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IDAHO PUBLIC
UTILITIES COMMISSION

ORIGINAL

Attorneys for Meadow Creek Project Company LLC; Rockland Wind Farm, LLC; and Idaho Wind Partners, LLC

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION
OF IDAHO POWER COMPANY TO
UPDATE ITS WIND INTEGRATION
RATES AND CHARGES

Case No. IPC-E-13-22

**MEADOW CREEK PROJECT
COMPANY LLC, ROCKLAND
WIND FARM, LLC, AND IDAHO
WIND PARTNERS 1, LLC'S
JOINDER IN MOTION TO DISMISS
AND ADDITIONAL RESPONSE**

Under Idaho Public Utilities Commission (“Commission”) Rule of Procedure 256.04, after a prehearing motion is filed, “all parties seeking similar substantive or procedural relief must join in the motion or file their own motions.” Idaho Admin. Code 31.01.01.356.04 (emphasis added). Pursuant to Rule 256.04, Meadow Creek Project Company, LLC (“Meadow Creek”); Rockland Wind Farm, LLC (“Rockland”); and Idaho Wind Partners I, LLC (“IWP”) join in the Motion to Dismiss filed by several intervenors¹ on January 31, 2014 (“Motion to Dismiss”) to the extent the Motion to Dismiss contends existing Firm Energy Sales Agreements (“FESAs”) may not be unilaterally modified. Meadow Creek, Rockland, and IWP also

¹ The following parties filed the Motion to Dismiss: Cold Springs Windfarm, LLC; Desert Meadow Windfarm, LLC; Hammett Hill Windfarm, LLC; Mainline Wind Farm, LLC; Ryegrass Windfarm, LLC; Two Ponds Windfarm, LLC; Cassia Wind Farm LLC; Hot Springs Windfarm, LLC; Bennett Creek Windfarm, LLC; Cassia Gulch Wind Park LLC; Tuana Springs Energy, LLC; and High Mesa Energy, LLC (collectively, “Moving Parties”).

respectfully provide the Commission with several additional reasons to limit the scope of Idaho Power Company's ("Idaho Power") Application so that the Application could apply only to new contracts and not existing FESAs. Limiting the scope of any action requested in the Application to new contracts will permit the Application to proceed while avoiding the burden and expense imposed on existing contract holders associated with this case.

BACKGROUND

1. Meadow Creek owns and operates two wind farm developments with nameplate capacities of 80 MW (North Point) and 40 MW (Five Pine) located in Bingham County, Idaho. These developments are Qualifying Facilities ("QFs") under the Public Utility Regulatory Policies Act of 1978 ("PURPA"). They are subject to existing FESAs, as amended, with Rocky Mountain Power, true copies of which are attached hereto as Exhibits 901 and 902. The Commission approved the FESAs in Case Nos. PAC-E-11-03 and PAC-E-11-05 and through IPUC Order 32419. Paragraph 5.1 of each FESA establishes a Wind Integration Charge ("WIC") of \$6.50 per MWh. The WIC was approved by the Commission in Order 31021, PAC-E-09-07 (2012).

2. Rockland owns and operates a wind farm development with a nameplate capacity of 80 MW located in Power County, Idaho. The development is a QF under PURPA and is subject to an existing FESA, as amended, with Idaho Power, a true copy of which is attached hereto as Exhibit 701. The Commission approved the FESA in Case No. IPC-E-10-24. The Rockland FESA contains a Mechanical Availability Guarantee and was approved after the Commission adopted the WIC in Order 30488, IPC-E-07-03 (2008). The negotiation of energy prices in the Rockland FESA included a discount of \$6.50/MWh for wind integration. See ¶¶10-13 of Idaho Power's Application, IPC-E-10-24.

3. IWP owns and operates eleven wind farm developments, with a combined capacity of 183 MW, in the Magic Valley of Idaho. IWP's project portfolio consists of the following projects: Burley Butte, Golden Valley, and Milner Dam in Cassia County; Camp Reed in Elmore County; and Oregon Trail, Payne's Ferry, Pilgrim Stage Station, Salmon Falls, Thousand Springs, Tuana Gulch, and Yahoo Creek in Twin Falls County. The developments are QFs under PURPA and are subject to existing FESAs with Idaho Power, true copies of which are attached hereto as Exhibits 801 through 811. Each FESA was approved by the Commission.² Three of the FESAs (Yahoo Creek, Camp Reed, and Payne's Ferry) contain a Mechanical Availability Guarantee and were approved after the Commission adopted the WIC in Order 30488. Article VII of these FESAs state that energy prices are "adjusted in accordance with Commission Order 30488 for the wind integration charge." Eight of the FESAs contain a 90%/110% firming provision to account for intermittences associated with wind power. These FESAs (Burley Butte, Golden Valley, Milner Dam, Oregon Trail, Pilgrim Stage Station, Salmon Falls, Thousand Springs, and Tuana Gulch) were approved before the Commission adopted the WIC in Order 30488.

JOINDER

4. Meadow Creek, Rockland, and IWP join in the Motion to Dismiss to the extent the Motion contends existing FESAs may not be unilaterally modified. Meadow Creek, Rockland, and IWP request that the Commission afford them any relief that is afforded the Moving Parties pursuant to the Motion to Dismiss.

² See Order Nos. 2771 (Pilgrim Stage Station); 29813 (Burley Butte); 30924 (Camp Reed); 29814 (Golden Valley); 29948 (Milner Dam); 29772 (Oregon Trail); 30926 (Payne's Ferry); 29951 (Salmon Falls); 29770 (Thousand Springs); 29773 (Tuana Gulch); 30925 (Yahoo Creek).

ADDITIONAL RESPONSE

5. Meadow Creek, Rockland, and IWP present the following additional reasons for limiting the scope of Idaho Power's Application to new contracts. Meadow Creek, Rockland, and IWP respectfully submit that the Commission's decision may rest on any of these bases, any of the bases presented in the Motion to Dismiss, or some combination thereof.

6. First, in its Application, Idaho Power does not advocate for any of the three alternate methods it identifies for changing the existing wind integration charge regime but, rather, presents them all as viable alternatives. Methods 1 and 2 would impose an increased WIC on new contracts. Method 3 would modify existing contracts.³ Modification of existing contracts would be contrary to the terms of existing FESAs, previous Commission orders, and PURPA and its implementing regulations. Given the significant legal challenges associated with Method 3 and the fact that the Applicant itself is not advocating for one method over the others, it is appropriate for the Commission to limit the scope of the proceeding at the outset to exclude Method 3. This would allow the Application to proceed without the necessity and expense of resolving legal issues associated with modification of existing contracts.

7. Second, the FESAs specifically provide that "[n]o modification of this Agreement shall be effective unless it is in writing and signed by both Parties." Meadow Creek FESAs ¶22.1 (emphasis added); Rockland FESA ¶23.1 ("No modification to this Agreement shall be valid unless it is in writing and signed by both Parties" (emphasis added)); IWP FESAs ¶26.1 (Burley Butte, Tuana Gulch, Thousand Springs, Salmon Falls, Pilgrim Stage, Oregon Trail, Milner Dam, Golden Valley, Camp Reed); ¶23.1 (Yahoo Creek, Payne's Ferry) (same).

³ The Moving Parties suggest that Methods 1 and 2 could be construed to apply to existing FESAs. Motion to Dismiss at 8. Meadow Creek, Rockland, and IWP respectfully request that the Commission clarify that Methods 1 and 2 do not apply to existing FESAs.

