 minutes.

Voltage Control

- IPC requires Interconnected Power Producers to accept Voltage Control signals from our EMS when they are connected to our transmission system.
- The voltage control will consist of one setpoint shared between the IPC EMS and the Customer Controller.
- The setpoint will contain the desired target voltage for the plant to operate at.
- The control will always be active, there is no digital supervisory point like the Curtail On/Off control above.
  - When a setpoint change is issued an Analog Input feedback point must be updated (to reflect the Voltage Control setpoint value) by the Customer Controller upon the Controller's receipt of the Voltage Control setpoint change, with no intentional delay.
  - When a setpoint change is received by the Customer Controller, the Voltage Control system should react with no intentional delay.
  - The voltage control system should operate in a dead band of +/-5% of the control setting range.
- The wind parks should supervise this control by setting up "reasonability limits", i.e. configure a reasonable range of values for this control to be valid. As an example, they will accept anything between .95 and 1.05 for the set point. In the case they are fed an erroneous value outside this range, their control system defaults to the last known, good value.

Generation Interconnection Data Points Requirements

Digital Inputs (DNP Obj. 01, Var. 2)			
Index	Description	State (0/1)	Comments:
0	52A Customer Total Breaker	Open/Closed	Sourced at substation
1	GOLC Off/On Control Received (Feedback)	Off/On	Provided by Customer

Digital Outputs (DNP Obj. 10, Var. 1)		
Index	Description	Comments:
0	GOLC Off/On	Provided by IPCO
	NOTE: GOLC Setpoint indicates MW value to curtail to when GOLC Off/On DO is ON.	

Analog Inputs (DNP Obj. 30, Var. 2)							
Index	Description	Raw High	Raw Low	EU High	EU Low	EU Units	Comments:
0	GOLC Setpoint Value Received (Feedback)	32767	-32768	TBD	TBD	MW	Provided by Customer
1	Voltage Control Setpoint Value Rec'd (Feedback)	32767	-32768	TBD	TBD	kV	Provided by Customer
2	Maximum Park Generating Capacity*	32767	-32768	TBD	TBD	MW	Provided by Customer

3	Number of Turbines In High Speed Cutout*	32767	-32768	32767	-32768	Units	Provided by Customer
4	Ambient Temperature*	32767	-32768	327.67	-327.68	F or C	Provided by Customer
5	Wind Direction*	32767	-32768	3276.7	-3276.8	Deg	Provided by Customer
6	Wind Speed*	32767	-32768	327.67	-327.68	MPH or m/s	Provided by Customer

Analog Outputs (DNP Obj. 40, Var. 2)							
Index	Description	Raw High	Raw Low	EU High	EU Low	EU Units	Comments:
0	GOLC Setpoint	32767	-32768	TBD	TBD	MW	Provided by IPCO
1	Voltage Control Setpoint	32767	-32768	TBD	TBD	kV	Provided by IPCO
	NOTE: Curtailment Setpoint indicates MW value to Curtail to when Curtailment Off/On DO is ON.						

* - Data required from Wind Customers

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 28

Clark, Danielle

From: Bishop, Rowena
Sent: Wednesday, February 29, 2012 11:24 AM
To: 'Leslie White'
Cc: Bauer, Rich; Hackett, Eric
Subject: RE: Double B status??

Hi Leslie,
The GI process requires Idaho Power to finalize the GIA, and that is why I am asking for the in service date. To clarify, I am asking when you want to begin to put test energy on our system, and the milestones are based on the date you provide. I'm sure the Project Leader is waiting for this information to schedule our resources, consider outages in the area, etc. Thank you.

Rowena Bishop
Operations Analyst
Interchange Operations - chq 4
Ext. 388-2658

-----Original Message-----
From: Leslie White [mailto:lwhite@exergydevelopment.com]
Sent: Tuesday, February 28, 2012 12:41 PM
To: Bishop, Rowena
Subject: RE: Double B status??

Hello Rowena,

I appreciate your attention given to the schedule. Is the verification of the milestones and inservice date needed for scheduling of construction within Idaho Power or with IP contractors?

Leslie White
802 W Bannock, 12th Floor Boise, ID 83702
Office: 208.336.9793 | Mobile: 208.890.4660 www.exergydevelopment.com

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-----Original Message-----
From: Bishop, Rowena [mailto:RBishop@idahopower.com]
Sent: Friday, February 24, 2012 3:03 PM
To: Leslie White
Cc: Hackett, Eric
Subject: Double B status??

Leslie,

Please bring me up to speed on Double B Dairy- I've attached one of the messages Rich responded to you about questions to the GIA. I'd like to verify the milestones and determine your inservice date for Double B Dairy.

I am available next week. I look forward to hearing from you soon!

Rowena Bishop
Operations Analyst-Grid Operations
Idaho Power Company/ CHQ 4/1221 W. Idaho Street Boise, ID 83702
Ph: 208-388-2658 Fax: 208-388-5504

Bishop, Rowena

From: Bauer, Rich
Sent: Tuesday, November 29, 2011 10:31 AM
To: 'lwhite@exergydevelopment.com'
Cc: Bishop, Rowena
Subject: RE: Double B GIA
Attachments: Attachment XX - Gen Int Control Req.docx

As to 5.3.9, we would give you notice that we are going to change the nominal voltage in 180 days. You would have the 180 days to modify your facilities if required. As you have indicated, since Idaho will own the transformer, the only effect on you would be if we changed the secondary voltage level. I cannot think of a reason that we would change the secondary voltage level on this project. In some older installations, if we were to upgrade the primary voltage level, we would have to change the secondary voltage configuration to a 277/480 volt configuration. You already have that configuration, so no change would be required.
As to the GOLC. We will give you a analog setpoint via DNP 3.0 protocol that will indicate the maximum MW allowed. The reliability events include transmission /distribution outages and excess generation on the system. I am including a attachment that gives a little more detail on the GOLC control.

Rich Bauer
Manager Grid Operations
Idaho Power Company
208-388-5669

From: Bishop, Rowena
Sent: Monday, November 28, 2011 4:21 PM
To: Bauer, Rich
Subject: FW: Double B GIA

Rich,
Will you respond to Leslie White about her GIA questions below? thx

Rowena Bishop
Operations Analyst
Interchange Operations - chq 4
Ext. 388-2658

From: Leslie White [mailto:lwhite@exergydevelopment.com]
Sent: Monday, November 28, 2011 12:04 PM
To: Bishop, Rowena
Cc: Josh Gunderson
Subject: Double B GIA

Hello Rowena,

Can you provide some insight on the wording in section 5.3.9. Does the section copied below mean that Idaho Power may upgrade the voltage on the line and at that time IP would provide us with 6 months notice and we would be responsible to make the changes to our facility, but at IP's expense. (What is the timeframe we are allowed to make the required changes?) Does it appear that since Idaho Power owns the transformer, this type of change may require some protection changes or grounding changes but relatively minor upgrades within our battery limits?

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

Also Rowena the requirements around GOLC seem to be new. Can you give some detail about the setpoint (as I need to make sure this type of control is inherent in our engine control package) and what other reliability events we can expect.

