

DONOVAN E. WALKER (ISB No. 5921)
JULIA A. HILTON (ISB No. 7740)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5104
Facsimile: (208) 388-6936
dwalker@idahopower.com
jhilton@idahopower.com

RECEIVED
2014 FEB 25 PM 4:16
IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Idaho Power Company

DEBORAH E. NELSON (ISB No. 5711)
PRESTON N. CARTER (ISB No. 8462)
Givens Pursley LLP
601 W. Bannock St.
P.O. Box 2720
Boise, Idaho 83701-2720
Telephone: (208) 388-1200
Facsimile: (208) 388-1300

Attorneys for Idaho Wind Partners I, LLC

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IDAHO WIND PARTNERS I, LLC)	CASE NO. IPC-E-13-19
Complainant and Petitioner,)	SETTLEMENT STIPULATION
vs.)	
IDAHO POWER COMPANY,)	
Respondent.)	
_____)	

This settlement stipulation ("Settlement Stipulation") is entered into between Idaho Power Company ("Idaho Power" or "Company") and Idaho Wind Partners I, LLC

("Idaho Wind Partners" or "IWP"), referred to herein individually as a "Party" and collectively as the "Parties." The Parties agree as follows.

I. INTRODUCTION

1. The terms and conditions of this Settlement Stipulation are set forth herein. The Parties agree that this Settlement Stipulation represents a fair, just, and reasonable compromise of the dispute(s) between the Parties and that this Settlement Stipulation is in the public interest. The Parties maintain that the Settlement Stipulation as a whole and its acceptance by the Idaho Public Utilities Commission ("Commission") represent a reasonable resolution of all issues between the Parties identified herein. Therefore, the Parties request that the Commission, in accordance with RP 274-76, approve the Settlement Stipulation and all of its terms and conditions without material change or condition.

II. BACKGROUND

2. On October 29, 2013, Idaho Wind Partners filed a Complaint and Petition for Declaratory Order (IPUC Case No. IPC-E-13-19) with the Commission against Idaho Power alleging that Idaho Power had failed to properly calculate Market Energy Costs pursuant to the Firm Energy Sales Agreements ("FESA") between Idaho Power and several of IWP's wind generation projects. On November 29, 2013, Idaho Power filed an Answer and Cross-Complaint in this matter asking that the relief requested in IWP's Complaint be denied and seeking an order directing the use of the Platts non-firm Mid-C index. On December 20, 2013, Idaho Wind Partners filed an Answer to Idaho Power's Cross-Complaint.

3. Idaho Wind Partners has eleven Public Utility Regulatory Policies Act of 1978 ("PURPA") Qualifying Facility ("QF") wind generation projects that have contracts

to sell their generation to Idaho Power ("Projects"). Eight of the Projects have FESAs that contain published, non-levelized, avoided cost rates. Three of the Projects have FESAs that contain published, levelized, avoided cost rates. The eight non-levelized contracts are the subject of Idaho Wind Partners' Complaint. Those projects are: Thousand Springs Wind Park, LLC – Case No. IPC-E-05-06; Pilgrim Stage Station Wind Park, LLC – Case No. IPC-E-05-07; Oregon Trail Wind Park, LLC – Case No. IPC-E-05-08; Tuana Gulch Wind Park, LLC – Case No. IPC-E-05-09; Golden Valley Wind Park, LLC – Case No. IPC-E-05-17; Burley Butte Wind Park, LLC – Case No. IPC-E-05-18; Milner Dam Wind Park LLC – Case No. IPC-E-05-30; and Salmon Falls Wind Park, LLC – Case No. IPC-E-05-33 ("eight non-levelized contracts"). The three levelized contracts are: Camp Reed Wind Park, LLC – Case No. IPC-E-09-18; Yahoo Creek Wind Park, LLC – Case No. IPC-E-09-19; and Payne's Ferry Wind Park, LLC – Case No. IPC-E-09-20 ("three levelized contracts"). All eleven contracts were approved by the Commission in each project's respective Case No. listed above.

4. The eight non-levelized contracts were entered into and approved by the Commission prior to the implementation of a wind integration charge in the state of Idaho. Consequently, those wind contracts pay no wind integration charge or wind forecasting fees and contain provisions for a 90%/110% performance requirement. The three levelized contracts contain wind integration charges and forecasting fees as well as provisions for Mechanical Availability Guarantee ("MAG").

5. The Parties met on December 19, 2013, for confidential settlement discussions and reached agreement resolving all issues between the Parties identified herein. Based upon the settlement discussions, as a compromise of the respective

positions of the parties, and for other consideration as set forth below, the Parties agree to the following terms:

III. TERMS OF THE SETTLEMENT STIPULATION

6. Performance requirements of the FESAs. The Parties agree that the eight non-levelized contracts shall be amended to remove the 90%/110% performance requirement and to replace such requirement and provisions with provisions for a MAG. All eight contracts contain identical language and provisions and thus will all be amended in the same way. Attached hereto as Attachment 1 are the eight Amendments to each of the eight non-levelized contracts. Also attached hereto as Attachment 2 is a red-lined version of one of the identical eight non-levelized contracts showing the insertions and deletions in red-line format for everyone's convenience.

7. Wind Integration Charge and Wind Forecasting Fees. The Parties agree that the eight non-levelized contracts will be amended to include a \$6.50 Mills/kWh wind integration charge and the current wind forecasting fees for the remaining term of those contracts. See Attachment 1 and 2.

8. Idaho Wind Partners' Complaint. The Parties agree to dismiss Idaho Wind Partners' pending Complaint and Idaho Power's pending Cross-Complaint in IPUC Case No. IPC-E-13-19. Both Parties, along with their current and former partners, joint venturers, representatives, successors, assigns, affiliates, subsidiaries, parents, divisions, departments, lenders, investors, shareholders, officers, directors, employees, managers, agents, insurers, and predecessors ("Releasing Parties") fully, finally, and forever release, discharge, and covenant not to sue the other Party and its current and former partners, joint venturers, representatives, successors, assigns, affiliates, subsidiaries, parents, divisions, departments, investors, lenders, shareholders, officers,

directors, employees, managers, agents, insurers, and predecessors (“Released Parties”) to the broadest extent allowed by law from and for any and all claims, actions, causes of action, debts, damages, demands, offsets, payments, costs, rights, liabilities, charges, and expenses, direct or indirect, regardless of the legal or equitable theory on which they are based, whether known or unknown, liquidated or unliquidated, accrued or unaccrued, asserted or unasserted, arising from or relating to the allegations in the Complaint and Cross-Complaint in IPUC Case No. IPC-E-13-19.

9. Change in the Wind Integration Charges. Idaho Power agrees not to seek, support, or take any action that would change or impose any similar such wind integration charge to be assessed to the eight non-levelized contracts pursuant to this Settlement Stipulation or to the currently assessed wind integration charge for the three levelized contracts, either as part of the current case seeking to update Idaho Power’s wind integration rates and charges, IPUC Case No. IPC-E-13-22, or any other subsequent case or proceeding. The Parties, and the Commission, by its approval hereof, agree that the current and stated wind integration charge for IWP’s eleven existing and amended contracts remain fixed for the remaining term of those respective agreements.