Any attempt to modify the terms of the FESAs without consent of both parties would constitute a breach of these express contract terms.

8. Third, orders from the Commission prohibit unilateral modification of existing FESAs. “Once a PPA has been executed and approved by the Commission – once the contract terms are set – they are generally not subject to future change absent the express language of the PPA, or the agreement of the parties.” Order 32580, IPUC-E-11-15, at p. 14 (2012). This does not mean that Idaho Power cannot take into account the cost of integration wind generation; “operational problems” caused by wind generation may be addressed “when [the Company] negotiates new PPAs.” Order No. 32697, IPUC GNR-E-11-03, at 36 (2012) (emphasis added). The existing FESAs deal with intermittent wind power in a variety of Commission-approved manners, including a 90%/110% performance band or a Mechanical Availability Guarantee coupled with a WIC, which is established on the Operation Date and remains fixed throughout the term of the contract. Order No. 29632, IPC-E-04-8 (2004), at p. 20 (establishing 90%/110% band); Order No. 30488, IPUC-E-07-03, at p. 8 (acknowledging that the approved wind integration charge “will remain fixed throughout the term of the contract.”); Order No. 31021, PAC-E-09-07 at p. 3 (“The integration charge will remain fixed throughout the term of the contract and will be applied as a decrement to the applicable published rate.”). Accordingly, the Commission’s orders dictate that the Application be limited to new contracts.

9. On these bases, the bases presented in the Motion to Dismiss, or on some combination thereof, Meadow Creek, Rockland, and IWP respectfully request the Commission to either (1) grant the relief requested in the Motion to Dismiss or (2) issue an order at the outset clarifying that it will not consider any requested method in the Application that would modify existing FESAs in this proceeding.

DATED this 7th day of February 2014.

GIVENS PURSLEY LLP

By: 

Deborah E. Nelson

*Attorneys for Meadow Creek Project Company
LLC; Rockland Wind Farm, LLC; and
Idaho Wind Partners 1, LLC*

CERTIFICATE OF SERVICE

I hereby certify that on the 7th day of February, 2014 the foregoing was served upon the following individuals by the means indicated:

Original Plus 7 Copies

Jean Jewell	<input type="checkbox"/>	U.S. Mail, postage prepaid
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IDAHO STATE
UTILITIES COMMISSION

EXHIBIT 701
CASE NO. IPCE-13-22
D. NELSON, ROCKLAND WIND FARM, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
ROCKLAND WIND PROJECT LLC

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	Metering and Telemetry
11	Records
12	Operations
13	Indemnification and Insurance
14	Force Majeure
15	Liability; Dedication
16	Several Obligations
17	Waiver
18	Choice of Laws and Venue
19	Disputes and Default
20	Governmental Authorization
21	Commission Order
22	Successors and Assigns
23	Modification
24	Taxes
25	Notices
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	Appendix A
	Appendix B
	Appendix C
	Appendix D
	Appendix E
	Appendix F
	Appendix G

FIRM ENERGY SALES AGREEMENT

Project Name: Rockland Wind Project

Project Number: 41455300

THIS FIRM ENERGY SALES AGREEMENT ("Agreement"), entered into on this 3rd day of September, 2010 between Rockland Wind Project LLC (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 "Adjusted Facility Mechanical Availability" means the sum of the actual hours in each calendar month less any hours, and any portion of an hour (measured in 15-minute intervals), in which a Force Majeure, an Idaho Power Forced Outage or an Idaho Power failure to receive Net Energy was in effect that prevented the Facility or portions of the Facility from delivering Net Energy to

Idaho Power multiplied by the Nameplate Capacity of the Facility as established in paragraph 5.3 of this Agreement result being measured in MWhs.

1.2 “Availability Shortfall Price” –

1.2.1 For each calendar month beginning before January 1, 2022, the difference of the Market Energy Reference Price for such month, minus the applicable All Hours Energy Price specified in paragraph 7.3 of this Agreement for such month.

1.2.2 For each calendar month beginning on or after January 1, 2022, the difference of the Market Energy Reference Price for such month, plus the Environmental Attribute Replacement Value minus the applicable All Hours Energy price specified in paragraph 7.3 of this Agreement

1.2.3 If the applicable calculation in paragraph 1.2.1 or 1.2.2 results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.

1.3 “Business Days” - means any calendar day that is not a Saturday, a Sunday, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas , or any other NERC recognized holiday.

1.4 “Commission” - The Idaho Public Utilities Commission.

1.5 “Contract Year” - The period commencing each calendar year on the same calendar date as the Operation Date and ending one (1) year thereafter.

1.6 “Critical Permits” has the meaning set forth in paragraph 5.4.

1.7 “Delay Damages” – Damages payable to Idaho Power as calculated in paragraph 5.4, 5.5, 5.6 and 5.7.

1.8 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date, provided that if Seller’s Facility achieves the Operation Date after the Delay Security has been exhausted by Idaho Power as provided in this Agreement, the Delay Period ends on the date that the Delay Security equals zero and Idaho Power may terminate this Agreement at that time with no additional damages being assessed against either Party.

- 1.9 “Delay Price” – Eight Thousand Dollars (\$8,000.00) per day.
- 1.10 “Delay Security”- The amount of security, as determined in paragraph 5.9.1, to be provided against delays in Seller’s achievement of the Operation Date.
- 1.11 “Designated Dispatch Facility” - Idaho Power’s Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.12 “Effective Date” – The date stated in the opening paragraph of this Firm Energy Sales Agreement representing the date upon which this Firm Energy Sales Agreement was fully executed by both Parties.
- 1.13 “Facility” - That electric generation facility described in Appendix B of this Agreement.
- 1.14 “Facility Mechanical Availability” - A monthly estimate, measured in MWhs prepared and documented after the fact by the Seller, reviewed and accepted by the Buyer in accordance with paragraph 6.6.1 that is the sum of the available hours and any portion of an hour (measured in 15 minute intervals), of each wind turbine as recorded on each wind turbines operations system (SCADA) multiplied by the Nameplate Capacity of each wind turbine. The Seller shall collect and maintain actual data to support this calculation and shall keep this data for a minimum of 3 years.
- 1.15 “First Energy Date” - The day commencing at 00:01 hours, Mountain Time, following the day that Seller has satisfied the requirements of Article IV and the Seller begins delivering energy to Idaho Power at the Point of Delivery.
- 1.16 “Environmental Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility, and its avoided emission of pollutants. Environmental Attributes include but are not limited to: (1) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or

potential threat of altering the Earth's climate by trapping heat in the atmosphere;¹ (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Environmental Attributes associated with one (1) MWh of Energy. Environmental Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (iii) the cash grant in lieu of the investment tax credit pursuant to Section 1603 of the American Recovery and Reinvestment Act of 2009, or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.17 "Environmental Attribute Replacement Value" – means a) through the calendar year of 2021 the lesser of \$25 per MWh or the documented value of the affected Party's lost RECs, expressed in dollars per MWh or b) for the calendar year of 2022 and beyond the lesser of \$25 escalated by 2% for each calendar year past 2021 or the documented value of the affected Party's lost RECs, expressed in dollars per MWh.
- 1.18 "Heavy Load Hours" – The daily hours beginning at 7:00 am, ending at 11:00 pm Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

¹ Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Environmental Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