Generator Output Limit Control ("Re-dispatch" or "GOLC")

The Project will be subject to reductions directed by Idaho Power Company Grid Operations during transmission system contingencies and other reliability events. When these conditions occur, the Project will be subject to Generator Output Limit Control ("GOLC") and have equipment capable of receiving signals from Idaho Power for GOLC. Generator Output Limit Control will be a setpoint from Idaho Power to the Project indicating maximum output allowed during transmission contingencies.

Thank you for your time and consideration on these points.

Leslie

exergy

Leslie White
802 W Bannock, 12th Floor Boise, ID 83702
Office: 208.336.9793 | Mobile: 208.890.4660
www.exergydevelopment.com

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BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 29

IDAHO POWER®
An IDACORP Company

May 9, 2012
Via Email / Certified 70111150000201961878

Leslie White
Exergy Development Group of Idaho, LLC
802 W Bannock, Suite 1200
Boise, ID 83702

Re: Double B Dairy Project – GI# 308

Dear Leslie:

As you are aware, Idaho Power offered a Draft GIA ("DGIA") to the Double B Dairy project by letter dated September 28, 2011. Since then, Idaho Power received and responded to your technical questions to the DGIA for GOLC ("Generator Output Limit Control") among others. Idaho Power was also notified by you that Exergy was working on the financial arrangements for the project. The next step in the Generator Interconnection process is to finalize the Generator Interconnection Agreement.

Attached please find a draft Generator Interconnection Agreement (GIA) for your Generator Interconnection project. Please review the GIA Attachments to make sure they are comprehensive and accurate and advise me of any changes as soon as possible.

Although the preferred method of funding is full payment upfront; payment arrangements may be requested. If you have not already done so, please contact Aubrae Sloan (208-388-5697), Operations Finance at your earliest convenience to discuss Idaho Power's credit requirements for construction funding. Once we receive funding, or the credit requirement is met, we can proceed with construction of the project. The actual construction and labor charges will be reconciled approximately 90 days subsequent to project completion.

In order to prepare the GIA for execution, please provide the following items to me as soon as possible:

1. Your requested in service date to complete Attachment 3 of the GIA.
2. Insurance certification pursuant to Section 7 of the GIA (certificate, 1 endorsement for Additional insured, and 1 for the cancellation notice)
3. Proof of Site Control for the project
4. Financial arrangements approved by Idaho Power credit department, or full payment for construction

Failure to submit all of the requested items to me by June 11, 2012 will cause your Generator Interconnection request to have been deemed withdrawn. Please contact me at your earliest convenience with any questions at 208-388-2658.

Sincerely,

Josh Harris
Operations Analyst
jharris@idahopower.com

Encl: Draft GIA for Double B Dairy Project # 308

Cc: (via email) Eric Hackett/IPC
Rich Bauer/IPC
Aubrae Sloan/IPC

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

May 9, 2012

GENERATOR INTERCONNECTION AGREEMENT
Schedule 72

DOUBLE B DAIRY DIGESTER PROJECT
1.2 MW

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This Generator Interconnection Agreement ("Agreement") under Idaho Power Company's Schedule 72 is effective as of the ____ day of _____, 2012 between _____, ("Seller", "Customer" or "The Project") and Idaho Power Company ("Company", "Idaho Power", "IPC", "IPCO" or "Transmission Owner").

RECITALS

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

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

AGREEMENTS

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

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

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

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

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

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

Attachment 3 – Milestones For Interconnecting the Generation Facility.

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

Attachment 5 – Reactive Power.

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

5. Effective Date, Term, Termination and Disconnection.

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

5.2 Termination.

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

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

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

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

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

5.3.2 Routine Maintenance, Construction, and Repair. The Company may interrupt interconnection service or curtail the output of the Seller's Generation Facility

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

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

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

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

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

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

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

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

5.4 Land Rights.

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

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

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

5.4.4 Conditions of Use. It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Paragraph 5.4. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in Paragraphs

5.4.2 and 5.4.3 shall: (1) comply with all applicable laws, codes and Good Utility Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Paragraph 5.4.

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

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

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

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

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

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

6.3 Indemnity.

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

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

6.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest,

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settle or consent to the entry of any judgment with respect to, or pay in full, such claim. Failure to defend is a Material Breach.

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

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

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

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

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

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

6.5 Default and Material Breaches.

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

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

7. Insurance.

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

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

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

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

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

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

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

8. Miscellaneous.

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

8.2 Salvage. No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value

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of those Idaho Power furnished Interconnection Facilities as required under Schedule 72 and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.

9. Notices.

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

If to the Seller:

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

If to the Company:
Idaho Power Company - Delivery
Attention: Operations Manager
1221 W. Idaho Street
Boise: Idaho 83702
Phone: 208-388-5669 Fax: 208-388-5504

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

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

Idaho Power Company - Delivery
Attention: Corporate Cashier
PO Box 447
Salt Lake City Utah 84110-0447
Phone: 208-388-5697 email: asloan@idahopower.com

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

Seller's Operating Representative:

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

Company's Operating Representative:

Idaho Power Company - Delivery
Attention: Regional Outage Coordinator - Regional Dispatch
1221 W. Idaho Street
Boise, Idaho 83702
Phone: 208-388-2633, 388-5125, or 388-5175 during regular business hours
(after hours Southern Region 208-388-5190).

9.5 Changes to the Notice Information. Either Party may change this information by giving five (5) Business Days written notice prior to the effective date of the change.

10. Signatures.

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

For the Seller

Name: _____

Title:_____

Date: _____

For the Company

Name: _____

Title: Manager, Grid Operations – Idaho Power Company, Delivery

Date: _____

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Attachment 1

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

Interconnection Details

Type of Interconnection Service:	Studied as an Idaho Power Network Resource under PURPA
Full Output:	1.2 MW
Nominal Delivery Voltage:	12.5kV

General Facility Description

The proposed project will connect to Idaho Power's 12.5kV system on Idaho Power Company's Buckhorn (BKHN-041) distribution line. The total project output is 1.2 MW.

Interconnection Point

The Interconnection Point for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1). The project's location is in T12S R21E Section 18 of Cassia County, Idaho. A drawing identifying the Point of Interconnection is included as Attachment 2. The Point of Change of Ownership will be the low-side bushings on the padmounted transformer (DB1).

Seller's Interconnection Facilities

The Seller will install generators, low-side disconnect switches, all wiring and conduit between the generators and the padmounted transformer, appropriate grounding measures, and associated auxiliary equipment. The Seller will build underground facilities to the Point of Change of Ownership for the generator facility. The low-side disconnect switch shall be visible, lockable, within ten (10) feet of the padmounted transformers, and accessible to Idaho Power personnel.

The Seller will install equipment to receive signals from Idaho Power Company Grid Operations for Generator Output Limit Control ("GOLC") - see Attachment 4 Operating Requirements.

The Seller will provide phone service to IPCo's generator interconnect package as described in *Telecommunications* below.

All interconnection equipment electrically located on the generator side of the Point of Change Ownership shall be owned and maintained by the Seller.

Other Facilities Provided by Seller

Telecommunications

In addition to communication circuits that may be needed by the Seller, the Seller shall provide the following communication circuits for Idaho Power's use:

1. One POTS (Plain Old Telephone Service) dial-up circuit for revenue metering at the generation interconnection site.
2. One DDS (Digital Data Service) circuit guaranteed minimum data rate of 19,200 bits per second for SCADA between the generation interconnection site and a point designated by Idaho Power Company.

