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IDAHO PUBLIC
UTILITIES COMMISSION

DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

May 2, 2013

VIA HAND DELIVERY

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

Re: Case No. IPC-E-13-12 (Reference Case No. IPC-E-92-32)
Glenns Ferry Cogeneration Partners, LTD., Firm Energy Sales Agreement –
Idaho Power Company's Motion to Amend Its Motion for Approval of
Settlement Agreement

Dear Ms. Jewell:

Enclosed for filing in the above matter are an original and seven (7) copies of Idaho Power Company's Motion to Amend Its Motion for Approval of Settlement Agreement.

Very truly yours,

Donovan E. Walker

DEW:csb
Enclosures

Although the Settlement Agreement grants a judgment in favor of Idaho Power in the Federal Court Action in the amount of \$15,000,000, it provides for the collection of \$1,000,000 of that amount. Through its investigation and discovery related to this matter, Idaho Power determined that there were not sufficient cash or assets available from the limited liability, special purpose business organizations representing Glens Ferry, the contracting QF, or any party with liability under the contract—essentially making a resulting judgment in favor of Idaho Power uncollectable. Idaho Power, through the underlying contract and the limited security provisions allowed by Commission rules and orders, does have a second security interest in certain assets of the contracting QF. Such assets were determined to have an approximate value of \$1,000,000, which is the amount provided for collection from the responsible parties pursuant to the Settlement Agreement.

Submitted herewith as Attachment 1 is an Amended Motion for Approval of Settlement Agreement that includes the above-referenced additional provision, inserted at the end of paragraph No. 7 in the previously filed Motion. The Amended Motion is in all other respects identical to the originally filed Motion.

II. REQUESTED RELIEF

NOW, THEREFORE, Idaho Power respectfully requests that the Commission consider the addition of the above-referenced additional provision in an Amended Motion that is in all other respects identical to the original Motion filed on April 25, 2013, in this matter. Idaho Power respectfully requests that the Commission enter its order approving the Settlement Agreement without material change or condition, and without further proceedings.

Respectfully submitted this 2nd day of May 2013.



DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 2nd day of May 2013 I served a true and correct copy of IDAHO POWER COMPANY'S MOTION TO AMEND ITS MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff

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

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

Glenns Ferry Cogeneration Partners, Ltd.

W. Marcus W. Nye
Richard A. Hearn
Joshua D. Johnson
RACINE, OLSON, NYE, BUDGE &
BAILEY, CHTD.
201 East Center Street
P.O. Box 1391
Pocatello, Idaho 83204-1391

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email nye@racinelaw.net
rah@racinelaw.net
idj@racinelaw.net

Idaho Fresh-Pak

Paul J. Noah
R.D. Offutt Company
700 South 7th Street
 Fargo, North Dakota 58103-2704

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email pnoah@rdoffutt.com


Christa Beary, Legal Assistant

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-13-12

IDAHO POWER COMPANY

ATTACHMENT 1

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

Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE FIRM ENERGY)	
SALES AGREEMENT BETWEEN IDAHO)	CASE NO. IPC-E-13-12
POWER COMPANY AND GLENNS FERRY)	(Reference Case No. IPC-E-92-32)
COGENERATION PARTNERS, LTD.)	
)	IDAHO POWER COMPANY'S
)	AMENDED MOTION FOR
)	APPROVAL OF SETTLEMENT
)	AGREEMENT
)	

I. MOTION

Idaho Power Company ("Idaho Power" or "Company") hereby moves the Idaho Public Utilities Commission ("Commission") pursuant to *Idaho Code* § 61-502, RP 56, and RP 274 for an Order approving the Settlement Agreement and Mutual Release ("Settlement Agreement") between Idaho Power and Glens Ferry Cogeneration Partners, LTD. ("Glens Ferry"). The Settlement Agreement is attached hereto as Attachment 1. Glens Ferry's original Firm Energy Sales Agreement was filed in Case No. IPC-E-92-32 and approved on January 22, 1993, in Commission Order No. 24674. This Motion is based on the following:

II. BACKGROUND

1. On October 16, 2008, Idaho Power filed a Petition for Declaratory Order and Complaint for Breach of Contract ("Petition") against Glens Ferry with the Commission alleging a breach of contract and seeking a declaratory order terminating the December 9, 1992, Firm Energy Sales Agreement (as amended by the April 12, 2004, First Amendment and December 30, 2005, Second Amendment; collectively "FESA"). Case No. IPC-E-08-20. On August 16, 2011, Idaho Power filed a Motion to Dismiss the Petition without Prejudice and, by operation of Commission Rules, the dismissal of the Petition was effective on August 30, 2011.

2. October 28, 2011, Idaho Power filed a Complaint for Breach of Contract and Declaratory Judgment ("Complaint") against Glens Ferry in the District Court of the Fourth Judicial District of the State of Idaho, in and for the County of Ada, Case No. CV OC 2011-20755, alleging a breach of contract and seeking a declaratory judgment terminating the FESA ("State Court Action"). On November 15, 2011, Glens Ferry removed the State Court Action to the United States District Court for the District of Idaho, Case No. 1:11-cv-565-CWD ("Federal Court Action").

3. The Complaint alleged, among other things, that Glens Ferry materially breached the FESA by losing its thermal host, Idaho Fresh-Pak; failing to maintain its Public Utility Regulatory Policies Act of 1978 qualifying facility (QF) status; and permanently curtailing its deliveries of annual net firm energy.