- 1.19 “Idaho Power Forced Outage” – a partial or total reduction of Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power: 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 or 3) planned maintenance or construction of electrical lines required to serve this Facility. Idaho Power shall make commercially reasonable efforts to perform the planned and unplanned preventative maintenance during periods of low wind availability.
- 1.20 “Interconnection Facilities” - All equipment specified in Seller’s interconnection agreement.
- 1.21 “Light Load Hours” – The daily hours beginning at 11:00 pm, ending at 7:00 am Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.
- 1.22 “Losses” – The loss of electrical energy expressed in kilowatt hours (kWh) occurring as a result of the transformation and transmission of energy between the Metering Point and the Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement. If the Metering Point is physically located at the Point of Delivery and measures the actual energy delivered to the Idaho Power electrical system at that point then the Losses will be zero.
- 1.23 “Market Energy Reference Price” – Eighty five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.24 “Material Breach” – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.
- 1.25 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.26 “Mechanical Availability” – The percentage amount calculated by Seller within five (5) days after the end of each month of the Facility’s monthly mechanical availability, calculated as the quotient of the Facility Mechanical Availability (MWhs) divided by the Adjusted Facility Mechanical Availability (MWhs) Availability for the applicable month. Any damages due as a result of the

Seller falling short of the Mechanical Availability Guarantee for each month shall be determined in accordance with paragraph 6.6.4.

- 1.27 “Mechanical Availability Guarantee” shall be as defined in paragraph 6.6.
- 1.28 “Metering Equipment” - All equipment specified in Seller’s interconnection agreement, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter bi-directional power flows from the Seller's Facility at the Metering Point.
- 1.29 “Metering Point” - The physical point at which the Metering Equipment is located that enables accurate measurement of the Test Energy and Net Energy deliveries to Idaho Power at the Point of Delivery for this Facility that provides all necessary data to administer this Agreement.
- 1.30 “Mid- Columbia Market Energy Cost” – Ninety percent (90%) of the monthly weighted average of the daily on-peak and off-peak Intercontinental Exchange Mid-Columbia Index (ICE Mid-C Index) prices for firm energy. If the ICE Mid-C Index price is discontinued by Intercontinental Exchange, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-C Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.31 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a generator 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.
- 1.32 “Net Energy” – All of the electric energy produced by the Facility, less Station Use, less Losses, expressed in kilowatt hours (kWh) delivered to Idaho Power at the Point of Delivery. Subject to the terms of this Agreement, Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement.
- 1.33 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.3 have been completed.

- 1.34 “Point of Delivery” – The location specified in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to Idaho Power.
- 1.35 “Prudent Electrical Practices” – Those practices, methods and acts that would be implemented and followed by prudent operators of electric transmission facilities (with respect to Idaho Power) or prudent operators of electric generation facilities similar to the Facility (with respect to Seller) in the Western United States during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety, and shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers’ warranties, restrictions in this Agreement, and the requirements of governmental authorities with jurisdiction over the applicable Party, WECC standards, and applicable Law. Good Industry Practice is not intended to be the optimum practice, method or act to the exclusion of all others, but rather is intended to be any of the practices, methods and/or actions generally accepted in the region.
- 1.36 “PTC” – The Production Tax Credits applicable to electricity produced from certain renewable resources pursuant to 26 U.S.C. § 45, or replacement or substitute tax benefits based on energy production from the Facility.
- 1.37 “PTC Value” – If the Seller elects to receive PTCs for this Facility, an amount equal to: (a) the PTCs to which Seller would have been entitled with respect to renewable energy (i) it is unable to deliver because of a Buyer event of default or (ii) that Buyer fails to receive and such failure is not excused by the terms of this Agreement; plus (b) a "gross up" amount to take into account the federal, state and local income tax to Seller on such payments in lieu of PTCs, so that the net amount retained by Seller, after payment of federal, state and local income taxes, is equal to the amount set forth in clause (a) of this definition. For purposes of determining the foregoing, Seller shall deliver a certificate from an officer of Seller stating the corporate income tax rates (federal,

state or local, as applicable) that are in effect for the Seller during the tax year in which the receipt of such PTC Value is taxed, and such income tax rates shall be used in the calculation of the PTC Value. If the Seller does not elect to receive PTC's for this Facility, the PTC Value shall be zero (0).

- 1.38 “Renewable Energy Certificate” or “REC” means a certificate, credit, allowance, green tag, or other transferable indicia, howsoever entitled, indicating generation of renewable energy by the Facility, and includes all Environmental Attributes arising as a result of the generation of electricity associated with the REC. One REC represents the Environmental Attributes associated with the generation of one thousand (1,000) kWh of Net Energy.
- 1.39 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date, as such date may be extended in accordance with paragraph 5.4. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller’s Facility shall achieve the Operation Date.
- 1.40 “Season” – The three periods identified in paragraph 6.4.1 of this Agreement.
- 1.41 “Serial Defect” means an equipment failure, or a foreseen equipment failure, after installation of the equipment that is a result of a manufacturer’s material manufacturing or design defect, or a defect that occurs in thirty percent (30%) or more of the equipment installed and which the Seller had no knowledge of prior to the equipment being installed at this Facility.
- 1.42 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.
- 1.43 “Term” has the meaning set forth in paragraph 5.1.
- 1.44 “Test 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.
- 1.45 “Wind Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered wind forecasting model, as described in Appendix E.
- 1.46 “Wind Energy Production Forecasting Monthly Cost Allocation” or “MCA” has the meaning set forth in Appendix E.

ARTICLE II: NO RELIANCE ON IDAHO POWER

- 2.1 Seller Independent Investigation - Seller warrants and represents to Idaho Power that in entering into this Agreement and the undertaking by 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 will be a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. prior to the delivery of any Test Energy or Net Energy for sale pursuant to this Agreement. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status under 18 CFR §292.201 et seq. during the full term of this Agreement, and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. As specified in paragraph 4.1.1, as a condition to achieve a First Energy Date, the Seller shall provide documentation and evidence that the Facility is a Qualifying Facility. After the First Energy Date Idaho Power reserves the right to request and review the 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, 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 18 CFR 292.201 et seq. as a certified Qualifying Facility.
 - 4.1.2 Opinion of Counsel - Submit to Idaho Power an Opinion Letter signed by an attorney admitted to practice and in good standing in the State of Idaho providing an opinion that Seller's licenses, permits and approvals as set forth in paragraph 4.1.1 above are legally and validly issued, are held in the name of the Seller and, based on a reasonable independent review, counsel is of the opinion that Seller is in substantial compliance with said permits as of the date of the Opinion Letter. The Opinion Letter will be in a form acceptable to Idaho Power and will acknowledge that the attorney rendering the opinion understands that Idaho Power is relying on said opinion. Idaho Power's acceptance of the form will not be unreasonably withheld. The Opinion Letter will be governed by and shall be interpreted in accordance with the legal opinion accord of the American Bar Association Section of Business Law (1991).
 - 4.1.3 Mechanical Completion Certificate – Submit to Idaho Power a copy of the Mechanical Completion Certificate provided by the engineering, procurement, and construction contractor for each wind turbine prior to the start of commissioning for such wind turbine.
 - 4.1.4 Nameplate Capacity – Submit evidence to Idaho Power that the Nameplate Capacity that will be established in paragraph 5.3 of this Agreement is not designed to exceed the Maximum Capacity.
 - 4.1.5 Insurance - Submit written proof to Idaho Power of all insurance required in Article XIII.
 - 4.1.6 Interconnection – Provide written confirmation from Idaho Power's delivery business unit that Seller has satisfied all material interconnection requirements.