The Seller is required to coordinate with the local communications provider to provide the communications circuits and pay the associated monthly charges. The communication circuits will need to be installed and operational prior to generating into Idaho Power system. Note that installation by the local communications provider may take several months and should be ordered in advance to avoid delaying the project. If the communication circuit types listed above are not available at the site by the local communications provider, the Seller shall confer with Idaho Power.

If high voltage protection is required by the local communications provider for the incoming cable, the high voltage protection assembly shall be engineered and supplied by the Seller. Options are available for indoor or outdoor mounting. The high voltage protection assembly shall be located in a manner that provides Idaho Power 24-hour access to the assembly for communications trouble-shooting of Idaho Power owned equipment.

Ground Fault Equipment
The Seller will install ground fault limiting equipment that will limit the zero sequence fault current to 20 amps at the Interconnection Point.

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

Local Service
The Seller is responsible to arrange for local service to their site, as necessary.
Easements
The Seller will secure underground and overhead easements with Double B Dairy once a specific route is determined. The Seller will provide to IPCO a surveyed (Metes & Bounds) legal description along with exhibit map for IPCO's facilities. After the legal description has been delivered to IPCO for review, IPCO will supply to the Seller a completed IPCO easement for signature by the land owner of record. Once the signatures have been secured, the Seller will return the signed easement to IPCO for recording. IPCO construction will not proceed until the appropriate easements are secured.

Idaho Power Company's Interconnection Facilities

Idaho Power will install a standard generation interconnection package on the existing distribution feeder (BKHN-041) on private property southwest of the intersection of 1200 South and 1100 West in Cassia County, Idaho. The new interconnection package will include four distribution poles to mount a local service transformer, solid blade disconnects, primary metering package, recloser, relays, fuses and riser necessary for the package. The interconnection will be controlled by a SEL-311C line protection relay. The relay will be located in a pole mounted enclosure and will also contain a test switch (TS4), SLSS, modems, isolation interface, power supply, DC converter, control switch and surge protector.

Idaho Power will install (and subsequently own and maintain) one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer on top of a vault. Conduit and underground cables will be installed from the interconnection package to padmounted transformer. Protective posts will be installed to protect the ground mounted equipment from damage.

A 2" conduit will be installed alongside the underground primary to facilitate information exchange to the customer about the recloser. (The Interconnection Customer is responsible for providing and installing the appropriate cable).

All interconnection equipment electrically located on the utility side of the Point of Change Ownership shall be owned, operated, and maintained by Idaho Power.

Estimated Cost & Ownership: The following good faith estimates are provided in 2010 dollars

Description	Ownership	Cost Estimate
Generation Facilities:		
Provided by Seller	Seller	$N/A
Interconnection Facilities:		
Overhead Generation Interconnection Package	IPCO	$200,000
Underground Equipment and 1500 kVA Transformer	IPCO	$45,000
TOTAL		**$245,000**
PROJECT GRAND TOTAL		**SEE ATTACHMENT 6**

Full payment is required up front in accordance with Schedule 72, unless payment arrangements are made in advance with Idaho Power Operations Finance (see Attachment 3).

Billing for construction activities will be based upon actual expenditures.

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Attachment 2

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

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Attachment 3

Milestones:

1. Idaho Power Company agrees only to the Construction timelines under its direct control provided in the Facility Study Report for this Project.
2. These milestones will begin, and the construction schedule referenced below, will only be valid upon receipt of funding in full from the Seller or their authorized third party no later than the date set forth below for such payment. Additionally, failure by Seller to make the required payments as set forth in this Agreement by the date(s) specified below will be a material breach of this Agreement, which may result in any or all of the following: (i) loss of milestone dates and construction schedules set forth below: (ii) immediate termination of this Agreement by Idaho Power; (iii) removal from the generator interconnection queue.

Critical milestones and responsibility as agreed to by the Parties:

Date	Responsible Party	Milestones
5/31/12	***Seller***	***IPCO receives the remaining balance of Construction estimate $245,000 OR Credit arrangements are approved by IPCO***
10/11/12	***Seller***	***Customer GOLC ready to connect & customer telecomm requirements are complete***
10/31/12	***IPCO***	***IPCO Construction Complete***
11/15/12	***IPCO***	***IPCO Commissioning Complete***
12/12/12	***IPCO***	***Project Leader issues Construction Complete Letter***
12/12/12	***Seller***	***Customer testing begins***
	Seller	***Customer's requested In-Service Date***

Agreed to by:

For the Seller: _____ Date_____

For the Transmission Provider
Idaho Power Company, Delivery _____ Date_____

Attachment 4

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

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

Operating Requirements

The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems* or any subsequent standards as they may be updated from time to time.

Seller will be able to modify power plant facilities on the generator side of the Interconnection Point with no impact upon the operation of the transmission system whenever the generation facilities are electrically isolated from the transmission system and a terminal clearance is issued by Idaho Power Company's Grid Operator.

Generator Output Limit Control ("Re-dispatch" or "GOLC")

The Project will be subject to reductions directed by Idaho Power Company Grid Operations during transmission system contingencies and other reliability events. When these conditions occur, the Project will be subject to Generator Output Limit Control ("GOLC") and have equipment capable of receiving signals from Idaho Power for GOLC. Generator Output Limit Control will be a setpoint from Idaho Power to the Project indicating maximum output allowed.

Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. This forces the generating facility to start the generators separately.

Low Voltage Ride Through

The Project must be capable of riding through faults on adjacent section of the power system without tripping due to low voltage. It has been determined, through study, that the Project must be capable of remaining interconnected for any single phase voltage as low as 0.7 PU for 30 cycles, and for all three phase voltages as low as 0.8 PU for 30 cycles.

Ground Fault Equipment

The Seller will install transformer configurations that provide a ground source to the transmission system.

Attachment 5

Reactive Power Requirements

The project must be controlled to operate at unity power factor +/- 400 kVar. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point.

Attachment 6

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

As provided in Schedule 72 this Attachment describes Upgrades, Special Facilities, including Network Upgrades, and provides an itemized best estimate of the cost of the required facilities.

Upgrades

Distribution Upgrades
n/a

Description	Ownership	Cost Estimate
Distribution Upgrades:		
na		
TOTAL		
Interconnection costs (from Attachment 1)		$245,000
Project GRAND TOTAL		$245,000