10. Effective Date. The Parties agree that the effective date for this Settlement Stipulation and for the amended eight non-levelized contracts shall be January 1, 2014. Unless and until the Commission approves this Settlement Stipulation and the amendments to each contract, the Parties agree to continue operating and abiding by the terms and conditions contained in the FESAs without the proposed amended terms and conditions, however, such agreement is merely for the convenience of the Parties pending approval of this Settlement Stipulation and shall not

be deemed acceptance of, or a waiver of any rights or arguments as to, the payments due or other terms related to the FESAs. Within thirty (30) days of Commission approval and the expiration of any appeal period or resolution of any appeal, the Parties will make any accounting adjustments and payments necessary to have the amended terms and conditions take effect on January 1, 2014.

11. The Parties agree that this Settlement Stipulation represents a compromise of the positions of the Parties in this case. Except to the extent necessary for a Party to explain before the Commission its own statements and positions with respect to the Settlement Stipulation, all statements made and positions taken in negotiations relating to this Settlement Stipulation are confidential and will not be admissible in evidence in this or any other proceeding.

12. The Parties submit this Settlement Stipulation to the Commission and recommend approval in its entirety pursuant to RP 274-76. The Parties shall support this Settlement Stipulation before the Commission and shall not appeal a Commission order approving the Settlement Stipulation or an issue resolved by the Settlement Stipulation. If this Settlement Stipulation is challenged by anyone who is not a Party, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this Settlement Stipulation. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the Commission's adoption of the terms of this Settlement Stipulation.

14. If the Commission or any reviewing body on appeal rejects any part or all of this Settlement Stipulation or imposes any additional material conditions on approval

of this Settlement Stipulation, then each Party reserves the right, upon written notice to the Commission and the other Party to this proceeding within fourteen (14) days of the date of such action by the Commission, to withdraw from this Settlement Stipulation. In such case, no Party shall be bound or prejudiced by the terms of this Settlement Stipulation and each Party shall be entitled to seek reconsideration of the Commission's order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate. In such case, the Parties immediately will request the prompt reconvening of a prehearing conference for purposes of establishing a procedural schedule for the completion of IPUC Case No. IPC-E-13-19, and the Parties agree to cooperate in development of a schedule that concludes the proceeding on the earliest possible date, taking into account the needs of the Parties in participating in hearings and preparing briefs. Additionally, if the Settlement Stipulation is not approved or accepted, then Idaho Power will not object to intervention, whether timely or late, as necessary to allow Idaho Wind Partners to participate in IPUC Case No. IPC-E-13-22 or any other then-pending case potentially impacting the eleven contracts.

15. The Parties agree that this Settlement Stipulation is in the public interest and that all of its terms and conditions are fair, just, and reasonable.

16. No Party shall be bound, benefited, or prejudiced by any position asserted in the negotiation of this Settlement Stipulation, except to the extent expressly stated herein, nor shall this Settlement Stipulation be construed as a waiver of rights unless such rights are expressly waived herein. Except as otherwise expressly provided for herein, execution of this Settlement Stipulation shall not be deemed to constitute an acknowledgment by any Party of the validity or invalidity of any particular method,

theory, or principle of regulation or cost recovery. No Party shall be deemed to have agreed that any method, theory, or principle of regulation or cost recovery employed in arriving at this Settlement Stipulation is appropriate for resolving any issues in any other proceeding in the future. No findings of fact or conclusions of law other than those stated herein shall be deemed to be implicit in this Settlement Stipulation. IWP reserves the right to institute or participate in any proceeding involving issues not resolved herein or in any proceeding in which the approved terms in the Projects' FESAs are challenged, impacted or proposed for revision.

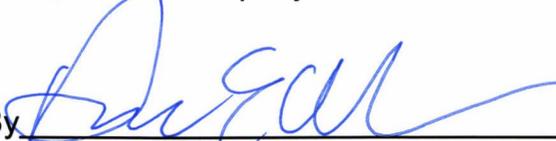
17. The obligations of the Parties are subject to the Commission's approval of this Settlement Stipulation in accordance with its terms and conditions and upon such approval being upheld on appeal, if any, by a court of competent jurisdiction. All terms and conditions of this Settlement Stipulation are subject to approval by the Commission, and only after such approval, without material change or modification, has been received shall the Settlement Stipulation be valid.

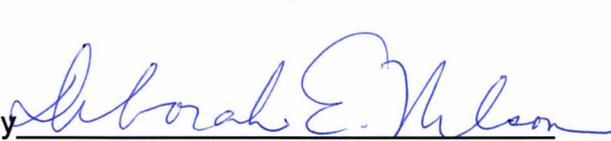
18. This Settlement Stipulation may be executed in counterparts and each signed counterpart shall constitute an original document.

DATED this 27th day of February 2014.

Idaho Power Company

Idaho Wind Partners I, LLC

By 

By 

Donovan E. Walker
Attorney for Idaho Power Company.

Deborah E. Nelson
Attorney for Idaho Wind Partners I, LLC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 25th day of February 2014 I served a true and correct copy of the SETTLEMENT STIPULATION 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

Idaho Wind Partners I, LLC

Deborah E. Nelson
Preston N. Carter
GIVENS PURSLEY LLP
601 West Bannock Street (83702)
P.O. Box 2720
Boise, Idaho 83701-2720

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email den@givenspursley.com
prestoncarter@givenspursley.com


Christa Beary, Legal Assistant

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-13-19

IDAHO POWER COMPANY

ATTACHMENT 1

AMENDMENTS

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between BURLEY BUTTE WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Burley Butte Wind Park (“Facility”) on May 5, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on July 1, 2005 in Order No. 29813;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 "Calculated Net Energy Amount" - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.7 "First Energy Date" - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; $48 \text{ hours} \times 2.1 \text{ MW} \times 30\% = 30.24 \text{ MWh} (30,240 \text{ kWh})$.

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” –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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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	-	Mechanical Availability
Appendix E	-	Wind Energy Production Forecasting

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

Burley Butte Wind Park L.L.C.

By



Lisa A. Grow, Sr. Vice President, Power Supply

By



Steven I. Eisenberg, Managing Director

Date

2.24.14

Dated

2/21/14

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between GOLDEN VALLEY WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Golden Valley Wind Park (“Facility”) on May 5, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on July 1, 2005 in Order No. 29814;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 “Calculated Net Energy Amount” - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 “Designated Dispatch Facility” - Idaho Power’s Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 “Energy Shortfall Price” - The current month’s Mid-Columbia Market Energy Cost minus the current month’s Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 “Disconnection Equipment” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 “Facility” - That electric generation facility described in Appendix B of this Agreement.
- 1.7 “First Energy Date” - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power’s ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; $48 \text{ hours} \times 2.1 \text{ MW} \times 30\% = 30.24 \text{ MWh} (30,240 \text{ kWh})$.