- 4.2 The Facility shall be designated as an Idaho Power network resource capable of delivering firm energy up to the Maximum Capacity Amount no later than the First Energy Date. Seller shall supply to Idaho Power all Facility information and data that is required to enable Idaho Power to request this designation no later than 60 days prior to the First Energy Date.

ARTICLE V: TERM AND OPERATION DATE

- 5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to the terms of this Agreement, shall continue in full force and effect for a period of twenty five (25) Contract Years from the Operation Date ("Term").
- 5.2 Extension of Term – prior to the end of the Term of this Agreement, the Parties may mutually agree to negotiate the extension of the Term of this agreement.
- 5.3 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 reasonably acceptable to both of the Parties has been received.
 - c) Seller has submitted an executed Engineer's Certification of Design & Construction Adequacy and an Engineer's Certification of Operations and Maintenance (O&M) Policy, in substantially the form specified in Appendix C, as may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates. If Idaho Power does not dispute the validity of these certificates within five (5) days after Seller's submission, then Idaho Power will be deemed to have accepted the certificates. If Idaho Power disputes the validity of these certificates within five (5) days the Parties shall cooperate to resolve the issues identified by Idaho Power. If the Parties are not able to resolve the identified issues, the Parties shall commence the dispute resolution procedures set forth in paragraph 19.1. Until such

time as the Engineering Certificates are accepted by Idaho Power or the dispute resolution procedure results in a determination that the Engineering Certificates meet the requirements of this paragraph 5.3(c), this requirement shall not be fulfilled ; provided that (i) if the Seller's provided Engineering Certificates are substantially and materially complete, the Scheduled Operation Date shall be extended on a day-for-day basis for each day from the submission of the Engineering Certificates until the dispute is resolved, and (ii) if after resolution of the Idaho Power identified issues, it is deemed that the initial certificates submitted by the Seller were in substantial compliance with all material requirements, the date of the initial submittal shall be established as the date that this requirement was fulfilled.

- d) Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of the Facility.
- e) Security Requirements - Provide Idaho Power with a Letter of Credit or Cash Escrow Security (as those terms are defined in this paragraph), Guarantee (as defined in Appendix D), or other forms of liquid financial security that would provide readily available cash to Idaho Power upon the occurrence of an event of default under this Agreement. The value of these security instruments shall be \$1,500,000.00 and Seller shall have the right at any time during the Term to substitute among the forms of security provided for in this paragraph 5.3(e).
 - i. Cash Escrow Security – If Seller elects to provide Cash Escrow Security, Seller shall deposit funds in an escrow account established on behalf of Idaho Power in a banking institution acceptable to both Parties equal to value of the security as specified above. Such sum shall earn interest in accordance with the terms of the escrow agreement. To the extent Idaho Power receives payment from the escrow account, Seller shall, within fifteen (15) days thereafter,

restore the value of the escrow account as if no such deduction had occurred, unless this Agreement has been terminated.

ii. Letter of Credit or Guarantee – If Seller elects to provide a Letter of Credit or Guarantee, Seller shall post and maintain in an amount equal to the value of the security as specified above: (a) a Guarantee from Seller's corporate parent or a party meeting the Credit Requirements (as defined in Appendix D), or (b) a Letter of Credit from a party meeting the Credit Requirements (as defined in Appendix D) in favor of Idaho Power and in a form substantially similar to the form attached hereto as Appendix F. To the extent Idaho Power receives payment from the guarantor or draws upon the Letter of Credit, Seller shall, within fifteen (15) days thereafter, restore the value of the Guarantee or Letter of Credit as if no such deduction had occurred, unless this Agreement has been terminated.

- f) Seller has provided written notice of the requested Operation Date to Idaho Power five (5) Business Days prior to the requested Operation Date.
- g) Subject to paragraph 5.10.2, if the Delay Security remaining on the Operation Date is in excess of \$1,500,000, the Seller may notify Idaho Power to retain \$1,500,000 of the unallocated Delay Security to meet the Seller's \$1,500,000 security requirement required to be posted at the Operation Date. If the Seller makes this request, Idaho Power shall only return to the Seller the unallocated Delay Security less \$1,500,000

5.4 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. The Scheduled Operation Date shall be extended on a day-for-day basis for each day of delay, caused by (a) an inability or delay in obtaining critical path permits, which shall include but not be limited to building permits ("Critical Permits") despite Seller's use

of commercially reasonable efforts to obtain timely such Critical Permits, (b) an event of Force Majeure, or (c) delays in the interconnection and transmission network upgrade study, design and construction process. Provided that such delays are not the result of any action or inaction by the Seller acting in a commercially reasonable manner, and provided that Seller is in material compliance with its obligations under its interconnection agreement.

5.4.1 If the Operation Date occurs after the Scheduled Operation Date, Idaho Power may draw upon the Delay Security in the amount of the Delay Damages, which shall be calculated at the end of each calendar month after the Scheduled Operation Date as follows:

Delay Damages are equal to the number of days in the Delay Period multiplied by the Delay Price.

5.5 If Seller has not achieved the Operation Date as of the date that is six (6) months after the Scheduled Operation Date (as it may be extended pursuant to paragraph 5.4), then either Party may terminate this Agreement within thirty (30) days after such date, effective upon written notice to the other Party, and Idaho Power shall be entitled to retain any remaining Delay Security as its sole and exclusive remedy for any inability of Seller to obtain the Operation Date by such date. If neither Party terminates this Agreement, then Idaho Power may continue to draw upon the Delay Security in the amount of the Delay Damages pursuant to paragraph 5.4.1.

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

5.7 The Parties agree that the damages Idaho Power would incur due to Seller's inability to achieve the Operation Date within six (6) months after the Scheduled Operation Date would be difficult or impossible to predict with certainty, and that the portion of the Delay Security remaining undrawn at such time is an appropriate approximation of such damages.

5.8 Prior to the Seller executing this Agreement:

- a) Seller has filed for interconnection and is in material compliance with all payments and requirements of the interconnection process
- b) Seller has received and accepted an interconnection feasibility study for this Facility.
- c) Seller has provided all information required to enable Idaho Power to file an initial transmission capacity request.
- d) Results of the initial transmission capacity request are known and acceptable to the Seller.
- e) Seller acknowledges responsibility for all interconnection costs in accordance with its interconnection agreement.

5.9 Prior to Idaho Power filing this executed Agreement at the Commission seeking approval;

- a) Seller shall post security in a form as described in Appendix D in the amount of \$ 300,000,
or
- b) Seller shall waive "Sellers Right to Terminate" as specified in paragraph 5.12.

If the Seller posts security as required in paragraph 5.9(a), Idaho Power shall:

- a) Draw upon this security to satisfy the termination payments due Idaho Power if the Seller terminates this Agreement as allowed in paragraph 5.12(a).
- b) Release any remaining security as required in paragraph 5.9(a) after;
 - i) Termination of this agreement as allowed in paragraph 5.12 has occurred and Idaho Power has collected all termination payments due Idaho Power,
 - ii) Seller has waived the "Sellers Right to Terminate" as specified in paragraph 5.12. or
 - iii) Seller has posted Delay Security.

5.10 Within thirty (30) days of the date of a Commission Order, as specified in Article XXI, approving this Agreement, Seller shall post Delay Security in a form as described in Appendix D equal to the amount calculated in paragraph 5.10.1. Failure to post this Delay Security in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement

if Seller fails to cure such Material Breach within five (5) Business Days after written notice from Idaho Power.