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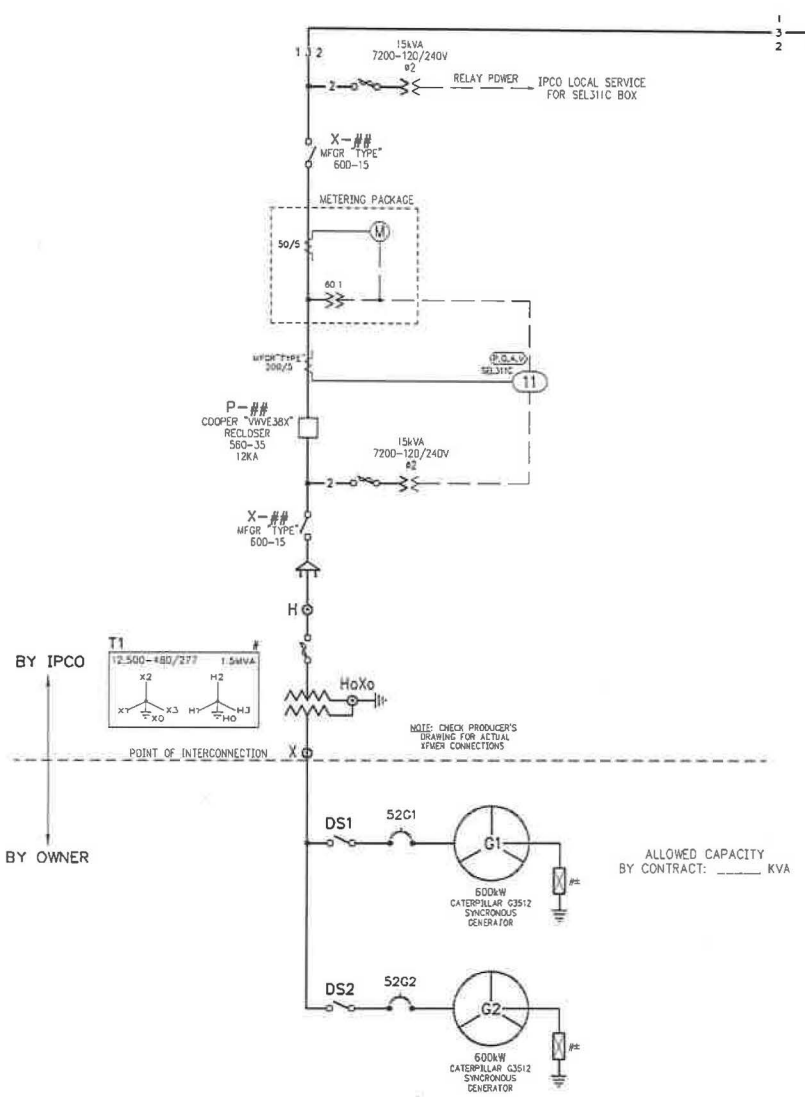

ALLOWED CAPACITY
BY CONTRACT: _____ KVA

PROJECT LOCATION:
T12S, R21E, SECTION 18
1100 SOUTH 1200 WEST, CASSIA COUNTY, IDAHO

IN SERVICE BY MAY 2011

REVISION
7-20-10
Initial interconnection for
Double B Dairy Digester
W.O.#27314741
RGB

SINGLE LINE
APPROVAL
Structural Engineer
Electrical Engineer
Sys. Prot. Eng.
Apparatus Engineer
SPC Program Leader
App. Regional Leader
Project Leader
Planning
Grid Ops
RETURN TO
TO STEVE GALLANT
W.O. 27314741

REFERENCE DRAWINGS

D-62873-1,2	AC SCHEMATIC
D-62874-(1-3)	CONTROL SCHEMATICS

DOUBLE B DAIRY DIGESTER
INTERCONNECTION
SINGLE LINE

IDAHO POWER COMPANY BOISE, IDAHO

SCALE: NONE DATE: 7-20-10

DR. RGB APPROVED
CK. RGB
REV. CH

21D-62872
SHT. 1 01

VAULT NO. 21D-62872-1

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 30

Harris, Joshua

From: Leslie White [lwhite@exergydevelopment.com]
Sent: Monday, June 11, 2012 6:06 PM
To: Harris, Joshua
Subject: RE: Draft GIA - Project #308 Double B Dairy

Hello Josh,

I will give you a call tomorrow to follow up.

Thanks,

Leslie

Leslie White
802 W Bannock, 12th Floor Boise, ID 83702
Office: 208.336.9793 | Mobile: 208.890.4660
www.exergydevelopment.com

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From: Harris, Joshua [mailto:JHarris@idahopower.com]
Sent: Monday, June 11, 2012 2:26 PM
To: Leslie White
Subject: RE: Draft GIA - Project #308 Double B Dairy

Leslie,

I left you a v-mail. How much time do you need? I am bound by some time constraints in order to keep projects progressing through our queue.

Thanks,

Josh Harris | Operations Analyst | Idaho Power Company
208.388.5751

From: Leslie White [mailto:lwhite@exergydevelopment.com]
Sent: Monday, June 11, 2012 1:39 PM
To: Harris, Joshua
Subject: RE: Draft GIA - Project #308 Double B Dairy

Josh,

I would prefer to have a period of time to solidify with the dairyman that in fact this is the case with his dairy.

Thanks,

Leslie

Leslie White
802 W Bannock, 12th Floor Boise, ID 83702
Office: 208.336.9793 | Mobile: 208.890.4660
www.exergydevelopment.com

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From: Harris, Joshua [mailto:JHarris@idahopower.com]
Sent: Monday, June 11, 2012 1:37 PM
To: Leslie White
Subject: RE: Draft GIA - Project #308 Double B Dairy

Leslie,

Thanks for the information. So to clarify, your are choosing not to proceed with this project, correct? If so, I'll send out an official withdrawal letter.

Thanks,

Josh Harris | Operations Analyst | Idaho Power Company
208.388.5751

From: Leslie White [mailto:lwhite@exergydevelopment.com]
Sent: Monday, June 11, 2012 8:14 AM
To: Harris, Joshua
Cc: Hackett, Eric; Bauer, Rich; Sloan, Aubrae
Subject: RE: Draft GIA - Project #308 Double B Dairy

Good morning Josh,

Mr. Bettencourt, the dairy owner, has indicated that he is having difficulty with this dairy or may be selling it. With that indication we are not ready to execute these documents.

Thank you,

Leslie

Leslie White
802 W Bannock, 12th Floor Boise, ID 83702
Office: 208.336.9793 | Mobile: 208.890.4660
www.exergydevelopment.com

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From: Harris, Joshua [mailto:JHarris@idahopower.com]
Sent: Wednesday, May 09, 2012 2:52 PM
To: Leslie White

Cc: Hackett, Eric; Bauer, Rich; Sloan, Aubrae
Subject: Draft GIA - Project #308 Double B Dairy

Leslie,

The attached is being mailed to you today. Please provide the contact information for Section 9 and items listed in cover letter by date outlined. Please let me know if you have any questions.

Thanks,

Josh Harris | Operations Analyst | Idaho Power Company
1221 W. Idaho Street, Boise, Idaho 83702 | ☎: (208) 388-5751
🖷: (208) 433-3571 | ✉: jharris@idahopower.com

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BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 31

Clark, Danielle

From: Harris, Joshua
Sent: Friday, September 07, 2012 9:54 AM
To: Clark, Danielle
Subject: FW: Final GIA - Double B Dairy GI308
Attachments: CoverLetter_FinalGIA_308.pdf; FinalGIA_308.pdf; Single line 308.pdf

FYI

Thanks,

Josh Harris
OPERATIONS ANALYST
Idaho Power | Generator Interconnection

208-388-5751

Email jharris@idahopower.com

From: Harris, Joshua
Sent: Tuesday, June 19, 2012 3:49 PM
To: 'Leslie White'
Cc: Park, Tessia
Subject: Final GIA - Double B Dairy GI308

Leslie,

The attached was sent to you in the mail today, please note the timeline in the letter for document execution (7/20/12). Please let me know if you have any questions.