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-Columbia 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” –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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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	-	Mechanical Availability
Appendix E	-	Wind Energy Production Forecasting

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

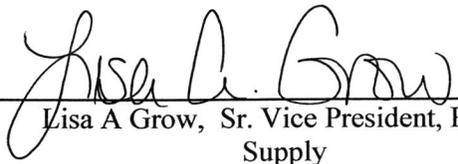
17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

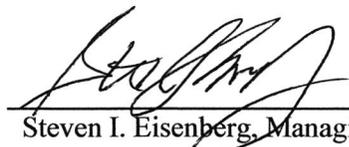
Golden Valley Wind Park L.L.C.

By



Lisa A Grow, Sr. Vice President, Power
Supply

By



Steven I. Eisenberg, Managing Director

Date

2.24.14

Dated

2/21/14

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between OREGON TRAIL WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Oregon Trail Wind Park (“Facility”) on February 18, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on April 25, 2005 in Order No. 29772;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 "Calculated Net Energy Amount" - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.7 "First Energy Date" - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power’s ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; 48 hours X 2.1 MW X 30% = 30.24 MWh (30,240 kWh).

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” – 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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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 | - | Mechanical Availability |
| Appendix E | - | Wind Energy Production Forecasting |

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

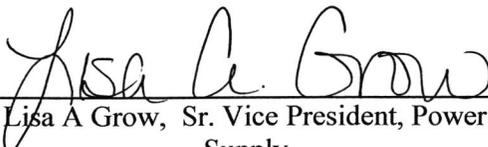
17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

Oregon Trail Wind Park L.L.C.

By



Lisa A. Grow, Sr. Vice President, Power
Supply

By



Steven I. Eisenberg, Managing Director

Date

2.24.14

Dated

2/21/14

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between THOUSAND SPRINGS WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Thousand Springs Wind Park (“Facility”) on February 18, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on April 25, 2005 in Order No. 29770;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 “Calculated Net Energy Amount” - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 “Designated Dispatch Facility” - Idaho Power’s Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 “Energy Shortfall Price” - The current month’s Mid-Columbia Market Energy Cost minus the current month’s Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 “Disconnection Equipment” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 “Facility” - That electric generation facility described in Appendix B of this Agreement.
- 1.7 “First Energy Date” - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; $48 \text{ hours} \times 2.1 \text{ MW} \times 30\% = 30.24 \text{ MWh} (30,240 \text{ kWh})$.

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-Columbia 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” –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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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	-	Mechanical Availability
Appendix E	-	Wind Energy Production Forecasting

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

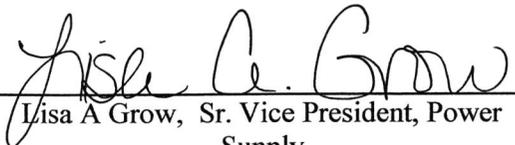
17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

Thousand Springs Wind Park L.L.C.

By



Lisa A. Grow, Sr. Vice President, Power
Supply

By



Steven I. Eisenberg, Managing Director

Date

2.24.14

Dated

2/21/14

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between SALMON FALLS WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Salmon Falls Wind Park (“Facility”) on October 14, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on January 10, 2006 in Order No. 29951;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 "Calculated Net Energy Amount" - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.7 "First Energy Date" - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power’s ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; $48 \text{ hours} \times 2.1 \text{ MW} \times 30\% = 30.24 \text{ MWh} (30,240 \text{ kWh})$.

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-Columbia 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” –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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	Mills/kWh	Mills/kWh
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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	-	Mechanical Availability
Appendix E	-	Wind Energy Production Forecasting

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

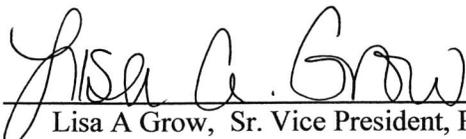
17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

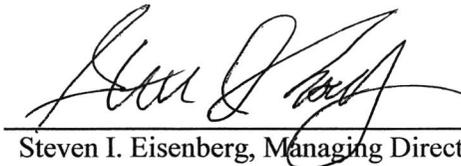
Salmon Falls Wind Park L.L.C.

By



Lisa A Grow, Sr. Vice President, Power
Supply

By



Steven I. Eisenberg, Managing Director

Date

2.24.14

Dated

2/21/14

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between TUANA GULCH WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Tuana Gulch Wind Park (“Facility”) on February 18, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on April 25, 2005 in Order No. 29773;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 "Calculated Net Energy Amount" - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.7 "First Energy Date" - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power’s ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; $48 \text{ hours} \times 2.1 \text{ MW} \times 30\% = 30.24 \text{ MWh} (30,240 \text{ kWh})$.

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-Columbia 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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-amperes, 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” –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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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	-	Mechanical Availability
Appendix E	-	Wind Energy Production Forecasting

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

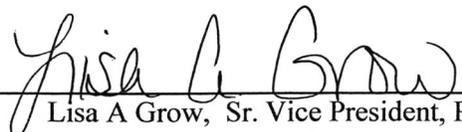
17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

Tuana Gulch Wind Park L.L.C.

By



Lisa A. Grow, Sr. Vice President, Power
Supply

By



Steven I. Eisenberg, Managing Director

Date

2.24.14

Dated

2/21/14

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between MILNER DAM WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Milner Dam Wind Park (“Facility”) on October 14, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on January 10, 2006 in Order No. 29948;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 "Calculated Net Energy Amount" - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.7 "First Energy Date" - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power’s ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; $48 \text{ hours} \times 2.1 \text{ MW} \times 30\% = 30.24 \text{ MWh} (30,240 \text{ kWh})$.

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-Columbia 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” –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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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	-	Mechanical Availability
Appendix E	-	Wind Energy Production Forecasting

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

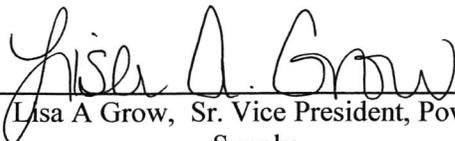
17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

Milner Dam Wind Park L.L.C.

By



Lisa A. Grow, Sr. Vice President, Power
Supply

By



Steven I. Eisenberg, Managing Director

Date

2-24-14

Dated

2/21/14

FIRST AMENDMENT TO
FIRM ENERGY SALES AGREEMENT

This First Amendment to the Firm Energy Sales Agreement (“FESA” or “Agreement”) by and between PILGRIM STAGE STATION WIND PARK, LLC (“Seller”) and IDAHO POWER COMPANY (“Idaho Power”) is entered into on December 31, 2013.