5.10.1 Delay Security – The Delay Security shall equal forty five dollars (\$45) multiplied by the Maximum Capacity Amount, with the Maximum Capacity Amount being measured in kW.

5.10.1.1 In the event (a) Seller provides Idaho Power with a certification that (1) a generation interconnection agreement specifying a schedule that will enable this Facility to achieve the Operation Date no later than the Scheduled Operation Date has been completed and the Seller has paid all required interconnection costs thereunder, or (2) a generation interconnection agreement is substantially complete and all material costs of interconnection have been identified and agreed upon, and (b) the Seller is in material compliance with all terms and conditions of the generation interconnection agreement, the Delay Security calculated in accordance with paragraph 5.9.1 will be reduced by ten percent (10%).

5.10.1.2 If the Seller has received a reduction in the calculated Delay Security as specified in paragraph 5.9.1.1 and subsequently (a) at Seller's request, the generation interconnection agreement specified in paragraph 5.9.1.1 is revised and as a result the Facility will not achieve its Operation Date by the Scheduled Operation Date or (b) if the Seller does not maintain compliance with the generation interconnection agreement, the full amount of the Delay Security as calculated in paragraph 5.9.1 will be subject to reinstatement and will be due and owing within 15 Business Days from the date Idaho Power requests reinstatement. Failure to timely reinstate the Delay Security will be a Material Breach of this Agreement if such failure is not cured within five (5) Business Days after written notice from Idaho Power.

5.10.2 Idaho Power shall calculate the amount of any Delay Damages owed by Seller and release any remaining Delay Security within (a) five (5) Business Days after the Operation Date, provided that Idaho Power shall not be required to release the amount, if any, of the Delay

Security that Seller has elected to apply towards its security obligations under paragraph 5.3(g), or (b) if this Agreement is terminated prior to Seller achieving the Operation Date, 60 days after the Agreement has been terminated. Notwithstanding anything to the contrary in this Agreement, Seller's liability for any breach of this Agreement by Seller or termination of this Agreement prior to the Operation Date, except for any breach caused by Seller's willful misconduct, shall be limited to no more than the amount of the Delay Security. The Delay Security as determined in paragraph 5.10.1 is a fixed amount and Seller shall not be required to replenish such Delay Security if and when it is drawn upon by Idaho Power.

5.10.3 Progress Reports. Within ten (10) Business Days after the end of each calendar month following the Effective Date until the Operation Date is achieved, Seller shall submit progress reports to Idaho Power on the development and construction of the Facility. Idaho Power shall rely on these progress reports to schedule the transmission capacity availability and other factors that will impact Idaho Power's ability to accept the Test Energy and/or Net Energy from the Facility.

5.11 Partial Completion Damages – If the Nameplate Capacity established pursuant to paragraph 5.3(d) is less than seventy-two (72) MW, then Idaho Power shall be entitled to draw upon and retain a portion of the Delay Security equal to the product of (a) the difference of seventy-two (72) MW, minus the Nameplate Capacity, in MW, multiplied by (b) ten thousand dollars per MW (\$10,000/MW). Drawing upon and retaining such portion of the Delay Security shall be Idaho Power's sole and exclusive remedy for any failure of Seller to develop and place in operation the full seventy-two (72) MW of electrical generating capacity.

5.12 Seller Termination Right. If Seller is unable to obtain an agreement for the sale of RECs associated with the expected Net Energy produced by the Facility on terms acceptable to Seller, then Seller shall have the right to terminate this Agreement, effective upon written notice to Idaho Power, provided that Seller shall be liable to Idaho Power for a termination payment equal to (a) \$300,000

if Seller provides notice of termination prior to receipt of Commission approval of this Agreement, (b) \$1,000,000 if Seller provides notice of termination on or before the date that is thirty (30) days after receipt of Commission approval of this Agreement, or (c) the amount of the Delay Security if Seller provides notice of termination more than sixty (60) days after receipt of Commission approval of this Agreement.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Delivery and Acceptance of Net Energy - Except when either Party's performance is excused as provided herein, Idaho Power will purchase and receive and Seller will sell and deliver all of the Net Energy to Idaho Power at the Point of Delivery.
- 6.2 Delivery and Acceptance of Test Energy - It is understood by both Parties that prior to the Operation Date both Parties are commissioning and testing the applicable interconnection and generation equipment and interruptions of the Facility's ability to deliver Test Energy to Idaho Power may occur. The Seller and Idaho Power shall cooperate and coordinate the testing of the various equipment to minimize these interruptions.
- 6.3 At no time will the instantaneous amount of Net Energy and/or Test Energy produced by the Facility and delivered by the Seller to the Point of Delivery exceed the Maximum Capacity Amount.
- 6.4 Net Energy Amounts - Seller intends to produce and deliver Net Energy in the following monthly amounts. The Parties agree that the actual amount of Net Energy produced by the Facility and delivered by Seller to the Point of Delivery may vary from these estimates. These amounts shall be consistent with the Mechanical Availability Guarantee associated with the wind turbines selected by Seller in its sole and reasonable discretion. Upon final selection of wind turbines by Seller, Seller shall have the right to revise the amounts set forth in this paragraph as well as the Facility description in Appendix B.

6.4.1 Initial Year Monthly Net Energy Amounts:

	<u>Month</u>	<u>kWh</u>
Season 1	March	20,918,000
	April	20,015,000
	May	16,735,000
Season 2	July	10,548,000
	August	12,374,000
	November	21,384,000
	December	26,752,000
Season 3	June	15,111,000
	September	13,001,000
	October	18,679,000
	January	24,395,000
	February	<u>18,150,000</u>
	Total	218,062,000

6.5 Unless excused by an event of Force Majeure, Seller's failure to deliver Net Energy in any Contract Year in an amount equal to at least ten percent (10%) of the sum of the Initial Year Monthly Net Energy Amounts as specified in paragraph 6.4 shall constitute an event of default.

6.6 Mechanical Availability Guarantee – For each full calendar month beginning after the Operation Date has been established, the Facility shall achieve a minimum monthly Mechanical Availability for the Facility of at least (a) eighty percent (80%), in respect of each of the first six (6) full calendar months after the Operation Date, or (b) eighty-five percent (85%), in respect of each full calendar month thereafter (the "Mechanical Availability Guarantee"). Failure to achieve the Mechanical Availability Guarantee shall result in Idaho Power calculating damages as specified in paragraph 6.6.4.

6.6.1 Within five (5) days after the end of each month, the Seller shall provide and certify the calculation of the Facility's Mechanical Availability for the previous month. The Seller shall include a summary of all information used to calculate the Mechanical Availability, including but not limited to: (a) hourly turbine availability, (b) Force Majeure events,

Idaho Power Forced Outages, and Idaho Power failure to receive Net Energy. If Idaho Power disputes Seller's calculation of the Facility's Mechanical Availability, Idaho shall notify Seller and if not resolved informally by the Parties, such disputes shall be resolved in accordance with Article XIX.

6.6.2 The Seller shall maintain and retain for three (3) years detailed documentation supporting the calculation of the Facility's Mechanical Availability.

6.6.3 Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at the Seller's Facility or other mutually agreed location during normal business hours and upon reasonable advance notice.