Thanks,

Josh Harris
OPERATIONS ANALYST
Idaho Power | Generator Interconnection

1221 W. Idaho Street | Boise, Idaho | 83702

Work 208-388-5751
Fax 208-433-3571

Email jharris@idahopower.com

IDAHO POWER®
An IDACORP Company

June 19, 2012
Via email & Certified Mail # 70113500000156449105

Leslie White
Exergy Development Group of Idaho, LLC
802 W Bannock, Suite 1200
Boise, ID 83702

Re: Double B Dairy Digester Project - Generator Interconnection Agreement (GIA) #308

Dear Leslie:

Attached is the Final GIA. Please complete the NOTICES information, and sign and return both sets as soon as possible. We will return a fully executed copy of the signature pages for your files. These need to be returned to me by July 20, 2012, otherwise your Generator Interconnection Application will be deemed withdrawn.

Please provide written notification to Idaho Power Company ATTN: Tess Park at least 30 days prior to testing so that we may prepare software updates for preschedule and real time operations.

When you are ready for testing please contact Idaho Power's Outage Coordinator's desk during normal business hours at least seven (7) days in advance, at 208-388-2633, 5125 or 5175. If contact needs to be made after hours, please call Southern Regional Dispatch 208-388-5190.

If you have any further questions, please don't hesitate to call.

Sincerely,

Josh Harris
Operations Analyst
Ph 208-388-2658
jharris@idahopower.com

Encl: 2 copies – Final GIA for Double B Dairy Digester Project

Cc: Tess Park/ IPC

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

June 19, 2012

GENERATOR INTERCONNECTION AGREEMENT
Schedule 72

DOUBLE B DAIRY DIGESTER PROJECT
1.2 MW

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This Generator Interconnection Agreement ("Agreement") under Idaho Power Company's Schedule 72 is effective as of the ____ day of _____, 2012 between _____, ("Seller", "Customer" or "The Project") and Idaho Power Company ("Company", "Idaho Power", "IPC", "IPCO" or "Transmission Owner").

RECITALS

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

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

AGREEMENTS

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

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

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

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

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

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

Attachment 3 – Milestones For Interconnecting the Generation Facility.

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

Attachment 5 – Reactive Power.

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

5. Effective Date, Term, Termination and Disconnection.

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

5.2 Termination.

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

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

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

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

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

5.3.2 Routine Maintenance, Construction, and Repair. The Company may interrupt interconnection service or curtail the output of the Seller's Generation Facility

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

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

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

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

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

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

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

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

5.4 Land Rights.

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

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

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

5.4.4 Conditions of Use. It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Paragraph 5.4. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in Paragraphs

5.4.2 and 5.4.3 shall: (1) comply with all applicable laws, codes and Good Utility Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Paragraph 5.4.

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

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

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

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

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

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

6.3 Indemnity.

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

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

6.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest,

settle or consent to the entry of any judgment with respect to, or pay in full, such claim. Failure to defend is a Material Breach.

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

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

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

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

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

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

6.5 Default and Material Breaches.

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

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

7. Insurance.

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

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

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

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

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

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

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

8. Miscellaneous.

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

8.2 Salvage. No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value

of those Idaho Power furnished Interconnection Facilities as required under Schedule 72 and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.

9. Notices.

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

If to the Seller:

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

If to the Company:
Idaho Power Company - Delivery
Attention: Operations Manager
1221 W. Idaho Street
Boise: Idaho 83702
Phone: 208-388-5669 Fax: 208-388-5504

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

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

Idaho Power Company - Delivery
Attention: Corporate Cashier
PO Box 447
Salt Lake City Utah 84110-0447
Phone: 208-388-5697 email: asloan@idahopower.com

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

Seller's Operating Representative:

Seller: _____
Attention: _____
Address: _____
City:_____State:_____Zip: _____
Phone:_____Fax: _____

Company's Operating Representative:
Idaho Power Company - Delivery
Attention: Regional Outage Coordinator - Regional Dispatch
1221 W. Idaho Street
Boise, Idaho 83702
Phone: 208-388-2633, 388-5125, or 388-5175 during regular business hours
(after hours Southern Region 208-388-5190).

9.5 Changes to the Notice Information. Either Party may change this information by giving five (5) Business Days written notice prior to the effective date of the change.

10. Signatures.

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

For the Seller

Name: _____

Title:_____

Date: _____

For the Company

Name: _____

Title: Director, Load Serving Operations – Idaho Power Company, Delivery

Date: _____

Attachment 1

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

Interconnection Details

Type of Interconnection Service:	Studied as an Idaho Power Network Resource under PURPA
Full Output:	1.2 MW
Nominal Delivery Voltage:	12.5kV

General Facility Description

The proposed project will connect to Idaho Power's 12.5kV system on Idaho Power Company's Buckhorn (BKHN-041) distribution line. The total project output is 1.2 MW.

Interconnection Point

The Interconnection Point for the Double B Dairy Digester Project will be the low-side bushings on the padmounted transformer (DB1). The project's location is in T12S R21E Section 18 of Cassia County, Idaho. A drawing identifying the Point of Interconnection is included as Attachment 2. The Point of Change of Ownership will be the low-side bushings on the padmounted transformer (DB1).

Seller's Interconnection Facilities

The Seller will install generators, low-side disconnect switches, all wiring and conduit between the generators and the padmounted transformer, appropriate grounding measures, and associated auxiliary equipment. The Seller will build underground facilities to the Point of Change of Ownership for the generator facility. The low-side disconnect switch shall be visible, lockable, within ten (10) feet of the padmounted transformers, and accessible to Idaho Power personnel.

The Seller will install equipment to receive signals from Idaho Power Company Grid Operations for Generator Output Limit Control ("GOLC") - see Attachment 4 Operating Requirements.

The Seller will provide phone service to IPCo's generator interconnect package as described in *Telecommunications* below.

All interconnection equipment electrically located on the generator side of the Point of Change Ownership shall be owned and maintained by the Seller.

Other Facilities Provided by Seller

Telecommunications

In addition to communication circuits that may be needed by the Seller, the Seller shall provide the following communication circuits for Idaho Power's use:

1. One POTS (Plain Old Telephone Service) dial-up circuit for revenue metering at the generation interconnection site.
2. One DDS (Digital Data Service) circuit guaranteed minimum data rate of 19,200 bits per second for SCADA between the generation interconnection site and a point designated by Idaho Power Company.

The Seller is required to coordinate with the local communications provider to provide the communications circuits and pay the associated monthly charges. The communication circuits will need to be installed and operational prior to generating into Idaho Power system. Note that installation by the local communications provider may take several months and should be ordered in advance to avoid delaying the project. If the communication circuit types listed above are not available at the site by the local communications provider, the Seller shall confer with Idaho Power.

If high voltage protection is required by the local communications provider for the incoming cable, the high voltage protection assembly shall be engineered and supplied by the Seller. Options are available for indoor or outdoor mounting. The high voltage protection assembly shall be located in a manner that provides Idaho Power 24-hour access to the assembly for communications trouble-shooting of Idaho Power owned equipment.

Ground Fault Equipment
The Seller will install ground fault limiting equipment that will limit the zero sequence fault current to 20 amps at the Interconnection Point.