W I T N E S S E T H:

WHEREAS, the Parties entered into a FESA for the Pilgrim Stage Station Wind Park (“Facility”) on February 18, 2005;

WHEREAS, the FESA was approved by the Idaho Public Utilities Commission (“Commission”) on April 25, 2005 in Order No. 29771;

WHEREAS, on October 8, 2010 the Parties entered into a Consent Agreement which made changes to terms regarding the collateral agent and payment, affirmed certain terms within the Agreement, and added net energy prices for four additional years, which was amended on March 3, 2011 to revise bank payment information;

WHEREAS, the Parties dispute the calculation of Market Energy Cost; and

WHEREAS, in settlement of the calculation of Market Energy Cost and other outstanding issues between the Parties, the Parties desire to amend the FESA to move from a 90/110 performance requirement to a mechanical availability guarantee requirement, which shall include a flat \$6.50 Mills/kWh wind integration charge, monthly wind forecasting charge, and additional calendar year energy rates.

NOW THEREFORE, in consideration of the mutual promises and covenants and other consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Agreement:

1. Incorporation of Recitals. The above-stated recitals are incorporated in this First Amendment and made a part of this First Amendment by this reference to the same extent as if these recitals were set forth in full at this point.

2. Commission Approval. The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and of the Settlement Stipulation submitted to the Commission on even date herewith, and such approval being upheld on appeal, if any, by a court of competent jurisdiction. The Parties will submit this First Amendment to the Commission and recommend approval in its entirety pursuant to RP 274. If this First Amendment is challenged by anyone not a party to the First Amendment, then each Party reserves the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this First Amendment. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the adoption of the terms of this First Amendment. If the Commission or any reviewing body on appeal rejects any part or all of this First Amendment, or imposes any additional material conditions on approval of it, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this First Amendment. In such case, no Party shall be bound or prejudiced by the terms of this First Amendment, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

3. Effective Date. The Parties agree that the terms and conditions of this First Amendment shall go into effect on January 1, 2014 (the "Effective Date"). Unless and until Commission approval is obtained, the Parties will continue operating under the terms contained in the FESA. Within thirty (30) days of final, non-appealable Commission approval, the Parties will make any accounting adjustments and payments necessary to have this First Amendment take effect upon the Effective Date.

4. Table of Contents. In addition to the Table of Contents contained in the Agreement between the Parties, the following shall be added in order to include additional Appendices to the Agreement. Immediately following the last item in the Table of Contents, the following will be included:

Appendix D
Appendix E

5. Definitions. Article I of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE I: DEFINITIONS

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

- 1.1 "Calculated Net Energy Amount" - The Nameplate Capacity of the Facility multiplied by the total hours in the applicable month minus the estimated Lost Energy Production, and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.4 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.7 "First Energy Date" - The day commencing at 0001 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.

- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was not the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.11 “Interconnection Facilities” - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 “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.
- 1.13 “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.

- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be; $48 \text{ hours} \times 2.1 \text{ MW} \times 30\% = 30.24 \text{ MWh} (30,240 \text{ kWh})$.

- 1.15 “Market Energy Cost” – Eighty-five percent (85%) of the weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-Columbia 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.
- 1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.
- 1.17 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.
- 1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.
- 1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.
- 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). 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 0001 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.
- 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.
- 1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.
- 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” – 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.
- 1.33 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model. The

Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

6. Purchase and Sale of Net Energy. Subsections 6.2.2, 6.2.3, 6.2.4, and 6.3 of the Agreement between the Parties are deleted in their entirety.

7. Net Energy Purchase Price. Section 7.1 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.1 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.

Year	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	Mills/kWh	<u>Mills/kWh</u>	<u>Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25
2027	61.09	99.74	83.12
2028	62.50	102.05	85.04

2029	63.95	104.40	87.00
2030	64.69	105.62	88.02
2031	66.19	108.06	90.05

8. Payment Due Date. Section 7.4 of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller’s Facility and delivered to Idaho Power as specified in Appendix A.

9. Seller Declared Suspension of Energy Deliveries. Section 14.3 of the Agreement between the Parties is deleted in its entirety.

10. Notices. Article XXVIII of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

11. Additional Terms and Conditions. Article XXIX of the Agreement between the Parties is deleted in its entirety and the following section shall be substituted in its stead:

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

29.1 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	-	Mechanical Availability
Appendix E	-	Wind Energy Production Forecasting

12. Mechanical Availability. The following Appendix D shall be included in the Agreement between the Parties:

APPENDIX D

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching

Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.

- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price

- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

13. Wind Energy Production Forecasting. The following Appendix E shall be included in the Agreement between the Parties:

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

- a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.
- b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.
- c. The monthly cost allocation will be based upon the following formula :

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12

13. Effect of Amendment. Except as otherwise amended by this First Amendment, the Agreement shall remain in full force and effect.

14. Capitalized Terms. All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as used in the Agreement.

15. Scope of the Amendment. This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

16. Authority. Each Party represents and warrants that (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the Agreement, and (iii) it has requisite authority to execute this First Amendment.

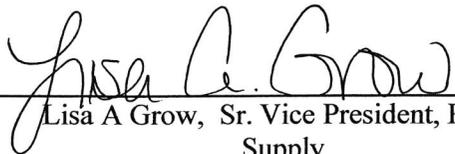
17. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

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

Idaho Power Company

Pilgrim Stage Station Wind Park L.L.C.

By



Lisa A. Grow, Sr. Vice President, Power
Supply

By



Steven I. Eisenberg, Managing Director

Date

2.24.14

Dated

2/21/14

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-13-19

IDAHO POWER COMPANY

ATTACHMENT 2

RED-LINED CONTRACT

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
PILGRIM STAGE STATION WIND PARK L.L.C.
TABLE OF CONTENTS

<u>Article</u>	<u>TITLE</u>
1	Definitions
2	No Reliance on Idaho Power
3	Warranties
4	Conditions to Acceptance of Energy
5	Term and Operation Date
6	Purchase and Sale of Net Energy
7	Purchase Price and Method of Payment
8	Environmental Attributes
9	Facility and Interconnection
10	Disconnection Equipment
11	Metering and Telemetry
12	Records
13	Protection
14	Operations
15	Indemnification and Insurance
16	Force Majeure
17	Land Rights
18	Liability; Dedication
19	Several Obligations
20	Waiver
21	Choice of Laws and Venue
22	Disputes and Default
23	Governmental Authorization
24	Commission Order
25	Successors and Assigns
26	Modification
27	Taxes
28	Notices
29	Additional Terms and Conditions
30	Severability
31	Counterparts
32	Entire Agreement Signatures
	Appendix A
	Appendix B
	Appendix C

|
|
_____ Appendix D

_____ Appendix E

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

PILGRIM STAGE STATION WIND PARK, L.L.C.

Project Number: 31315045

THIS AGREEMENT, entered into on this 18th day of February 2005 between
PILGRIM STAGE STATION WIND PARK L.L.C. (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 "Calculated Net Energy Amount" - The Nameplate Capacity of the Facility multiplied
by the total hours in the applicable month minus the estimated Lost Energy Production,
and minus the estimated Station Use associated with the Lost Energy Production.
- 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.
- 1.3 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any
subsequent group designated by Idaho Power.