6.6.4 If the previous month's Mechanical Availability is less than the Mechanical Availability Guarantee, then the damages for such month shall be equal to the product of (a) the difference between (i) the Mechanical Availability Guarantee, minus (ii) the Mechanical Availability for such month, multiplied by (b) the Initial Year Monthly Net Energy amount set forth in paragraph 6.4.1 for the applicable month, multiplied by (c) the Availability Shortfall Price (Example included as Appendix G). Notwithstanding anything to the contrary in this Agreement, the aggregate damages payable by Seller due to actual Mechanical Availability of less than the Mechanical Availability Guarantee shall not exceed \$3.2 million in any Contract Year nor \$16.0 million cumulatively over the Term of this Agreement. The caps on liability set forth in the foregoing sentence shall not limit Seller's liability for a breach of this Agreement caused by Seller's willful misconduct.

6.6.5 Any damages calculated in paragraph 6.6.4 will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.

6.7 Tax Credits and Grants. Idaho Power agrees and acknowledges that any and all financial

incentives, benefits or credits associated with the Facility, or the ownership or operation thereof, or the output of the Facility, including any production or investment tax credits, real or personal property tax credits, the cash grant available from the United States Department of Treasury in lieu of ITCs (as provided by Section 1603 of the American Recovery and Reinvestment Act of 2009), or sales or use tax credits in effect on the Effective Date shall be owned by Seller. In the event that new tax credits or increased levels of existing tax credits, or other financial incentives applicable to the Facility or the output of the Facility are enacted or implemented after the Effective Date and during the Term of the Agreement, Seller shall own all such new or increased financial incentives.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

7.1 **Heavy Load Purchase Price** – For all Net Energy received during Heavy Load Hours, Idaho Power will pay the non-levelized energy price as specified below:

<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>
2011	44.39	72.47	60.39
2012	45.44	74.18	61.82
2013	46.51	75.94	63.28
2014	47.62	77.74	64.78
2015	48.75	79.59	66.32
2016	49.91	81.48	67.90
2017	51.09	83.42	69.52
2018	52.31	85.41	71.17
2019	53.56	87.45	72.87
2020	54.84	89.53	74.61
2021	56.15	91.68	76.40
2022	57.50	93.87	78.23
2023	58.87	96.12	80.10
2024	60.29	98.43	82.02
2025	61.73	100.79	83.99
2026	63.22	103.21	86.01
2027	64.74	105.69	88.08
2028	66.30	108.24	90.20
2029	67.89	110.85	92.37

2030	69.53	113.52	94.60
2031	71.21	116.26	96.89
2032	72.59	118.51	98.76
2033	73.99	120.80	100.67
2034	75.42	123.14	102.62
2035	76.89	125.53	104.61
2036	78.38	127.96	106.63

7.2 Light Load Purchase Price – For all Net Energy received during Light Load Hours, Idaho Power will pay the non-levelized energy price as specified below:

<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>
2011	39.04	63.73	53.11
2012	40.09	65.45	54.54
2013	41.16	67.20	56.00
2014	42.27	69.00	57.50
2015	43.40	70.85	59.04
2016	44.56	72.74	60.62
2017	45.74	74.68	62.24
2018	46.96	76.67	63.89
2019	48.21	78.71	65.59
2020	49.49	80.80	67.33
2021	50.80	82.94	69.12
2022	52.14	85.13	70.95
2023	53.52	87.38	72.82
2024	54.94	89.69	74.74
2025	56.38	92.05	76.71
2026	57.87	94.48	78.73
2027	59.39	96.96	80.80
2028	60.95	99.50	82.92
2029	62.54	102.11	85.09
2030	64.18	104.79	87.32
2031	65.86	107.53	89.16
2032	67.24	109.78	91.48
2033	68.64	112.07	93.39
2034	70.07	114.41	95.34

2035	71.53	116.79	97.33
2036	73.02	119.22	99.35

7.3 All Hours Energy Price – The price to be used in the calculation of the Test Energy Price and

Availability Shortfall Price shall be the non-levelized energy price as specified below:

<u>Year</u>	<u>Season 1 - (73.50 %)</u>	<u>Season 2 - (120.00 %)</u>	<u>Season 3 - (100.00 %)</u>
	<u>Mills/Kwh</u>	<u>Mills/Kwh</u>	<u>Mills/Kwh</u>
2011	42.01	68.58	57.15
2012	43.06	70.29	58.58
2013	44.13	72.05	60.04
2014	45.24	73.85	61.54
2015	46.37	75.70	63.08
2016	47.53	77.59	64.66
2017	48.71	79.53	66.28
2018	49.93	81.52	67.93
2019	51.18	83.56	69.63
2020	52.46	85.65	71.37
2021	53.77	87.79	73.16
2022	55.11	89.98	74.99
2023	56.49	92.23	76.86
2024	57.90	94.54	78.78
2025	59.35	96.90	80.75
2026	60.84	99.32	82.77
2027	62.36	101.81	84.84
2028	63.92	104.35	86.96
2029	65.51	106.96	89.13
2030	67.15	109.64	91.36
2031	68.83	112.38	93.65
2032	70.21	114.62	95.52
2033	71.61	116.92	97.43
2034	73.04	119.25	99.38
2035	74.50	121.64	101.37
2036	75.99	124.07	103.39

- 7.4 Test Energy Price - For all Test Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the All Hours Energy Price specified in paragraph 7.3, whichever is lower.
- 7.5 Payment Due Date – Undisputed Energy payments, less the Wind Energy Production Forecasting Monthly Cost Allocation and any other payments due Idaho Power, will be disbursed to the Seller within 10 days of the date which Idaho Power receives the documentation of the monthly Net Energy actually delivered to Idaho Power as specified in Appendix A.
- 7.6 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) (Afton III), Afton Energy, Inc. v. Idaho Power Company, 111 Idaho 925, 729 P.2d 400 (1986), Arkoosh v. Idaho Power Company, Idaho Public Utilities Commission Order No. 19442 (Feb. 8, 1985), Idaho Power Company v. Idaho Public Utilities Commission, 107 Idaho 1122, 695 P.2d 1261 (1985), Section 210 of the Public Utilities Regulatory Policies Act of 1978 and 18 CFR §292.303-308.

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Seller retains ownership under this Agreement of the Environmental Attributes directly associated with the production of energy from the Seller's Facility sold to Idaho Power through the last day of calendar year 2021.
- 8.2 Idaho Power shall be granted ownership under this Agreement of Environmental Attributes directly associated with the production of energy from the Seller's Facility sold to Idaho Power starting with the first hour of the first day of calendar year 2022 and through the end of the Term of this Agreement.

ARTICLE IX: FACILITY, INTERCONNECTION AND WIND FORECASTING DATA

- 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 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 determined in accordance with Seller's interconnection agreement. Responsibility for all costs associated with this equipment will be set forth in Seller's interconnection agreement.
- 9.3 Wind data
- 9.3.1 Historical wind data – Within 60 days after Commission approval of this Agreement, the Seller shall provide Idaho Power with seven years of historical wind data from the meteorological towers at the Rockland site. This data will be provided in an electronic format reasonably acceptable to Idaho Power.
- 9.3.2 No later than 30 days prior to the First Energy Date the Seller shall have erected at the site two (2) high quality, hub-height, permanent, meteorological wind measurement towers at locations on the site equipped with:
- (i) Two (2) heated anemometers per tower;
 - (ii) Two (2) air temperature sensors per tower;
 - (iii) One (1) barometric pressure sensor (with DCP sensor); and
 - (iv) Two (2) heated wind vanes per tower.
- 9.3.3 The wind sensors and air temperature sensors shall be set at two (2) height locations from ground level. All equipment shall provide reasonably accurate measurement of wind data. The Seller will install the necessary equipment to be able to electronically transmit this wind data and wind turbine availability status real-time to Idaho Power or a designee of Idaho Power in a method and form reasonably acceptable to Idaho Power and in accordance with Prudent Electrical Practices. Turbine availability status shall be

transmitted beginning 45 days after First Energy Date. Failure by the Seller to operate and maintain this equipment in a manner to provide reasonably accurate and dependable data for the full term of this Agreement shall be an event of default.