4. The Complaint also alleged that in or about April 2008 Idaho Fresh-Pak defaulted on the Thermal Host Agreement between Glens Ferry and Idaho Fresh-Pak. The Thermal Host Agreement provided, among other things, that Idaho Power was a

third-party beneficiary to that agreement and that Idaho Fresh-Pak would be liable to Idaho Power, limited to amounts specified in the Thermal Host Agreement, in the event Idaho Fresh-Pak defaulted on the Thermal Host Agreement.

5. On January 22, 2013, Idaho Power, Glens Ferry, and Idaho Fresh-Pak attended a mediation before the Honorable Mikel H. Williams of the United States District Court for the District of Idaho and settled all claims among them, subject to the approval of the Commission.

III. THE SETTLEMENT AGREEMENT

6. The Settlement Agreement provides for: (1) the termination of the FESA; (2) a Stipulated Judgment in the amount of \$15,000,000 entered in favor of Idaho Power in the Federal Court Action, to which Idaho Power agrees to enter into a Covenant Not to Execute on the Stipulated Judgment; (3) provisions prohibiting Glens Ferry from developing any new facility at the current location until such time as the Stipulated Judgment is paid in full; (4) payment of \$250,000 from Glens Ferry and payment of \$750,000 from Idaho Fresh-Pak; (5) provisions for securing the above-mentioned payment amounts; and (6) other provisions such as a mutual release of liability, liability for power bills at the project site, mutual cooperation, and other provisions.

7. The Settlement Agreement is a fair and equitable resolution to this matter, and is in the public interest. The Settlement Agreement avoids additional, costly litigation, recognizes a judgment in favor of Idaho Power and its customers, and provides for the partial recovery of damages pursuant to the FESA. Idaho Fresh-Pak has a sale pending for its facility, and the Settlement Agreement provides that Idaho Power receive any proceeds from such sale to satisfy Idaho Fresh-Pak's \$750,000

payment. Although the Settlement Agreement grants a judgment in favor of Idaho Power in the Federal Court Action in the amount of \$15,000,000, it provides for the collection of \$1,000,000 of that amount. Through its investigation and discovery related to this matter, Idaho Power determined that there were not sufficient cash or assets available from the limited liability, special purpose business organizations representing Glens Ferry, the contracting QF, or any party with liability under the contract—essentially making a resulting judgment in favor of Idaho Power uncollectable. Idaho Power, through the underlying contract and the limited security provisions allowed by Commission rules and orders, does have a second security interest in certain assets of the contracting QF. Such assets were determined to have an approximate value of \$1,000,000, which is the amount provided for collection from the responsible parties pursuant to the Settlement Agreement.

8. The Settlement Agreement contains a provision stating that all terms and conditions of the Settlement Agreement are subject to approval by this Commission and that only after such approval, without material change or modification, has been received shall the Agreement be valid and effective.

9. The Settlement Agreement is a fair and equitable resolution to this matter, and is in the public interest. Idaho Power respectfully requests that the Commission grant this Motion and approve the Settlement Agreement in its entirety, without material change or condition, pursuant to RP 274.

IV. PROCEDURE

10. Pursuant to RP 274, the Commission has discretion to determine the manner with which it considers a proposed settlement. In this matter, the parties to the

FESA have reached agreement on how to resolve their pending dispute and litigation. The Settlement Agreement is reasonable and in the public interest. The parties request that the Commission approve the Settlement Agreement without further proceedings.

11. In the alternative, should the Commission determine that further proceedings are required to consider the Settlement Agreement, pursuant to RP 201, the parties believe the public interest does not require a hearing to consider the issues presented by this Motion and request it be processed as expeditiously as possible by Modified Procedure.

V. REQUESTED RELIEF

NOW, THEREFORE, Idaho Power respectfully requests that the Commission enter its Order approving the Settlement Agreement without material change or condition, and without further proceedings.

Respectfully submitted this 2nd day of May 2013.



DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 2nd day of May 2013 I served a true and correct copy of IDAHO POWER COMPANY'S **AMENDED** MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff

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

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

Glenns Ferry Cogeneration Partners, Ltd.

W. Marcus W. Nye
Richard A. Hearn
Joshua D. Johnson
RACINE, OLSON, NYE, BUDGE &
BAILEY, CHTD.
201 East Center Street
P.O. Box 1391
Pocatello, Idaho 83204-1391

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email nye@racinelaw.net
rah@racinelaw.net
jdj@racinelaw.net

Idaho Fresh-Pak

Paul J. Noah
R.D. Offutt Company
700 South 7th Street
Fargo, North Dakota 58103-2704

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email pnoah@rdoffutt.com


Christa Barry, Legal Assistant

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-13-12

IDAHO POWER COMPANY

ATTACHMENT 1

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (“Agreement”) is made by and among Idaho Power Company (“Idaho Power”), Glens Ferry Cogeneration Partners, Ltd. (“Glens Ferry”), Idaho Fresh-Pak, LLC (“Idaho Fresh-Pak”) and Idahoan Foods, LLC (“Idahoan”).