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

Local Service
The Seller is responsible to arrange for local service to their site, as necessary.
Easements
The Seller will secure underground and overhead easements with Double B Dairy once a specific route is determined. The Seller will provide to IPCO a surveyed (Metes & Bounds) legal description along with exhibit map for IPCO's facilities. After the legal description has been delivered to IPCO for review, IPCO will supply to the Seller a completed IPCO easement for signature by the land owner of record. Once the signatures have been secured, the Seller will return the signed easement to IPCO for recording. IPCO construction will not proceed until the appropriate easements are secured.

Idaho Power Company's Interconnection Facilities

Idaho Power will install a standard generation interconnection package on the existing distribution feeder (BKHN-041) on private property southwest of the intersection of 1200 South and 1100 West in Cassia County, Idaho. The new interconnection package will include four distribution poles to mount a local service transformer, solid blade disconnects, primary metering package, recloser, relays, fuses and riser necessary for the package. The interconnection will be controlled by a SEL-311C line protection relay. The relay will be located in a pole mounted enclosure and will also contain a test switch (TS4), SLSS, modems, isolation interface, power supply, DC converter, control switch and surge protector.

Idaho Power will install (and subsequently own and maintain) one 1500 kVA 277/480 to 12.47 kV Grounded Wye / Grounded Wye padmounted transformer on top of a vault. Conduit and underground cables will be installed from the interconnection package to padmounted transformer. Protective posts will be installed to protect the ground mounted equipment from damage.

A 2" conduit will be installed alongside the underground primary to facilitate information exchange to the customer about the recloser. (The Interconnection Customer is responsible for providing and installing the appropriate cable).

All interconnection equipment electrically located on the utility side of the Point of Change Ownership shall be owned, operated, and maintained by Idaho Power.

Estimated Cost & Ownership: The following good faith estimates are provided in 2010 dollars

Description	Ownership	Cost Estimate
Generation Facilities:		
Provided by Seller	Seller	$N/A
Interconnection Facilities:		
Overhead Generation Interconnection Package	IPCO	$200,000
Underground Equipment and 1500 kVA Transformer	IPCO	$45,000
TOTAL		**$245,000**
PROJECT GRAND TOTAL		**SEE ATTACHMENT 6**

Full payment is required up front in accordance with Schedule 72, unless payment arrangements are made in advance with Idaho Power Operations Finance (see Attachment 3).

Billing for construction activities will be based upon actual expenditures.

Attachment 2

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

Attachment 3

Milestones:

1. Idaho Power Company agrees only to the Construction timelines under its direct control provided in the Facility Study Report for this Project.
2. These milestones will begin, and the construction schedule referenced below, will only be valid upon receipt of funding in full from the Seller or their authorized third party no later than the date set forth below for such payment. Additionally, failure by Seller to make the required payments as set forth in this Agreement by the date(s) specified below will be a material breach of this Agreement, which may result in any or all of the following: (i) loss of milestone dates and construction schedules set forth below: (ii) immediate termination of this Agreement by Idaho Power; (iii) removal from the generator interconnection queue.

Critical milestones and responsibility as agreed to by the Parties:

Date	Responsible Party	Milestones
7/9/12	***Seller***	***IPCO receives the remaining balance of Construction estimate $245,000 OR Credit arrangements are approved by IPCO***
11/11/12	***Seller***	***Customer GOLC ready to connect & customer telecomm requirements are complete***
11/30/12	***IPCO***	***IPCO Construction Complete***
12/15/12	***IPCO***	***IPCO Commissioning Complete***
1/12/13	***IPCO***	***Project Leader issues Construction Complete Letter***
1/12/13	***Seller***	***Customer testing begins***
	Seller	***Customer's requested In-Service Date***

Agreed to by:

For the Seller: _____Date_____

For the Transmission Provider
Idaho Power Company, Delivery _____Date_____

Attachment 4

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

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

Operating Requirements

The project is required to comply with the applicable Voltage and Current Distortion Limits found in IEEE Standard 519-1992 *IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems* or any subsequent standards as they may be updated from time to time.

Seller will be able to modify power plant facilities on the generator side of the Interconnection Point with no impact upon the operation of the transmission system whenever the generation facilities are electrically isolated from the transmission system and a terminal clearance is issued by Idaho Power Company's Grid Operator.

Generator Output Limit Control ("Re-dispatch" or "GOLC")

The Project will be subject to reductions directed by Idaho Power Company Grid Operations during transmission system contingencies and other reliability events. When these conditions occur, the Project will be subject to Generator Output Limit Control ("GOLC") and have equipment capable of receiving signals from Idaho Power for GOLC. Generator Output Limit Control will be a setpoint from Idaho Power to the Project indicating maximum output allowed.

Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point. For this to occur, the current cannot exceed 65 Amps during start up at the 12.5 kV voltage level. This forces the generating facility to start the generators separately.

Low Voltage Ride Through

The Project must be capable of riding through faults on adjacent section of the power system without tripping due to low voltage. It has been determined, through study, that the Project must be capable of remaining interconnected for any single phase voltage as low as 0.7 PU for 30 cycles, and for all three phase voltages as low as 0.8 PU for 30 cycles.

Ground Fault Equipment

The Seller will install transformer configurations that provide a ground source to the transmission system.

Attachment 5

Reactive Power Requirements

The project must be controlled to operate at unity power factor +/- 400 kVar. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point. Voltage flicker at startup and during operation will be limited to less than 5% as measured at the Interconnection Point.

Attachment 6

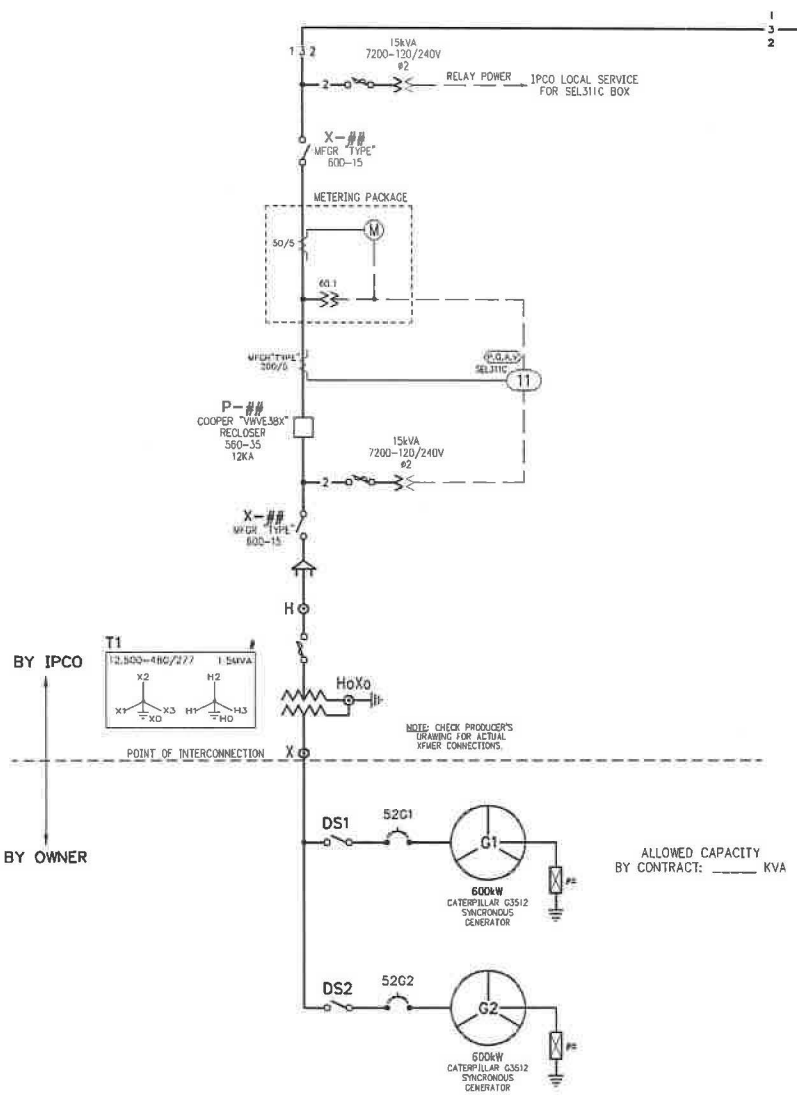
Company's Description of Special Facilities and Upgrades Required to Integrate the Generation Facility and Best Estimate of Costs