9.3.4 Seller shall submit to Idaho Power Seller's technical specifications for the meteorological towers along with a site plan showing the location of the towers, project layout with turbine locations and the wind rose for the Site, as applicable.

ARTICLE X: METERING AND TELEMETRY

10.1 Metering - Idaho Power shall, for the account of Seller, provide, install, and maintain metering and telemetry equipment to be located at a mutually agreed upon location to record and measure power flows to Idaho Power in accordance with this Agreement and Seller's interconnection agreement. The metering equipment will be at the location and of the type required to measure, record and report the Facility's Net Energy, Station Use, and maximum energy deliveries (kW) at the Point of Delivery in a manner to provide Idaho Power adequate energy measurement data to administer this Agreement and to integrate this Facility's energy production into the Idaho Power electrical system.

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

ARTICLE XI - RECORDS

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

11.2 Inspection - Either Party, after reasonable notice to the other Party, shall have the right, during

normal business hours, to inspect and audit any or all generation, Net Energy, Station Use, and maximum generation (kW) records pertaining to the Seller's Facility.

ARTICLE XII: OPERATIONS

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

12.2 Energy Acceptance –

12.2.1 Idaho Power shall be excused from accepting and paying for Net Energy which would have otherwise been produced by the Facility and delivered by the Seller to the Point of Delivery, if it is prevented from doing so by an event of Force Majeure, an Idaho Power Forced Outage or temporary disconnection of the Facility in accordance with Seller's interconnection agreement. If, for reasons other than an event of Force Majeure, temporary disconnections under Seller's interconnection agreement exceed twenty (20) days in the aggregate in any Contract Year, 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 6.4, and Idaho Power will pay Seller the sum of the applicable energy price in paragraph 7.1 or 7.2, plus the Environmental Attribute Replacement Value (if such curtailment occurs prior to January 1, 2022), plus the PTC Value for each MWh of deemed delivered Net Energy. Idaho Power will notify Seller when the interruption, curtailment or reduction is terminated.

12.2.2 If, pursuant to Prudent Electrical Practices, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified within Seller's interconnection agreement or take such other reasonable steps as Idaho Power

deems appropriate in accordance with Prudent Electrical Practices. If a disconnection occurs as specified in this paragraph 12.2.2, Idaho Power will not be responsible for payments to the Seller for any energy, Environmental Attribute Replacement Value or PTC Value associated with this disconnection.

12.2.3 Under no circumstances will the Seller deliver Net Energy from the Facility to the Point of Delivery on an instantaneous basis in an amount that exceeds the Maximum Capacity Amount. Seller's failure to limit instantaneous deliveries to the Maximum Capacity Amount will be a Material Breach of this Agreement if Seller does not reduce the output of the Facility to less than the Maximum Capacity Amount as soon as practicable after receipt of written notice from Idaho Power. Seller shall be responsible for any costs Idaho Power incurs as a result of the Seller delivering Net Energy to Idaho Power that exceeds the Maximum Capacity Amount.

12.2.4 If Idaho Power is unable to accept the energy from this Facility and is not excused from accepting the Facility's energy, Idaho Power shall pay Seller the sum of the applicable energy price in paragraph 7.1 or 7.2, plus the Environmental Attribute Replacement Value (if such curtailment occurs prior to January 1, 2022), plus the PTC Value for each MWh of the estimated energy that Idaho Power was unable to accept, which shall be estimated to have been delivered at a rate equivalent to the pro rata average of the amounts specified for the applicable month in paragraph 6.4. Except as set forth in the preceding sentence, Idaho Power will have no responsibility to pay for any other costs, lost revenue or consequential damages the Facility may incur.

12.3 Scheduled Maintenance – On or before January 31 of each calendar year, Seller shall submit a written proposed maintenance schedule of significant Facility maintenance for that calendar year to Idaho Power.

12.3.1 Seller shall not schedule planned maintenance requiring the removal from service of more than ten percent (10%) of the wind turbine generators comprising the Facility at any one

time during the months of July, August, November, or December.

12.3.2 Idaho Power shall promptly respond with acceptance of the proposed planned maintenance schedule or with suggested changes to the proposed planned maintenance schedule. If Idaho Power does not respond within 5 Business Days the Seller's proposed planned maintenance schedule will be deemed to be accepted. If Idaho Power proposes changes to the Seller provided planned maintenance schedule the Parties shall cooperate to mutually agree on a planned maintenance schedule. If the Parties are unable to agree on a revised planned maintenance schedule, the Seller's provided planned maintenance schedule will be in effect. Nothing in this paragraph 12.4 shall preclude Seller from performing maintenance on the Facility required by Prudent Electrical Practices, equipment warranties, or manufacturer or supplier guidelines.

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

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

12.6 Replacement of Facilities. Seller may alter, modify, maintain, repair, or replace the assets comprising the Facility, including the replacement of wind turbine generators, without Idaho Power's consent under this Agreement, provided that the Nameplate Capacity of the Facility may not exceed the Maximum Capacity Amount and the changes are in compliance with Seller's interconnection agreement.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage,

expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement or (b) negligent or intentional acts, errors or omissions, but excluding any loss, damage, expense or liability caused solely by the gross negligence or willful misconduct of the Party seeking indemnity. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

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

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

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

- (a) An endorsement naming Idaho Power as an additional insured and loss payee as applicable; and
- (b) A provision stating that such policy shall not be canceled or the limits of liability reduced without sixty (60) days' prior written notice to Idaho Power.

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

13.4 Notification of Loss of Coverage - If the insurance coverage required by paragraph 13.2 shall lapse for any reason, the Seller will immediately notify the other Party in writing. The notice will advise

of the specific reason for the lapse and the steps being taken 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 if not cured within fifteen (15) days after lapse of such insurance.

ARTICLE XIV: FORCE MAJEURE

14.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable 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, changes in law or regulation occurring after the Effective Date or Serial Defects 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 is unable to overcome. If either Party is rendered wholly or in part unable to perform or delayed in performing 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 or the date when it should have reasonably become aware that an event has given rise to a 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.
- (4) Neither Party shall be excused from the obligation to make payment for amounts due in respect of performance rendered prior to the event of Force Majeure.

ARTICLE XV: LIABILITY; DEDICATION

- 15.1 Limitation of Liability. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. Neither Party shall be liable to the other for any indirect, special, consequential, nor punitive damages, except as expressly authorized by this Agreement.
- 15.2 Dedication. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the Party or the public or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

- 18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.
- 18.2 Venue for any litigation arising out of or related to this Agreement will lie in the District Court of the Fourth Judicial District of Idaho in and for the County of Ada.

ARTICLE XIX: DISPUTES AND DEFAULT

19.1 Disputes - All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted for resolution as set forth in this paragraph.