RECITALS

1. WHEREAS, on October 16, 2008, Idaho Power filed a Petition for Declaratory Order and Complaint for Breach of Contract (“Petition”) against Glens Ferry with the Idaho Public Utilities Commission (“Commission”) alleging a breach of contract and seeking a declaratory order terminating the December 9, 1992 Firm Energy Sales Agreement (as amended by the April 12, 2004 First Amendment and December 30, 2005 Second Amendment; collectively “FESA”); and

2. WHEREAS, on August 16, 2011, Idaho Power filed a Motion to Dismiss the Petition Without Prejudice and, by operation of Commission rules, the dismissal of the Petition was effective on August 30, 2011; and

3. WHEREAS on October 28, 2011, Idaho Power filed a Complaint for Breach of Contract and Declaratory Judgment (“Complaint”) against Glens Ferry in the District Court of the Fourth Judicial District of the State of Idaho, in and for the County of Ada, Case No. CV OC 2011-20755, alleging a breach of contract and seeking a declaratory judgment terminating the FESA (“State Court Action”); and

4. WHEREAS, on November 15, 2011, Glens Ferry removed the State Court Action to the United States District Court for the District of Idaho, Case No. 1:11-cv-565-CWD (“Federal Court Action”); and

5. WHEREAS, the Complaint alleged, among other things, that Glens Ferry materially breached the FESA by losing its thermal host, Idaho Fresh-Pak; and

6. WHEREAS, the Complaint alleged that in or about April 2008 Idaho Fresh-Pak defaulted on the Thermal Host Agreement between Glens Ferry and Idaho Fresh-Pak. The Thermal Host Agreement provided, among other things, that Idaho Power was a third-party beneficiary to that agreement and that Idaho-Fresh-Pak would be liable to Idaho Power, limited to amounts specified in the Thermal Host Agreement, in the event Idaho Fresh-Pak defaulted on the Thermal Host Agreement; and

7. WHEREAS, on January 22, 2013, Idaho Power, Glens Ferry, and Idaho Fresh-Pak attended a mediation before the Honorable Mikel H. Williams, of the United States District Court for the District of Idaho, and settled all claims among them, subject to the approval of the Commission, with an agreement that all terms of the settlement would be memorialized in this Agreement;

8. NOW, THEREFORE, Idaho Power, Glens Ferry, and Idaho Fresh-Pak, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, agree as follows:

AGREEMENT

9. All terms and conditions of this Settlement Agreement are subject to the approval of the Idaho Public Utilities Commission. This Agreement shall be effective only upon the date at which a final, non-appealable Order is obtained from the Commission approving this Settlement Agreement without material change or condition. Idaho Power, Glens Ferry, and Idaho Fresh-Pak agree to submit a signed copy of this Agreement to the Commission as soon as practicable after the signing of the Agreement. Idaho Power shall take the lead in submitting this Agreement to the Commission, and Glens Ferry and Idaho Fresh-Pak shall cooperate with Idaho Power as set forth in paragraph 20 below. Within 10 business days of the Parties' execution of this

Settlement Agreement, Idaho Power will prepare an Application, and will file the fully executed Settlement Agreement with the Commission seeking approval of the same.

10. The FESA shall be terminated effective immediately upon the date the Commission approves this Agreement.

11. Glens Ferry agrees that a Stipulated Judgment in the amount of \$15,000,000 shall be entered in favor of Idaho Power in the Federal Court Action. Idaho Power agrees to enter into a Covenant Not to Execute on the Stipulated Judgment.

12. Glens Ferry agrees that its members, officers, shareholders, partners, employees, and assigns ("Developer Parties") shall not develop, or assist in the development of, any new cogeneration project at the current physical location of the Glens Ferry cogeneration facility until such time as the Stipulated Judgment is paid in full and Developer Parties perform all other requirements under applicable law. The facility is located in the SE Quarter of Section 29, Township 5 South, Range 10 East, Boise Meridian, Elmore County, Glens Ferry, Idaho.

13. Glens Ferry shall pay Idaho Power as follows:

(a) Glens Ferry unconditionally shall pay Idaho Power the sum of \$250,000, without interest, no later than January 22, 2015 reduced by the amount of any payments made pursuant to paragraph 13 (b) below..

(b) In the event Glens Ferry sells its Glens Ferry cogeneration facility, or any of the personal property and/or equipment of the Glens Ferry cogeneration facility, before the payment deadline set forth above, Idaho Power shall receive the proceeds of any sale within ten (10) business days of the receipt of the sale proceeds by Glens Ferry, up to the sum of \$250,000

(c) Glens Ferry shall provide Idaho Power with acceptable security securing the \$250,000 payment up to the value of the plant and all personal property and/or equipment.

Acceptable security shall include, but will not be limited to, security interest in real property, equipment, fixtures, contracts, permits, easements, and rights-of-way, associated with the Glenns Ferry cogeneration facility. A partial list of personal property and/or equipment is described in Exhibit 3, attached hereto and incorporated herein by reference. Idaho Power shall have the right to file and maintain any lien or encumbrance provided by Idaho law until it has received all payments from Glenns Ferry required under paragraph 13(a) and (b). Idaho Power shall maintain a security interest in all of the personal property and/or equipment located at the Glenns Ferry cogeneration facility as of January 22, 2013, regardless of whether it is listed in Exhibit 3. The security provided by Glenns Ferry shall be seized by Idaho Power only if Glenns Ferry is in breach of this Agreement subject to the following terms:

Time is of the essence under this Agreement. Upon the failure of Glenns Ferry to make either of the required payments, Idaho Power may, without notice or demand on Glenns Ferry, and with or without judicial action, have the immediate right to enter Glenns Ferry's premises without liability for suit, action, or other proceedings, to take possession of collateral, and render collateral unusable and remove the same for disposition by lease, sale, license, or otherwise. Glenns Ferry shall willingly surrender the collateral and shall not interfere with Idaho Power's right of entry to collect the same.

Glenns Ferry shall be liable for all costs incurred by Idaho Power in the collection of collateral. When proceeding under this section, Idaho Power will proceed in a commercially reasonable manner and without breaching the peace. The parties expressly agree that the terms of this section are reasonable.