- 1.4 “Energy Shortfall Price” - The current month’s Mid-Columbia Market Energy Cost minus the current month’s Net Energy Purchase Price specified in paragraph 7.1 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.5 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.6 “Facility” - That electric generation facility described in Appendix B of this Agreement.
- 1.7 "First Energy Date" - The day commencing at 0001 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.
- 1.8 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance or 2) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period. The Parties shall make commercially reasonable efforts to perform this unplanned preventative maintenance during periods of low wind availability or 3) responding to a transmission provider curtailment order.
- 1.9 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.
- 1.10 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.

- 1.11 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.12 "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.
- 1.13 "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.
- 1.14 "Lost Energy Production" - A monthly estimate after the fact, prepared and documented by Seller and accepted by the Buyer, of the Seller's Facility's individual generation unit's energy production that was not delivered as Net Energy due to: 1) periods where the level of Sufficient Prime Mover were outside the manufacturer's acceptable operating range for the wind turbine generator, 2) incidents of Force Majeure, 3) scheduled maintenance, or 4) incidents of Forced Outage. If any of the above listed events (measured on each individual occurrence and individual generation unit) lasts for less than 15 minutes, then no Lost Energy Production will be calculated. Calculation of the amount of Lost Energy Production will be the verifiable duration (not less than 15 minutes) of the event multiplied by the Nameplate Capacity reduction of only the affected generation unit(s) occurring as a result of the event multiplied by the expected capacity factor which would have occurred during this time period less any Losses that would have been associated with this calculated Lost Energy Production. It is understood by the Parties, that a specific generation unit's outage may indirectly impact other fully operational generation units, in which case the Forced Outage calculation could extend to the other impacted generation units.

Example – if a single turbine with a Nameplate Capacity rating of 2.1 MW suffers a 100% gear box failure that was not a result of negligence or lack of preventative maintenance (Forced Outage) and it takes 48 hours to replace the gear box, and other generation units in the immediate vicinity of this generation unit operated at a 30% capacity factor during this 48 hour period then the amount of Lost Energy Production will be: 48 hours X 2.1 MW X 30% = 30.24 MWh (30,240 kWh).

1.15 “Market Energy Cost” – Eighty-five percent (85%) of the 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.

1.16 “Material Breach” – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

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

1.18 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month.

1.19 “Mechanical Availability Guarantee” shall be as defined in Appendix D.

1.20 “Metering Equipment” - All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller's electric generation plant and Idaho Power's system.

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). 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 0001 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.

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.

1.27 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.

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 Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.

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” –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.

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

ARTICLE I: DEFINITIONS

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

“Commission” – The Idaho Public Utilities Commission.

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

“Designated Dispatch Facility” – Idaho Power’s Systems Operations Group, or any subsequent group designated by Idaho Power.

“Disconnection Equipment” – All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.

“Facility” – That electric generation facility described in Appendix B of this Agreement.

“First Energy Date” – The day commencing at 0001 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.

“Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.

“Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.

“Interconnection Facilities” – All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.

“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.~~

~~“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.~~

~~“Market Energy Cost” Eighty-five percent (85%) of the 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.~~

~~“Material Breach” A Default (paragraph 22.2.1) subject to paragraph 22.2.2.~~

~~“Maximum Capacity Amount” The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.~~

~~“Metering Equipment” All equipment specified in Schedule 72, the Generation Interconnection Process, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter power flows between the Seller’s electric generation plant and Idaho Power’s system.~~

~~“Net Energy” All of the electric energy produced by the Facility, less Station Use, less Losses, expressed in kilowatt hours (kWh). 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.~~

~~“Operation Date” The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.~~

~~“Point of Delivery” The location specified in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected.~~

~~“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.

~~“Scheduled Operation Date”~~ The date specified in Appendix B when Seller anticipates achieving the Operation Date.

~~“Schedule 72”~~ Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.

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

~~“Special Facilities”~~ Additions or alterations of transmission and/or distribution lines and transformers as described in Appendix B, Schedule 72 or the Generation Interconnection Process required to safely interconnect the Seller's Facility to the Idaho Power system.

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

~~“Surplus Energy”~~ (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.

~~“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 §292.207. 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 Seller'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, 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 292.207.
- 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, 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.
- 4.1.4 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.
- 4.1.5 Insurance - Submit written proof to Idaho Power of all insurance required in Article XV.
- 4.1.6 Interconnection – Provide written proof to Idaho Power that all Schedule 72 and Generation Interconnection Process requirements have been completed.
- 4.1.7 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

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

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

- a) Achieved the First Energy Date.
- b) Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- c) Seller has demonstrated to Idaho Power's satisfaction that the Facility is complete and able to provide energy in a consistent, reliable and safe manner and has requested an Operation Date in written form.
- 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 Seller's failure to achieve the Operation Date within ten (10) months of the Scheduled Operation Date will be an event of default.

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:

	<u>Month</u>	<u>kWh</u>
Season 1	March	3,100,625
	April	2,689,296
	May	2,501,984
Season 2	July	1,910,208
	August	1,781,958
	November	1,884,234
	December	2,425,295
Season 3	June	2,711,046
	September	2,422,340
	October	2,621,565
	January	1,923,853
	February	2,559,792

~~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. This information will be provided to Idaho Power by written notice in accordance with paragraph 28.1, 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.

~~Seller's Adjustment of Net Energy Amount~~ —

No later than the Operation Date, by written notice given to Idaho Power in accordance

~~with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.~~

~~Beginning with the end of the 3rd 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 28.1, 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 14.2.1 or if the Seller declares a Suspension of Energy Deliveries as specified in paragraph 14.3.1 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 14.2.1 or 14.3.1 occurs will be reduced in accordance with the following:~~

~~Where:~~

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

~~SGU = — If Idaho Power is excused from accepting the Seller's Net Energy as specified in paragraph 14.2.1 this value will be equal to the percentage of curtailment as specified by Idaho Power multiplied by the TGU as defined below.~~

~~— If the Seller declares a Suspension of Energy Deliveries as specified in paragraph 14.3.1 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 14.2.1 or 14.3.1~~

~~TH = Actual total hours in the current month~~

~~Resulting formula being:~~

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

~~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 Net Energy Purchase Price – For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied as listed below less a \$6.50 Mills/Kwh wind integration charge.~~