As provided in Schedule 72 this Attachment describes Upgrades, Special Facilities, including Network Upgrades, and provides an itemized best estimate of the cost of the required facilities.

Upgrades

Distribution Upgrades
n/a

Description	Ownership	Cost Estimate
Distribution Upgrades:		
na		
TOTAL		
Interconnection costs (from Attachment 1)		$245,000
Project GRAND TOTAL		$245,000



ALLOWED CAPACITY
BY CONTRACT: _____ KVA

PROJECT LOCATION:
T12S, R21E, SECTION 18
1100 SOUTH 1200 WEST, CASSIA COUNTY, IDAHO

IN SERVICE BY MAY 2011

REVISION

SINGLE LINE APPROVAL

REFERENCE DRAWINGS	
D-62873-1,2	AC SCHEMATIC
D-62874-(1-3)	CONTROL SCHEMATICS

DOUBLE B DAIRY DIGESTER
INTERCONNECTION
SINGLE LINE

IDAHO POWER COMPANY — BOISE, IDAHO

SCALE: NONE — DATE: 7-20-10

APPROVED

21D-62872

SHT. 1 — 01

VAULT NO. 21D-62872-1

REV.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 32

IDAHO POWER®
An IDACORP Company

July 27, 2012
VIA Email & Certified Mail #70113500000156449044

Leslie White
Exergy Development Group of Idaho, LLC
802 W Bannock, Suite 1200
Boise, ID 83702

Subject: Double B Dairy Project # 308 – FINAL/DEFICIENCY NOTICE

Dear Leslie White:

By letter dated June 19, 2012 Idaho Power provided you with a Final Generator Interconnection Agreement for the proposed Double B Dairy project to be interconnected in Cassia County, Idaho.

Exergy Development Group of Idaho was to execute and return to me the Agreement with the required deposit by July 20, 2012. That time period has now expired. Your application for Generation Interconnection has now been deemed withdrawn and this project has been removed for Idaho Power's Generator Interconnection Queue. If you wish to proceed with this project, you must submit a new application for Generator Interconnection.

Sincerely,

Josh Harris
Operations Analyst
Ph 208.388.2658
jharris@idahopower.com

CC (via email):
Tess Park/IPC
Orlando Ciniglio/IPC
Eric Hackett/IPC
Aubrae Sloan/IPC
Donovan Walker/IPC

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

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 33

IDAHO POWER®
An IDACORP Company

August 28, 2012

Exergy Development Group of Idaho, LLC
Attn: Leslie White
802 W. Bannock Street, 12th Floor
Boise, ID 83702

Re: Double B Dairy GI #308 FSA Refund

Dear Ms. White:

The above project has been withdrawn. As a result, we are refunding your deposit of $11,250, less costs of $4,733.34, plus interest of $521.10. Please find enclosed a check in the amount of $7,037.76.

If I can be of any further assistance, please call (208) 388-5697.

Sincerely,

Aubrae N. Sloan

CC: Joshua Harris, IPC

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 34

Clark, Danielle

COPY

From: Walker, Donovan
Sent: Monday, October 08, 2012 11:31 AM
To: Clark, Danielle
Subject: FW: digester meeting on Friday

From: James Carkulis [mailto:jcarkulis@exergydevelopment.com]
Sent: Thursday, September 27, 2012 1:46 PM
To: Walker, Donovan; Leslie White; Laura Knothe; Harris, Joshua
Cc: Blackburn, Rex; Allphin, Randy; Darrington, Michael; reiguren@idaho-politics.com; rriley@hawleytroxell.com
Subject: Re: digester meeting on Friday

Thanks.

From: Walker, Donovan [mailto:DWalker@Idahopower.com]
Sent: Thursday, September 27, 2012 01:43 PM
To: James Carkulis; Leslie White; Laura Knothe; Harris, Joshua <JHarris@idahopower.com>
Cc: Blackburn, Rex <RBlackburn@idahopower.com>; Allphin, Randy <RAllphin@idahopower.com>; Darrington, Michael <MDarrington@idahopower.com>; 'reiguren@idaho-politics.com' <reiguren@idaho-politics.com>; 'rriley@hawleytroxell.com' <rriley@hawleytroxell.com>
Subject: Re: digester meeting on Friday

I have us scheduled for 9:30 a.m. tomorrow. See you then.

Donovan.

From: James Carkulis [mailto:jcarkulis@exergydevelopment.com]
Sent: Thursday, September 27, 2012 01:03 PM
To: Walker, Donovan; Leslie White <lwhite@exergydevelopment.com>; Laura Knothe <lknothe@exergydevelopment.com>; Harris, Joshua
Cc: Blackburn, Rex; Allphin, Randy; Darrington, Michael; reiguren@idaho-politics.com <reiguren@idaho-politics.com>; rriley@hawleytroxell.com <rriley@hawleytroxell.com>
Subject: Re: digester meeting on Friday

We shall meet tomorrow.

From: Walker, Donovan [mailto:DWalker@Idahopower.com]
Sent: Thursday, September 27, 2012 11:43 AM
To: James Carkulis; Leslie White; Laura Knothe; Harris, Joshua <JHarris@idahopower.com>
Cc: Blackburn, Rex <RBlackburn@idahopower.com>; Allphin, Randy <RAllphin@idahopower.com>; Darrington, Michael <MDarrington@idahopower.com>; 'reiguren@idaho-politics.com' <reiguren@idaho-politics.com>; 'rriley@hawleytroxell.com' <rriley@hawleytroxell.com>
Subject: RE: digester meeting on Friday

James,

Idaho Power takes significant issue with your "first I heard" statement below. Your statement and inferences that there was some kind of agreement to move the dates in the PPA for the digesters, as part of the agreement reached with regard to the wind projects is absolutely not correct. Mr. Eiguren and Mr. Riley were both present as your attorneys at a meeting on August 14, 2012, with myself and Mr. Williams, on behalf of Idaho Power, to finalize the paperwork on the

COPY

settlement agreement for the wind projects. Mr. Riley attempted to present terms in those agreements related to the digesters. When I questioned him about it and informed him that there had been no agreement and no discussion related to the digesters, Mr. Eiguren stepped in and told Mr. Riley that the digesters were not part of the discussions that he and Rex Blackburn had previously had regarding termination of the wind PPAs, were not part of the agreement and settlement reached related to the wind projects, and were separate matters that had not been discussed, much less agreed to by the parties. In addition, Mr. Blackburn and myself again informed Mr. Eiguren on September 24, 2012, that there had been no discussion and no agreement to change the PPA dates for the digesters, and further that Idaho Power was not willing to agree to changes in those dates.