(d) Glenns Ferry shall not transfer any personal property and/or equipment from the Glenns Ferry facility to the Rupert cogeneration facility unless the personal property and/or equipment is purchased by the Rupert cogeneration facility at fair market value, and the proceeds of such purchase are turned over to Idaho Power as provided by subsection (b) above.

(e) Until the date full payment is received from Glenns Ferry, Idaho Power shall have the right to audit the books and records of Glenns Ferry to determine if any personal property/equipment has been sold.

14. Idaho Fresh-Pak shall pay Idaho Power as follows:

(a) Idaho Fresh-Pak unconditionally shall pay Idaho Power the sum of \$600,000, without interest, no later than January 22, 2014.

(b) Idaho Fresh-Pak unconditionally shall pay Idaho Power the sum of \$150,000, without interest, no later than January 22, 2015; for a total payment of \$750,000.

(c) In the event Idaho Fresh-Pak and/or Idahoan sells any of the equipment of the Glens Ferry potato processing facility, or the facility itself, before the payment deadlines set forth above, Idaho Power shall receive the proceeds of any sale within ten (10) business days of the receipt of the sale proceeds by Idaho Fresh-Pak or Idahoan, up to the sum of \$750,000.

(d) Idaho Fresh-Pak shall provide Idaho Power with acceptable security securing the \$750,000 payment up to the value of the plant and equipment. Certain equipment is owned by Idahoan and it has agreed to similarly provide Idaho Power with acceptable security securing the \$750,000 payment up to the value of its equipment. Acceptable security shall include, but will not be limited to, security interest in real property, easements, rights-of-way, equipment, fixtures, contracts, and permits, associated with the Glens Ferry potato processing facility. The location of the Idaho Fresh-Pak real property is as described in Exhibit 1, attached hereto and incorporated herein by reference. The personal property and/or equipment is as described in Exhibit 2, attached hereto and incorporated herein by reference. Idaho Power shall have the right to file and maintain any lien or encumbrance provided by Idaho law until it has received all payments from Idaho Fresh-Pak. The security provided by Idaho Fresh-Pak and Idahoan shall be seized by Idaho Power only if Idaho Fresh-Pak is in breach of this Agreement, subject to the following terms:

Time is of the essence under this Agreement. Upon the failure of Idaho Fresh-Pak to make either of the required payments, Idaho Power may,

without notice or demand on Idaho Fresh-Pak or Idahoan, and with or without judicial action, have the immediate right to enter Idaho Fresh-Pak's premises without liability for suit, action, or other proceedings, to take possession of collateral, and render collateral unusable and remove the same for disposition by lease, sale, license, or otherwise. Idaho Fresh-Pak and Idahoan shall willingly surrender the collateral and shall not interfere with Idaho Power's right of entry to collect the same. Idaho Fresh-Pak shall be liable for all costs incurred by Idaho Power in the collection of collateral. When proceeding under this section, Idaho Power will proceed in a commercially reasonable manner and without breaching the peace. The parties expressly agree that the terms of this section are reasonable.

(e) Until the date full payment is received from Idaho Fresh-Pak, Idaho Power shall have the right to audit the books and records of Idaho Fresh-Pak to determine if any personal property/equipment has been sold..

15. Neither Glens Ferry nor Idaho Fresh-Pak is responsible for the other's payment of or failure to pay Idaho Power the sums agreed upon as settlement of this matter. The above-described obligations are particular to the parties named and are not for any reason to be construed as joint or several obligations of or between Glens Ferry and Idaho Fresh-Pak.

ADDITIONAL TERMS

16. Mutual Release. Subject only to the other provisions of this Agreement, Idaho Power, Glens Ferry, Idaho Fresh-Pak and Idahoan hereby forever release and discharge each other and any or all past or present directors, officers, shareholders, partners, members, employees, independent contractors, agents, clients, subordinates, assigns, consultants, attorneys, insurers, predecessors-in-interest, and/or successors-in-interest, either directly or vicariously, from any and all obligations, damages, losses, liabilities, suits, debts and demands, of whatever character, in law or in equity, known or unknown, and related to the Petition, State Court Action, and Federal Court Action.

17. Liability for Power Bills. This Agreement releases and discharges Glenss Ferry from any liability for power bills, including both station use and O&M Services, before or on January 22, 2013. This Agreement shall not release or discharge Glenss Ferry for any liability relating to any charges for the future delivery of electricity, including both station use and O&M Services, to the Glenss Ferry cogeneration facility by Idaho Power after January 22, 2013.

18. After Discovered Facts. Idaho Power, Glenss Ferry, Idaho Fresh-Pak and Idahoan each acknowledge and are aware that they, or their attorneys, may hereafter discover facts not represented herein, different from or in addition to the facts which they, or their attorneys, now know or believe to be true with respect to the subject matter of this Agreement, but it is their intention to fully and finally release each other from any and all manner of liabilities and claims as described in this Agreement, which exist or may exist, except for those claims expressly reserved in this Agreement.

19. No Admission. This Agreement reflects, among other things, the compromise and settlement of disputed claims. Neither this Agreement nor any document referred to in this Agreement, nor any action taken to carry out this Agreement, is, or may be construed as, or may be used as, an admission or concession by or against any party of any alleged fault, wrongdoing, or liability whatsoever.