<u>Year</u>	<u>Season 1 - (73.50 %)</u> <u>Mills/kWh</u>	<u>Season 2 - (120.00 %)</u> <u>Mills/kWh</u>	<u>Season 3 - (100.00 %)</u> <u>Mills/kWh</u>
<u>2005</u>	<u>37.00</u>	<u>60.41</u>	<u>50.34</u>
<u>2006</u>	<u>37.85</u>	<u>61.80</u>	<u>51.50</u>
<u>2007</u>	<u>38.73</u>	<u>63.23</u>	<u>52.69</u>
<u>2008</u>	<u>39.62</u>	<u>64.68</u>	<u>53.90</u>
<u>2009</u>	<u>40.53</u>	<u>66.17</u>	<u>55.14</u>
<u>2010</u>	<u>41.46</u>	<u>67.69</u>	<u>56.41</u>
<u>2011</u>	<u>42.42</u>	<u>69.25</u>	<u>57.71</u>
<u>2012</u>	<u>43.39</u>	<u>70.85</u>	<u>59.04</u>
<u>2013</u>	<u>44.39</u>	<u>72.48</u>	<u>60.40</u>
<u>2014</u>	<u>45.42</u>	<u>74.16</u>	<u>61.80</u>
<u>2015</u>	<u>46.47</u>	<u>75.86</u>	<u>63.22</u>
<u>2016</u>	<u>47.54</u>	<u>77.62</u>	<u>64.68</u>

<u>2017</u>	<u>48.63</u>	<u>79.40</u>	<u>66.17</u>
<u>2018</u>	<u>49.76</u>	<u>81.24</u>	<u>67.70</u>
<u>2019</u>	<u>50.91</u>	<u>83.11</u>	<u>69.26</u>
<u>2020</u>	<u>52.07</u>	<u>85.02</u>	<u>70.85</u>
<u>2021</u>	<u>53.28</u>	<u>86.99</u>	<u>72.49</u>
<u>2022</u>	<u>54.51</u>	<u>88.99</u>	<u>74.16</u>
<u>2023</u>	<u>55.76</u>	<u>91.04</u>	<u>75.87</u>
<u>2024</u>	<u>57.05</u>	<u>93.14</u>	<u>77.62</u>
<u>2025</u>	<u>58.37</u>	<u>95.29</u>	<u>79.41</u>
<u>2026</u>	<u>59.72</u>	<u>97.50</u>	<u>81.25</u>
<u>2027</u>	<u>61.09</u>	<u>99.74</u>	<u>83.12</u>
<u>2028</u>	<u>62.50</u>	<u>102.05</u>	<u>85.04</u>
<u>2029</u>	<u>63.95</u>	<u>104.40</u>	<u>87.00</u>
<u>2030</u>	<u>64.69</u>	<u>105.62</u>	<u>88.02</u>
<u>2031</u>	<u>66.19</u>	<u>108.06</u>	<u>90.05</u>

Net Energy Purchase Price—For all Net Energy, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 29646 with seasonalization factors applied:

<u>Year</u>	<u>Season 1—(73.50%) Mills/kWh</u>	<u>Season 2—(120.00%) Mills/kWh</u>	<u>Season 3—(100.00%) Mills/kWh</u>
2005	37.00	60.41	50.34
2006	37.85	61.80	51.50
2007	38.73	63.23	52.69
2008	39.62	64.68	53.90
2009	40.53	66.17	55.14
2010	41.46	67.69	56.41
2011	42.42	69.25	57.71
2012	43.39	70.85	59.04
2013	44.39	72.48	60.40
2014	45.42	74.16	61.80
2015	46.47	75.86	63.22
2016	47.54	77.62	64.68
2017	48.63	79.40	66.17
2018	49.76	81.24	67.70
2019	50.91	83.11	69.26
2020	52.07	85.02	70.85
2021	53.28	86.99	72.49
2022	54.51	88.99	74.16
2023	55.76	91.04	75.87
2024	57.05	93.14	77.62
2025	58.37	95.29	79.41
2026	59.72	97.50	81.25

7.2 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current

month's Market Energy Cost or the Net Energy Purchase Price specified in paragraph 7.1, whichever is lower.

7.3 Inadvertent Energy –

7.3.1 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 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.)

7.3.2 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

7.4 Payment Due Date –Energy payments to the Seller, less the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) as described in Appendix E and less any Mechanical Availability damages as described in Appendix D, will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Availability Guarantee, Net Energy, and Inadvertent Energy actually produced by the Seller's Facility and delivered to Idaho Power as specified in Appendix A.
~~Payment Due Date—Energy payments to the Seller will be disbursed within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Net Energy and Inadvertent Energy actually produced by the Seller's Facility and delivered to Idaho Power as specified in Appendix A.~~

7.5 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 Idaho Power waives any claim to ownership of Environmental Attributes. Environmental Attributes include, but are not limited to, Green Tags, Green Certificates, Renewable Energy Credits (RECs) and Tradable Renewable Certificates (TRCs) directly associated with the production of energy from the Seller's Facility.

ARTICLE IX: FACILITY AND INTERCONNECTION

- 9.1 Design of Facility - Seller will design, construct, install, own, operate and maintain the Facility and any Seller-owned Interconnection Facilities so as to allow safe and reliable generation and delivery of Net Energy and Inadvertent Energy to the Idaho Power Point of Delivery for the full term of the Agreement.
- 9.2 Interconnection Facilities - Except as specifically provided for in this Agreement, the required Interconnection Facilities will be in accordance with Schedule 72, the Generation Interconnection Process and Appendix B. The Seller is responsible for all costs associated with this equipment as specified in Schedule 72 and the Generation Interconnection Process, including but not limited to initial costs incurred by Idaho Power for equipment costs, installation costs and ongoing monthly Idaho Power operations and maintenance expenses.

ARTICLE X: DISCONNECTION EQUIPMENT

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

and monthly maintenance expenses.

ARTICLE XI: METERING AND TELEMETRY

- 11.1 Metering and Telemetry - 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 Schedule 72, Generation Interconnection Process and Appendix B of this Agreement. 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) 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. All Metering Equipment and installation costs shall be borne by Seller, including costs incurred by Idaho Power for inspecting and testing such equipment at reasonable intervals at Idaho Power's actual cost of providing this Metering Equipment and services. The Metering Equipment shall be at the location described in Appendix B of this Agreement. All meters used to determine the billing hereunder shall be sealed and the seals shall be broken only by Idaho Power when the meters are to be inspected, tested or adjusted.
- 11.2 Meter Inspection - Idaho Power shall inspect installations annually and test meters on the applicable periodic test schedule relevant to the equipment installed as specified in Appendix B of this Agreement. If requested by Seller, Idaho Power shall make a special inspection or test of a meter and Seller shall pay the reasonable costs of such special inspection. Both Parties shall be notified of the time when any inspection or test shall take place, and each Party may have representatives present at the test or inspection. If a meter is found to be inaccurate or defective, it shall be adjusted, repaired or replaced, at Idaho Power's expense in order to provide accurate metering. If a meter fails to register, or if the measurement made by a meter during a test varies by more than two percent (2 %) from the measurement made by the standard meter used in the test, adjustment (either upward or downward) to the payments Seller has received shall be made

to correct those payments affected by the inaccurate meter for the actual period during which inaccurate measurements were made. If the actual period cannot be determined, corrections to the payments will be based on the shorter of (1) a period equal to one-half the time from the date of the last previous test of the meter to the date of the test which established the inaccuracy of the meter; or (2) six (6) months.