Simply put, your agents – Messrs. Eiguren and Riley – will confirm that there was no agreement reached to modify the digester PPA agreements, and that Idaho Power expressly rejected any proposal to do so. If the purpose of your requested meeting tomorrow is to discuss modification of the terms of the digester PPAs, the meeting is not necessary. I previously advised Exergy, in writing, on September 20, 2012, that Idaho Power is not in agreement to amending these agreements. Additionally, as stated below, Idaho Power has offered Exergy an expedited schedule that would allow us to complete the required interconnection facilities prior to the end of this year – contingent upon Exergy authorizing Idaho Power to proceed with such work no later than Monday October 1, by paying the required deposit and executing the GIA.

With the above in mind, please advise as to whether there is a need for us to meet tomorrow.

-Donovan

From: James Carkulis [mailto:jcarkulis@exergydevelopment.com]
Sent: Thursday, September 27, 2012 9:35 AM
To: Walker, Donovan; Leslie White; Laura Knothe; Harris, Joshua
Cc: Blackburn, Rex; Allphin, Randy; Darrington, Michael
Subject: Re: digester meeting on Friday

Meeting tomorrow at 9:30 shall be fine. I should be back from North Carolina by then.

However, first I heard about something different than what was agreed to as the Term Sheet presented for settlement was an email to Leslie last Friday.

Thanks

James

From: Walker, Donovan [mailto:DWalker@Idahopower.com]
Sent: Thursday, September 27, 2012 08:48 AM
To: James Carkulis; Leslie White; Laura Knothe; Harris, Joshua <JHarris@idahopower.com>
Cc: Blackburn, Rex <RBlackburn@idahopower.com>; Allphin, Randy <RAllphin@idahopower.com>; Darrington, Michael <MDarrington@idahopower.com>
Subject: RE: digester meeting on Friday

James,

Idaho Power can meet with you on Friday. Could we make it at either 9:00 or 9:30 a.m.? Also, as previously indicated, Idaho Power has been clear that it will not agree to change the dates in the PPA. Idaho Power has offered an expedited schedule for the construction of the required interconnection facilities, and will commit to completing that work by the end of the year IF you authorize Idaho Power to proceed no later than Monday, October 1, by paying the required deposit and executing the GIA.

Please let me know if you can make it at 9:00 or 9:30 a.m. tomorrow.

COPY

Thanks,
-Donovan

From: James Carkulis [mailto:jcarkulis@exergydevelopment.com]
Sent: Thursday, September 27, 2012 5:38 AM
To: Walker, Donovan; Leslie White; Laura Knothe; Harris, Joshua
Subject: digester meeting on Friday

Donovan:

I would like to request a digester meeting on Friday around 10 AM please to sort this out.

Thanks.

James

exergy
DEVELOPMENT GROUP

James T Carkulis
802 W Bannock, 12th Floor Boise, ID 83702
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BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 35

COPY

Clark, Danielle

From: Walker, Donovan
Sent: Monday, October 08, 2012 11:29 AM
To: Clark, Danielle
Subject: FW: New Energy 2 and New Energy 3

From: James Carkulis [mailto:jcarkulis@exergydevelopment.com]
Sent: Friday, September 28, 2012 11:40 AM
To: Walker, Donovan; Harris, Joshua; Leslie White; Laura Knothe
Subject: New Energy 2 and New Energy 3

Donovan:

Thank you for the time today. Not sure I will stand for more insults though. I would venture to say Rex's reputation also precedes him.

So we shall not be taking the expedited interconnection process for Swager. Let's proceed under normal circumstances.

As to the PPAs, I think it best that we file our force majeure positions on those based on the generic PURPA docket going on. Hopefully, we can resolve both of these outside of the courtroom.

Thanks.

James

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BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-26

IDAHO POWER COMPANY

ATTACHMENT 36

NOTICE OF FORCE MAJEURE
UNDER
FIRM ENERGY SALES AGREEMENTS DATED MAY 24, 2010
RE:
SWAGER FARMS PROJECT (#31616130)
DOUBLE B DAIRY PROJECT (#31616120)

From Seller: New Energy Two, LLC
New Energy Three, LLC
c/o Exergy Development Group of Idaho, LLC
802 W. Bannock Ste. 1200
Boise, ID 83702
Attn: James Carkulis
Email: jcarkulis@exergydevelopment.com

To Idaho Power: Vice President, Power Supply
Idaho Power Company
PO Box 70
Boise, Idaho 83707
Email: lgrow@idahopower.com

With copy to: Cogeneration and Small Power Production
Idaho Power Company
PO Box 70
Boise, Idaho 83707
Email: rallphin@idahopower.com

Date: September 28, 2012

VIA EMAIL, HAND DELIVERY AND REGULAR MAIL

In accordance with Article XIV (Force Majeure) of the Firm Energy Sale Agreements referenced above (hereinafter, collectively, the "FESA"), Seller hereby gives Idaho Power written notice of the occurrence of a Force Majeure event, in the following particulars:

1. There are currently ongoing proceedings upon the IPUC docket, the issues in which include pricing, size, duration and curtailment. (See, e.g., IPC-E-11-15.)

2. The pending proceedings concern, among other things, the unilateral amendment by Idaho Power of FESA provisions regarding (i) ownership of Green Tags and Renewable Energy Certificate(s) (RECs), or equivalent environmental attributes, and (ii) Suspension of Energy Deliveries (Curtailment).

3. The overall effect of the pending proceedings is that until such proceedings are finally resolved, the entire circumstance of continued viability of all renewable energy projects in Idaho is undecided and beyond the control of Seller. Indeed, the ultimate decisions made may render Seller wholly or in part unable to perform its obligations under the FESA.

4. A consequence of the pending proceedings, perhaps unintended, but certainly beyond the control of Seller, is that renewable energy project lenders are unwilling to lend in Idaho pending the outcome of these proceedings. There is, therefore, no financing available, making it impossible for Seller to perform its obligation under the FESA.

Accordingly, by this written notice to Idaho Power, Idaho Power is advised that a Force Majeure event has occurred, thereby creating a suspension of performance for the duration of the event, as further described in Article XIV of the FESA.

Further, pursuant to Section 19.1 (Disputes) of Article XIX of the FESA, if Idaho Power disputes this matter, Seller reserves the right to submit the same to the Idaho Public Utilities Commission and/or pursue any resolution to which it may be entitled before the appropriate Idaho district court, FERC and/or any other applicable tribunal or governing body.

Further, Seller asserts that it is protected from any default under the FESA pending resolution of the asserted Force Majeure issues, including, without limitation, any dispute or litigation as to whether said Force Majeure Event does protect Seller from any such default.

SELLER:

New Energy Two, LLC
New Energy Three, LLC

By: Leslie White

Leslie White
Member

cc: Donovan E. Walker, Esq.
James Carkulis
Laura Knothe
Brian L. Ballard, Esq.