20. Cooperation. The parties to this Agreement agree to cooperate fully and to take any and all additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Agreement. The parties acknowledge that this Agreement requires the approval of the Commission. Glenss Ferry and Idaho Fresh-Pak agree that they shall timely provide to Idaho Power, or the Commission, any documents or information necessary to obtain approval of this Agreement by the Commission, including, but not limited to, current financial

statements. In the event Glens Ferry and/or Idaho Fresh-Pak are required to submit confidential information to the Commission, the parties will request that the Commission enter a protective order maintaining the confidentiality of the information. In no event, shall the Agreement itself be considered confidential.

21. Governing Law, Jurisdiction, and Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Idaho, without regard to conflicts of law rules, and any action to enforce this Agreement shall be venued in the United States District Court for the District of Idaho.

22. Attorney Fees. Idaho Power, Glens Ferry, Idaho Fresh-Pak and Idahoan shall each bear their own costs and attorney fees incurred in bringing, defending, negotiating, settling, or in any other way related to, the Petition, the State Court Action, and the Federal Court Action. However, should any party utilize an attorney for the purpose of enforcing or construing this Agreement, the prevailing party shall be entitled to receive from the other party or parties thereto reimbursement for all reasonable attorney fees and costs incurred in connection therewith, which fees and costs may be determined and awarded by the Court.

23. Successors and Assigns. All terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by Idaho Power, Glens Ferry, Idaho Fresh-Pak, Idahoan and their respective legal representatives, successors, and assigns.

24. Severability. With the exception of paragraph 9, requiring that the Commission approve the Agreement, the provisions and terms of this Agreement are severable, existing separately from one another, and if any part of this Agreement is found to be unenforceable, the other paragraphs shall remain fully valid and enforceable.

25. Paragraph Headings. The paragraph headings in this Agreement, and the order of the paragraphs, are for convenience only. They are not part of this Agreement and shall not be used in interpreting the Agreement.

26. Entire Agreement. This Agreement, including Exhibits 1 through 3, contains the entire agreement among Idaho Power, Glenns Ferry, Idaho Fresh-Pak and Idahoan relating to the transaction contemplated hereby, and all prior and contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein. Idaho Power, Glenns Ferry, Idaho Fresh-Pak and Idahoan expressly warrant that they have read and fully understand this Agreement and have consulted with legal counsel of their own choosing; that they are not executing this Agreement in reliance on any promises, representations, or inducements other than those contained herein; and that they are executing this Agreement voluntarily, free of any duress or coercion. Idaho Power, Glenns Ferry, Idaho Fresh-Pak and Idahoan, by and through their respective signatories to this Agreement, acknowledge and agree that the terms of this Agreement are contractual and not a mere recital, and that execution of this Agreement may affect rights and liabilities of substantial extent and degree. With the full understanding of these facts, Idaho Power, Glenns Ferry, Idaho Fresh-Pak and Idahoan represent that the covenants and releases provided for in this Agreement are in their respective best interests. Idaho Power, Glenns Ferry, Idaho Fresh-Pak and Idahoan further agree that this Agreement has been jointly drafted and shall not be construed against any party on account of the drafting of this Agreement.

27. Counterparts. This Agreement may be executed in identical counterparts, and such duly executed counterparts shall have full validity, force and effect.

28. Authority and Indemnification of Authority. Idaho Power, Glenns Ferry, Idaho Fresh-Pak and Idahoan represent and warrant that they possess full and complete authority to

covenant and agree as provided in this Agreement. The signatories for Idaho Power, Glenns Ferry, Idaho Fresh-Pak and Idahoan respectively represent and warrant that such signatory possesses the authority and has been authorized by the corporation or association to enter into this Agreement, whether by resolution of a governing board, upon the instruction by an authorized officer, as authorized in the bylaws of the corporation or association on whose behalf the signatory is executing this Agreement, or otherwise. In the event any person or entity hereafter asserts any interest in or the right to pursue any of the claims released in this Agreement, the party on whose behalf such person or entity shall claim to be acting shall promptly and fully defend and indemnify the other party or parties against any and all such claims.

29. Effective Date and Dismissal of the Federal Court Action. The parties to this Agreement agree that this Agreement takes effect as of the date at which a final, non-appealable Order is obtained from the Commission approving this Settlement Agreement without material change or condition, and the Federal Court Action shall be dismissed with prejudice forthwith.

IDAHO POWER COMPANY

By: _____

Title: _____

Date: _____

GLENN'S FERRY COGENERATION PARTNERS, LTD.

By: _____

Title: _____

Date: _____

IDAHO FRESH-PAK, LLC

By: Chris McCarty

Title: CHIEF EXECUTIVE OFFICER

Date: 4/4/2013

IDAHOAN FOODS, LLC

By: [Signature]

Title: Chief Executive Officer

Date: 4/4/2013

hereafter asserts any interest in or the right to pursue any claims released in this Agreement, the party on whose behalf such person or entity shall claim to be acting shall promptly and fully defend and indemnify the other party or parties against any and all such claims.

28. Effective Date and Dismissal of the Federal Court Action. The parties to this Agreement agree that this Agreement takes effect as of the date at which a final, non-appealable Order is obtained from the Commission approving this Settlement Agreement without material change or condition, and the Federal Court Action shall be dismissed with prejudice forthwith.

IDAHO POWER COMPANY

By: _____

Title: _____

Date: _____

GLENN'S FERRY COGENERATION PARTNERS, LTD.

By:  _____

Title: DIRECTOR _____

Date: 4/15/2013 _____

IDAHO FRESH-PAK, LLC

By: _____

Title: _____

Date: _____

IDAHOAN FOODS, LLC

By: _____

Title: _____

Date: _____

EXHIBIT "A"

PARCEL 1:

ALL OF BLOCKS 28, 29 AND 30 OF GLENNS FERRY ORIGINAL TOWNSITE, ELMORE COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE AND OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF ELMORE COUNTY, IDAHO.