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

ARTICLE XII - RECORDS

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

- 13.1 Seller shall construct, operate and maintain the Facility and Seller-furnished Interconnection Facilities in accordance with Schedule 72, the Generation Interconnection Process, Appendix B of this Agreement, Prudent Electrical Practices, the National Electrical Code, the National Electrical Safety Code and any other applicable local, state and federal codes. Seller acknowledges receipt of the Generation Interconnection Process. 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 physically interrupt the flow of energy from the Facility as specified within Schedule

72, the Generation Interconnection Process or take such other reasonable steps as Idaho Power deems appropriate. Except in the case of an emergency, Idaho Power will attempt to notify Seller of such interruption prior to its occurrence as provided in paragraph 14.9. Seller shall provide and maintain adequate protective equipment sufficient to prevent damage to the 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.

ARTICLE XIV - OPERATIONS

14.1 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.

14.2 Energy Acceptance –

14.2.1 Idaho Power shall be excused from accepting and paying for Net Energy or accepting Inadvertent Energy 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 if Idaho Power determines that curtailment, interruption or reduction of Net Energy or Inadvertent Energy deliveries is necessary because of line construction or maintenance requirements, emergencies, electrical system operating conditions on its system or as otherwise required by Prudent Electrical Practices. If, for reasons other than an event of Force Majeure, Idaho Power requires such a curtailment, interruption or reduction of Net Energy deliveries for a period that 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.

14.2.2 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 physically interrupt the flow of energy from the Facility as specified within Schedule 72 or take such other reasonable steps as Idaho Power deems appropriate.

14.2.3 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.

~~14.3 Seller Declared Suspension of Energy Deliveries~~

~~— 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 14.3.2 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 14.3.2 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.~~

~~— If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 14.3.1, 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 Article XXVIII 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 14.3.1. 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 to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.~~

- 14.5 Voltage Levels - Seller, in accordance with Prudent Electrical Practices shall minimize voltage fluctuations and maintain voltage levels acceptable to Idaho Power. Idaho Power may, in accordance with Prudent Electrical 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.
- 14.6 Generator Ramping - Idaho Power, in accordance with Prudent Electrical Practices, shall have the right to limit the rate that generation is changed at startup, during normal operation or following reconnection to Idaho Power's electrical system. Generation ramping may be required to permit Idaho Power's voltage regulation equipment time to respond to changes in power flow.
- 14.7 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.
- 14.8 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.
- 14.9 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller

prior to exercising its rights to curtail, interrupt or reduce 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 XV: INDEMNIFICATION AND INSURANCE

- 15.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.
- 15.2 Insurance - During the term of this Agreement, Seller shall secure and continuously carry the following insurance coverage:
- 15.2.1 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.
- 15.2.2 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.

- 15.3 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.
- 15.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by paragraph 15.2 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 XVI. FORCE MAJEURE

16.1 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 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.

ARTICLE XVII: LAND RIGHTS

- 17.1 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.
- 17.2 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 17.4, 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 17.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this paragraph 17.2.
- 17.3 Joint Use of Facilities - Subject to Idaho Power's compliance with paragraph 17.4, 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 17.2, attaching Seller's Interconnection Facilities to such newly constructed facilities. Except as required by paragraph 17.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this paragraph 17.3.

- 17.4 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 Article XVII. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in paragraphs 17.2 and 17.3 shall: (1) comply with all applicable laws, codes and Prudent Electrical 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 Article XVII.

ARTICLE XVIII: LIABILITY; DEDICATION

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

ARTICLE XIX: SEVERAL OBLIGATIONS

- 19.1 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 XX: WAIVER

- 20.1 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 XXI: CHOICE OF LAWS AND VENUE

- 21.1 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.
- 21.2 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 XXII: DISPUTES AND DEFAULT

- 22.1 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.
- 22.2 Notice of Default -
- 22.2.1 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.

- 22.2.2 Material Breaches – The notice and cure provisions in paragraph 22.2.1 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.
- 22.3 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:
- 22.3.1 Insurance - Evidence of compliance with the provisions of paragraph 15.2. 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;
- 22.3.2 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
- 22.3.3 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 XXIII: GOVERNMENTAL AUTHORIZATION

- 23.1 This Agreement is subject to the jurisdiction of those governmental agencies having control over

either Party of this Agreement.

ARTICLE XXIV: COMMISSION ORDER

24.1 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 XXV: SUCCESSORS AND ASSIGNS

25.1 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 XXVI: MODIFICATION

26.1 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 XXVII: TAXES

27.1 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 XXVIII: NOTICES

28.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, first-class postage prepaid, as follows:

To Seller: Idaho Wind Partners 1, LLC
c/o RP Wind ID, LLC, its Managing Member
ATTN: Managing Director
P O Box 2049
82 Elm St.
Manchester Center, Vermont 05255

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P O Box 70
Boise, Idaho 83707

Copy of document to:

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

~~All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U. S. Mail, first-class postage prepaid, as follows:~~

~~To Seller: Pilgrim Stage Station Wind Park, L.L.C.~~

~~Attn: Larry Leib~~

~~1424 Dodge Ave~~

~~Helena, MT 59601~~

To Idaho Power: _____

_____ Original document to:

_____ Vice President, Power Supply

_____ Idaho Power Company

P O Box 70

_____ Boise, Idaho 83707

_____ Copy of document to:

_____ Cogeneration and Small Power Production

_____ Idaho Power Company

_____ P O Box 70

_____ Boise, Idaho 83707

ARTICLE XXIX: ADDITIONAL TERMS AND CONDITIONS

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

<u>Appendix A</u>	<u>-</u>	<u>Generation Scheduling and Reporting</u>
<u>Appendix B</u>	<u>-</u>	<u>Facility and Point of Delivery</u>
<u>Appendix C</u>	<u>-</u>	<u>Engineer's Certifications</u>
<u>Appendix D</u>	<u>-</u>	<u>Mechanical Availability</u>
<u>Appendix E</u>	<u>-</u>	<u>Wind Energy Production Forecasting</u>

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~~

ARTICLE XXX: SEVERABILITY

30.1 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 XXXI: COUNTERPARTS

31.1 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 XXXII: ENTIRE AGREEMENT

32.1 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

Pilgrim Stage Station Wind Park L.L.C.

|
By

N. Vern Porter - Mgr Power Supply Operations

Dated

"Idaho Power"

By

James Carkulis _____

Dated

"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
P O Box 70
Boise, Idaho 83707

The Meter readings required on this report will be the reading on the Idaho Power Meter Equipment measuring the Facility's total energy production, Station Usage, Inadvertent Energy delivered to Idaho Power and the maximum generated energy (kW) as recorded on the Meter Equipment and/or any other required energy measurements to adequately administer this Agreement.

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 _____

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

Breaker Opening Record

<u>Date</u>	<u>Time</u>	<u>Meter</u>

* <u>Reason</u>

Breaker Closing Record

<u>Date</u>	<u>Time</u>	<u>Meter</u>

- * **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 ROUTINE REPORTING

Idaho Power Contact Information

Daily Energy Production Reporting

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

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

Planned and Unplanned Project outages

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

- Project Identification - Project Name and Project Number
- Approximate time outage occurred
- Estimated day and time of project coming back online

Seller's Contact Information

24-Hour Project Operational Contact

Name: _____
Telephone Number: _____
Cell Phone: _____

Project On-site Contact information

Telephone Number: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

PROJECT NO. 31315045

PILGRIM STAGE STATION WIND PARK

B-1 DESCRIPTION OF FACILITY

The Facility will consist of 7 GE Wind turbines model 77 SLE with individual generator ratings of 1.5 MW for each unit, for a total Facility generator rating of 10.5 MW.

B-2 LOCATION OF FACILITY

Near: Hagerman, Idaho

Sections: 19,24,25,31 Township: 7S Range: 12E County: Twin Falls Idaho.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected December 31, 2005 as the estimated Scheduled First Energy Date.

Seller has selected January 15, 2006 as the estimated 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. Idaho Power, based on the information supplied by the Seller, will schedule its construction in accordance with Schedule 72 and the Generation Interconnection Process.

B-4 MAXIMUM CAPACITY AMOUNT: This value will be 10.5 MW which is consistent with the value provided by the Seller to Idaho Power in the Generation Interconnection process. 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. The Idaho Power Generation Interconnection process will determine the specific Point of Delivery for this Facility. Upon completion of the Generation Interconnection process the Point of Delivery identified by this process 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 anytime 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

The Idaho Power Generation Interconnection process 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. The entire Generation Interconnection process, including but not limited to the equipment specifications and requirements will become an integral part of this Agreement. Seller will arrange for and make available at Seller's cost communication circuit(s) compatible to Idaho Power's communications equipment and dedicated to Idaho 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-7 SPECIAL FACILITIES

The Idaho Power Generation Interconnection process will determine the Special Facility requirements for this Facility. 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. The entire Generation Interconnection process, including but not limited to the equipment specifications and requirements will become an integral part of this Agreement. Idaho Power owned equipment will be 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 Special Facility cost will be included in the calculation of the Monthly Operation and

Maintenance Charges specified in Schedule 72.

B-8 REACTIVE POWER

The Idaho Power Generation Interconnection process will determine the reactive power required to be supplied by Idaho Power to the Seller, based upon information provided by the Seller. The Generation Interconnection process will specify the equipment required on the Idaho Power system to meet the Facility's reactive power requirements. 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. The entire Generation Interconnection process, including but not limited to the equipment specifications and requirements will become an integral part of this Agreement. Idaho Power owned equipment will be 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 reactive power cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

B-9 DISCONNECTION EQUIPMENT

Disconnection Equipment is required to insure that the Seller's Facility will be disconnected from Idaho Power's system in the event of (1) the Seller's delivery of energy exceeds the Maximum Capacity Amount or (2) Idaho Power or the Seller require interruption or curtailment of energy deliveries to Idaho Power or (3) a disturbance on either Idaho Power's system or the Seller's Facility. The Idaho Power Generation Interconnection process will determine the Disconnection Equipment specifications and requirements for this Facility, this equipment is for protection of the Idaho Power system and equipment only. 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 install all Seller provided equipment, control wire and conduit necessary for the operation of the Disconnection Equipment. Through the Generation Interconnection process, Idaho Power will supply details for the disconnection panel and will test the equipment prior to any operations of the Facility, Seller will provide drawings of their interconnection wiring for engineering approval prior to installation. The entire Generation Interconnection process, including but not limited to the equipment specifications and requirements will become an integral part of this Agreement. Idaho Power owned equipment will be 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 Disconnection Equipment cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

B-10 COSTS

The Idaho Power Generation Interconnection process and this Agreement will identify all cost for this Facility to interconnect to the Idaho Power system, including but not limited to the cost of Metering equipment, Telemetry equipment, Special Facilities, Reactive Power, Disconnection equipment, Protection equipment and Interconnection Equipment. As specified in the Generation Interconnection process and in accordance with Schedule 72 and this Agreement the Seller will reimburse Idaho Power for all costs associated with this equipment. In addition to the equipment, installation and construction charges as specified above, during the term of this Agreement, Seller will pay Idaho Power the monthly operation and maintenance charge specified in Schedule 72 or its successor schedules(s). The monthly operations and maintenance charge will begin on the first day of the month following the date which Idaho Power has completed installation of the Idaho Power provided equipment and the interconnection equipment is available for use by the Facility. The monthly operations and maintenance charge will be based upon the initial cost paid by the Seller in accordance with Schedule 72. Upon reconciliation of the actual costs, in

|

accordance with Schedule 72 the monthly operations and maintenance charge will be adjusted to reflect the actual cost incurred by Idaho Power and previously charged monthly operation and maintenance expense will be revised to reflect the actual cost incurred by Idaho Power. Idaho Power will refund or Seller will remit any underpayment of the adjusted monthly operations and maintenance charge within sixty (60) days of the determination of this amount.

B-11 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, the Generation Interconnection Process 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.

APPENDIX C

ENGINEER'S CERTIFICATION

OF

OPERATIONS & MAINTENANCE POLICY

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

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

Project's producing at or near the design electrical output, efficiency and plant factor for a twenty (20) year period.

9. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.

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

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION
OF
ONGOING OPERATIONS AND MAINTENANCE

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

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter "Agreement," between Idaho Power as Buyer, and _____ as Seller, dated _____
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as IPCo Facility No. _____ and hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____ Project, is located at _____
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has made a physical inspection of said Project, its 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 _____ (_____) 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

MECHANICAL AVAILABILITY

Mechanical Availability Guarantee – Beginning with January 1, 2014, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the remaining term of this Agreement (the “Mechanical Availability Guarantee”).

- At the same time the Seller provides the Monthly Power Production and Switching Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of: (a) Forced Outages, (b) Force Majeure events, (c) wind speeds and the impact on generation output and (c) scheduled maintenance and Station Use information that was used to calculate the current month's Mechanical Availability.
- If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages will be calculated as:

The Mechanical Availability Guarantee multiplied by the Facility's aggregate Nameplate Capacity of all generation units at the Facility multiplied by the hours of the month, minus the current month's measured Losses and Station Use, minus the month's actual Net Energy deliveries, multiplied by the Energy Shortfall Price
- Any damages calculated pursuant to the above paragraph will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.
- The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

a. For every month of this Agreement beginning with the January 1, 2014, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. The MCA will be deducted from energy payments to the Seller and if an additional payment is due Idaho Power the payment shall be made within 15 days of the Idaho Power invoice.

b. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of wind projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.

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

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

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

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

Annual Cost Allocation (ACA) = AFCost X (FMW / TMW)

And

Monthly Cost Allocation (MCA) = ACA / 12