ALL OF BLOCK 21, ELMORE ADDITION TO GLENNS FERRY, ELMORE COUNTY, IDAHO AND A PORTION OF LOTS 1 AND 2 IN BLOCK 20 OF ELMORE ADDITION TO GLENNS FERRY, ELMORE COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE AND OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF ELMORE COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF BLOCK 28, (LOCATED IN THE SOUTH HALF OF SECTION 29, TOWNSHIP 5 SOUTH, RANGE 10 EAST, BOISE MERIDIAN) ALSO BEING OF THE ORIGINAL TOWNSITE OF THE CITY OF GLENNS FERRY, COUNTY OF ELMORE, STATE OF IDAHO, WHICH SHALL BE THE TRUE POINT OF BEGINNING; THENCE SOUTH 71°59' WEST ALONG THE NORTHERLY BOUNDARY OF HARRISON AVENUE FOR 870.0 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY OF ALTURAS STREET; THENCE NORTH 18°01' WEST ALONG SAID EASTERLY RIGHT-OF-WAY OF ALTURAS STREET FOR 88.92 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF RAILROAD STREET; THENCE NORTH 57°25' EAST FOR 92.27 FEET ALONG SAID RIGHT-OF-WAY TO A POINT; THENCE NORTH 18°01' WEST FOR 114.34 FEET TO A POINT; THENCE NORTH 61°57' EAST FOR 617.43 FEET TO A POINT; THENCE NORTH 72°02' EAST 882.88 FEET TO A POINT; THENCE SOUTH 18°01' EAST FOR 253.38 FEET TO A POINT; THENCE NORTH 71°59' EAST FOR 320.0 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY OF BLAINE STREET; THENCE SOUTH 18°01' EAST ALONG SAID EASTERLY RIGHT-OF-WAY OF BLAINE STREET FOR 110.0 FEET TO A POINT; THENCE SOUTH 71°59' WEST FOR 660.0 FEET TO THE SOUTHWEST CORNER OF LOT 2 OF BLOCK 20; THENCE NORTH 18°01' WEST FOR 30.0 FEET TO A POINT; THENCE SOUTH 71°59' WEST ALONG THE NORTHERLY BOUNDARY OF HARRISON AVENUE FOR 370.0 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH ALL PORTIONS OF VACATED HARRISON AVENUE ADJACENT TO SAID PARCEL 1.

PARCEL 2:

LOTS 3 AND 4 IN BLOCK 20 OF ELMORE ADDITION TO GLENNS FERRY, ELMORE COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE AND OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF ELMORE COUNTY, IDAHO.

PARCEL 3:

ALL OF LOT 1 AND A PORTION OF LOT 2 IN BLOCK 46 OF SOUTH ADDITION TO GLENNS FERRY, ELMORE COUNTY, IDAHO, ACCORDING TO THE OFFICIAL PLAT THEREOF NOW ON RECORD IN THE OFFICE OF THE COUNTY RECORDER OF ELMORE COUNTY, IDAHO.

PARCEL 4:

A PARCEL OF LAND SITUATE IN THE SE1/4 OF SECTION 29, TOWNSHIP 5 SOUTH, RANGE 10 EAST, BOISE MERIDIAN, GLENNS FERRY, ELMORE COUNTY, IDAHO BEING A PORTION OF LOT 1 OF BLOCK 20 OF THE ELMORE ADDITION TO GLENNS FERRY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 1/2" REBAR MARKING THE SOUTHWEST CORNER OF LOT 2 OF BLOCK 20 OF THE ELMORE ADDITION TO GLENNS FERRY AND RUNNING THENCE ALONG THE SOUTHEAST LINES OF SAID LOT 2, AND OF LOT 1 OF SAID BLOCK 20, AND ALONG THE NORTHEASTERLY EXTENSION THEREOF NORTH 71°42'47" EAST 660.05 FEET TO THE SOUTHWEST CORNER OF LOT 2 OF BLOCK 19 OF SAID ELMORE ADDITION TO GLENNS FERRY; THENCE ALONG THE EASTERN LINE OF VACATED BLAINE STREET NORTH 18°18'19" WEST 110.11 FEET TO A 1/2" REBAR MARKING THE INTERSECTION THEREOF WITH THE NORTH LINE OF THAT REAL PROPERTY DESCRIBED IN THE AFORESAID DEED RECORDED AS INSTRUMENT NO. 158927; THENCE ALONG SAID NORTH LINE SOUTH 71°42'47" WEST 180.34 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID NORTH LINE SOUTH 71°42'47" WEST 140.00 FEET TO A PK NAIL SET IN CONCRETE MARKING THE INTERSECTION THEREOF WITH THE EASTERN LINE OF SAID REAL PROPERTY DESCRIBED IN INSTRUMENT NO. 158927;

THENCE ALONG SAID EASTERN LINE NORTH 18°18'19" WEST 253.31 FEET TO A 1/2" REBAR MARKING THE NORTHERN TERMINUS OF SAID EAST LINE, BEING ALSO THE SOUTHERN TERMINUS OF THE EASTERN LINE OF THAT REAL PROPERTY DESCRIBED IN THE QUITCLAIM DEED (C.D. NO. 52639-3) FROM UNION PACIFIC RAILROAD COMPANY TO MAGIC WEST, INC., RECORDED JULY 12, 1974 AS INSTRUMENT NO. 158924, ELMORE COUNTY RECORDS;

THENCE ALONG LAST SAID EASTERN LINE NORTH 18°18'19" WEST 3.50 FEET TO THE INTERSECTION THEREOF WITH THE NORTHERN LINE OF SAID LOT 1 OF BLOCK 20 OF THE ELMORE ADDITION TO GLENNS FERRY, BEING ALSO THE SOUTHERN LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY;

THENCE ALONG LAST SAID SOUTHERN LINE NORTH 71°41'30" EAST 140.00 FEET;

THENCE LEAVING SAID SOUTHERN LINE SOUTH 18°18'19" EAST 256.86 FEET TO THE TRUE POINT OF BEGINNING.

Glenns Ferry Facility Asset List August, 2012

Detailed Report for Month 12 - Aug - 2012

ASSET A/C#: 013 - PLANT EQUIPMENT

Sort Code #2: G - GLENN'S FERRY

Date Acq	Date Sold	Description	Meth/Life
07/17/07		4-Refer Trailers	SLMM/ 7.00
07/17/07		1991 Milestone Conveyor Table 20' X 30"	SLMM/ 7.00
07/17/07		1991 Milestone Conveyor Table 30' X 30"	SLMM/ 7.00
07/17/07		1991 Milestone Conveyor Table 60' X 30"	SLMM/ 7.00
07/17/07		2 Augers: #1 & #2 15'D X 18.5'L	SLMM/ 7.00
07/17/07		2 Augers: #3 & #4 13'D X 18.5'L	SLMM/ 7.00
07/17/07		2 Conveyors: W/Fractional Hp Motor	SLMM/ 7.00
07/17/07		3 Conveyors: #5-#6-#7, Auger Conveyor	SLMM/ 7.00
07/17/07		Air Compressor: Unit#2, Mdl Ecpqmc,S/N	SLMM/ 7.00
07/17/07		Ammonia Compressor Ov	SLMM/ 7.00
07/17/07		Application Rollers For Drum Dryers	SLMM/ 7.00
07/17/07		Baghouse(Large):Mdl 64-4 S/N W-084333	SLMM/ 7.00
07/17/07		Baghouse(Small): Mdl S36-4, S/N 820-076852	SLMM/ 7.00
07/17/07		Boiler Upgrade	SLMM/ 7.00
07/17/07		Boiler: Mdl. Cb-400-500, S/N L -64404, 500 Hp	SLMM/ 7.00
07/17/07		Boiler: Mdl.F13B400D, S/N 5225-3F236,	SLMM/ 7.00
07/17/07		Case Packer lqf Line	SLMM/ 7.00
07/17/07		Case Packer lqf Line	SLMM/ 7.00
07/17/07		Case Packer lqf Line	SLMM/ 7.00
07/17/07		Case Packer: Mdl. 12Af, Type 59300, S/N	SLMM/ 7.00
07/17/07		Case Sealer: Mdl 77A, S/N Not Visible	SLMM/ 7.00
07/17/07		Case Sealer:Mdl 12Af, Adj Series 59300,	SLMM/ 7.00
07/17/07		Case Shaker Table: W 2 Motor Shakers	SLMM/ 7.00
07/17/07		Chiller: Compressor Mdl A3089, S/N K99095	SLMM/ 7.00
07/17/07		Chiller:#1 Mdl 500, 400-Hp S/N 84096	SLMM/ 7.00
07/17/07		Chiller:#2 Mdl 500, 450-Hp, S/N 88091	SLMM/ 7.00
07/17/07		Chiller:#3 200-Hp Motor, Mdl L-C	SLMM/ 7.00
07/17/07		Chiller:#4 200-Hp Motor, Mdl. L-C	SLMM/ 7.00
07/17/07		Compressor For Freezer	SLMM/ 7.00
07/17/07		Conveyor: Inclined, Stainless Steel,	SLMM/ 7.00
07/17/07		Conveyor: W/Neoprene Belt	SLMM/ 7.00
07/17/07		Conveyor: Waster Auger, Mdl Hf5406, S/N	SLMM/ 7.00
07/17/07		Conveyor:Cleated Belt	SLMM/ 7.00
07/17/07		Conveyor:Transfer: Solid Belt, W/Add	SLMM/ 7.00
07/17/07		Cook Deck Replacement	SLMM/ 7.00
07/17/07		Cook Line:(2) Myverol Kettle	SLMM/ 7.00
07/17/07		Cooling Tower: Mdl Pmcb-630, S/N 99-8494W	SLMM/ 7.00
07/17/07		Cooling Tower: Mdl Xlp-Ls75, S/N 3687-1	SLMM/ 7.00
07/17/07		Deaerator:48" W X 16"L, S/N 37296	SLMM/ 7.00
07/17/07		Dicing Line	SLMM/ 7.00
07/17/07		Drum Dryer:#2 Mdl 05-02600 S/N 16368	SLMM/ 7.00
07/17/07		Drum Dryer:Unit#1 Mdl.105-48025 S/N 17200	SLMM/ 7.00
07/17/07		Drum Dryer:Unit#3 Mdl 13-3464L S/N 18263	SLMM/ 7.00
07/17/07		Exhaust Fans And Makeup Air	SLMM/ 7.00
07/17/07		Exhaust Fans And Makeup Air	SLMM/ 7.00
07/17/07		Fixed Weight Station	SLMM/ 7.00
07/17/07		Flake Line	SLMM/ 7.00
07/17/07		Flake Shaker: Approx 3" X 6"	SLMM/ 7.00
07/17/07		Flash Tank: Horiz, Carbon Steel	SLMM/ 7.00
07/17/07		Freezer:W/Jamision Mark Iii Diamond Trac	SLMM/ 7.00
07/17/07		Hash Brown Line: Iesm Belt Conveyor &	SLMM/ 7.00
07/17/07		Holding Bin Room:4 Holding Bays	SLMM/ 7.00
07/17/07		Hot Water System:W/Stainless Steel	SLMM/ 7.00
07/17/07		Items Purchased 7-12-02 Under \$1,000	SLMM/ 7.00
07/17/07		Mash Flow Control	SLMM/ 7.00
07/17/07		Monitor Well Replacement	SLMM/ 7.00
07/17/07		Packaging Machine:Type Svb 360, S/N	SLMM/ 7.00
07/17/07		Packaging System: Iesm Mdl 10Dfh Shaker	SLMM/ 7.00
07/17/07		Packing Line: S/N Cv14-1632	SLMM/ 7.00
07/17/07		Potato Cleaning System	SLMM/ 7.00
07/17/07		Process Line: Finished Hash Brown Line	SLMM/ 7.00
07/17/07		Process Line: Finished Hash Brown Line	SLMM/ 7.00
07/17/07		Proportional Sol:Mdl	SLMM/ 7.00

Glenns Ferry Facility Asset List August, 2012

07/17/07	Rail Car Fall Protection	SLMM/ 7.00
07/17/07	Receiving Conveyor: Mdl 1270, S/N 25-91	SLMM/ 7.00
07/17/07	Redesign Hashbrown Line	SLMM/ 7.00
07/17/07	Redesign Hashbrown Line	SLMM/ 7.00
07/17/07	Refrigeration Equipment	SLMM/ 7.00
07/17/07	Replace Cooling Tower	SLMM/ 7.00
07/17/07	Resurface Drum 3	SLMM/ 7.00
07/17/07	Sample System:Steel Link Conveyor,	SLMM/ 7.00
07/17/07	Sorting System:1 Iesm, Inclinded Cleated	SLMM/ 7.00
07/17/07	Stinger In Receiving	SLMM/ 7.00
07/17/07	Storage Basin	SLMM/ 7.00
07/17/07	Sub Cooler: Liquid Ammoinia, All	SLMM/ 7.00
07/17/07	Vibrating Conveyor	SLMM/ 7.00
07/17/07	Waste Discharge System	SLMM/ 7.00
07/17/07	Water Softner System: Custom Mgf	SLMM/ 7.00
07/17/07	Water System: W/Stainless Steel Water	SLMM/ 7.00
07/17/07	Rock Trap	SLMM/ 7.00

GLENN'S FERRY COGENERATION PARTNERS, LTD

MAJOR EQUIPMENT LIST

GAS TURBINE

SOLAR TURBINE MARS 100, MODEL 15000S

Power	kW	11 860
Heat Rate	kJ/kW-hr	10 465
Exhaust Flow	kg/hr	153 245
Exhaust Temperature	°C	485
SoLoNOx		Yes
HP		15000

GENERATOR

GE 10,500 KW GENERATOR

No Model # Solar Part #	101946-49811-1
Year	3-1996

GEAR BOX

**ALLEN GEARS SOLAR MARS 1800 RPM EPICYCLIC STAR
(DECREASING)**

Model Number	20845
Year	1996

STEAM TURBINE

MURRAY TURBINE

Capacity	Generates 1234 KW
Model Number	T-5413
Year	1996

SWITCHGEAR (G-01R)

POWELL TYPE 15PVO500-31

Rated Voltage	15 KV
Rated Amps	1200 Continuous
Rated short Circuit	18 KA

SWITCHGEAR (MAIN BREAKER)

POWELL TYPE 15PVO500-31

Rated Voltage	15 KV
Rated Amps	1200 Continuous
Rated short Circuit	18 KA

HRSB (BOILER)

DELTAK CAPACITY 46500

No Model Number - Board Number	995
Year	1996

ALFA LAVAL HEAT EXCHANGER

MODEL TYPE, M10-BFD 30102-86891 TO 86894

COOLING TOWER

MARLEY

Model Number	NC9141GM
Year	1996

INSTRUMENT AIR COMPRESSOR

AG EQUIPMENT

Model Number	3VA256TTDX7026AAL
Year	1996

DEARATOR TANK

CLEAVER BROOKS 7493

Capacity SMP45 - 45,000

Year 1996

CIRC PUMPS & MOTORS (2)

Motor-GE Model 5K326FT6431D20/ Pump INGERSOLL-DRESSER

MODEL 12 NKH-2 (Need capacity, and year)

Capacity 1577 GPM TDH 90

Year 1996

CONDENSATE HOTWELLPUMPS & MOTORS (2) MOTOR-US ELECTRICAL ID
Z05Z0540376F; PUMP PACO

Capacity TDH 167 ft

Year 1996

FEEDWATER PUMPS & MOTORS (2)MOTOR- BALDOR SN696C; PUMP -GRUNDFOS CR30 MODEL B
9628-34796147

Capacity 153.5 GPM

Year 1996

RO SYSTEM

WATERTECH

Model Number N/A

Year 1996

Capacity 1832GPM

Number of tubes 6 Tubes 3 Membranes each

MAKE UP WATER SYSTEM

**MOTORS (2) BALDOR CAT# VM3555 & US MOTORS MODEL
G61970 PUMP- INGERSOLL DRESSER SN 892647-000**

Capacity	SMP 3000
Year	1996