19.1.1 If a dispute arises under this Agreement (a "Dispute"), within ten (10) days following the delivered date of a written request by either Party (a "Dispute Notice"), (i) each Party shall appoint a representative, and (ii) the Parties' representatives shall meet, negotiate and attempt in good faith to resolve the Dispute quickly, informally and inexpensively. If the Parties' representatives cannot resolve the Dispute within thirty (30) days after commencement of negotiations, then within ten (10) Business Days following any request by either Party at any time thereafter, each Party representative (A) shall independently prepare a written summary of the Dispute describing the issues and claims, (B) shall exchange its summary with the summary of the Dispute prepared by the other Party representative, and (C) shall submit a copy of both summaries to a senior officer of the representative's Party with authority to irrevocably bind the Party to a resolution of the Dispute. Within ten (10) Business Days after receipt of the Dispute summaries, the senior officers for both Parties shall negotiate in good faith to resolve the Dispute. If the Parties are unable to resolve the Dispute within fourteen (14) Business Days following receipt of the Dispute summaries by the senior officers, either Party may seek available remedies.

19.2 Notice of Default

19.2.1 Defaults. If either Party fails to perform or maintain any of the terms or conditions of this Agreement (an "event of default"), the non-defaulting Party shall cause notice in writing to be given to the defaulting Party, specifying the manner in which such default occurred. If the defaulting Party shall fail to cure such default within the sixty (60) days after service of such notice, or if the defaulting Party reasonably demonstrates to the non-defaulting Party that the default can be cured within a commercially reasonable

time but not within such sixty (60) day period and then fails to diligently pursue such cure, then, the non-defaulting Party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies. Notwithstanding anything to the contrary in this paragraph 19.2.1, Idaho Power's unexcused failure to accept energy from this Facility will not be deemed an event of default so long as Idaho Power continues to comply fully with its obligations to compensate Seller pursuant to paragraphs 12.2.1 and 12.2.4.

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Without limiting any express cure periods provided in this Agreement, Material Breaches must be cured as expeditiously as possible following occurrence of the breach and, in any case, once cured shall no longer be cause for termination under this Agreement.

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

19.3.1 Insurance - Evidence of compliance with the provisions of paragraph 13.2. If Seller fails to comply, such failure will be a Material Breach and may only be cured by Seller supplying evidence that the required insurance coverage has been replaced or reinstated, which evidence must be supplied within fifteen (15) days after written notice from Idaho Power;

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

19.3.3 Licenses and Permits - During the full term of this Agreement, Seller shall maintain material 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.

19.3.4 Security Requirements – From the Operation Date until the termination or expiration of this Agreement, Seller shall maintain compliance with the security requirements specified in paragraph 5.3(e) of this Agreement.

ARTICLE XX: GOVERNMENTAL AUTHORIZATION

20.1 This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party of this Agreement, it being acknowledged that Seller is not a “public utility” regulated by the Commission.

ARTICLE XXI: COMMISSION ORDER

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

21.2 Idaho Power shall file this Agreement for Commission Approval within fifteen (15) days after the Effective Date. In the event that Commission approval pursuant to paragraph 21.1 has not been received within ninety (90) days after the date on which Idaho Power files this Agreement for Commission Approval, then Seller shall have the right to terminate this Agreement, without liability to Idaho Power, effective upon written notice to Idaho Power.

ARTICLE XXII: SUCCESSORS AND ASSIGNS

22.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto, except that no assignment hereof by either Party shall become effective without the written consent of both Parties being first obtained. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, any party which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights, obligations and interests under this Agreement. Notwithstanding the foregoing, Seller may transfer, sell, pledge, encumber, or assign this Agreement or the accounts, revenues or proceeds hereof to its financing providers without obtaining Idaho Power's consent. Upon Seller's request and expense, Idaho Power shall in good faith negotiate and agree upon a consent to collateral assignment of this Agreement in a form that is commercially reasonable and customary in the industry. 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.

22.2 Right of First Offer upon Sale of Facility Assets, increase of existing Facility Nameplate rating, or expansion of the Facility.

22.2.1 Facility Assets. If, at any time during the Term, Seller intends to sell the assets comprising all or substantially all of the Facility (the "Facility Assets") or more than fifty percent (50%) of the Seller's direct ownership to a person or entity that is not an Affiliate of Seller, Seller shall first offer the Facility Assets to Idaho Power. Seller's offer to Idaho Power shall set forth, in writing and in reasonable detail, substantially similar terms and conditions of the offer being proposed by the Seller to the other person or entity. Seller shall promptly answer any questions that Idaho Power may have concerning the offered terms and conditions and shall meet with Idaho Power to discuss the offer.

22.2.2 Idaho Power's Rejection of Offer; Revival of Offer. If Idaho Power does not provide written notice of its intent to accept the offered terms and conditions within thirty (30) days after receiving each of the Seller's offers made under 22.2.1, Seller may in its sole discretion enter into an agreement to sell the Facility Assets to a third party in compliance with the requirements of this Article 22 and on terms and conditions satisfactory to Seller in its sole discretion. Seller may elect not to proceed with the sale of the Facility Assets. Idaho Power and Seller may mutually agree to continue negotiations beyond the timeline specified.

22.2.3 Idaho Power's Acceptance of Offer. If Idaho Power provides written notice of its intent to accept the offer made by Seller under this paragraph 22.2, the Parties shall negotiate in good faith to enter into a definitive sales agreement that incorporates the terms and conditions of Seller's offer. The definitive agreement shall be subject to each Party's regulatory approvals. If within sixty (60) days of Idaho Power's acceptance of the offer, a definitive sales agreement has not been executed by an officer of the Idaho Power and Seller, then either Party may terminate the negotiations without further obligation to the other Party, and Seller may in its sole discretion enter into an agreement to sell the Facility Assets to a third party.

22.2.4 Right of First Offer of expansion of this Facility. If at the time of development of this Facility or at any future date, the Seller proposes to increase the nameplate rating of this Facility or add additional electrical generation at this site, the Seller shall first offer the additional electrical generation to Idaho Power as an amendment to this Agreement, as a separately negotiated purchase power agreement, or whole or partial ownership of the Facility or the additional generation facilities. This offer from the Seller shall include but not be limited to proposed capacity, energy pricing, contract term, online date and other information that will enable Idaho Power to be able to evaluate Idaho Power's interest in

this additional electrical generation. Upon receipt of the Seller's offer (containing reasonably adequate information) Idaho Power shall have thirty (30) days to respond to Seller's offer of Idaho Power's intent to continue negotiations for this additional electrical generation. If Idaho Power provides notice that Idaho Power has no current intention to continue negotiations the Seller may pursue other opportunities with other parties for the development and sale of this additional electrical generation. If Idaho Power provides notice to the Seller of the desire to continue negotiations Idaho Power and Seller shall commence good faith negotiations of an amendment to this Agreement and/or a separate agreement. If after sixty (60) days of good faith negotiations, an agreement is not completed, the Seller may provide notice to Idaho Power of its intention to pursue opportunities with other parties. By mutual consent, this sixty (60) day negotiation period may be extended.

ARTICLE XXIII: MODIFICATION

23.1 No modification to this Agreement shall be valid unless it is in writing and signed by both Parties and, if such modification is material, subsequently approved by the Commission.

ARTICLE XXIV: TAXES

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

ARTICLE XXV: NOTICES

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

To Seller:

Original document to:

Ridgeline Energy LLC
1300 N. Northlake Way, 2nd Floor
Seattle, WA 98103
Attention: Dennis P. Meany, President
Phone: (203) 702-6372
e-mail: dmeany@el-en.com

Copy of document to:

Ridgeline Energy LLC
1300 N. Northlake Way, 2nd Floor
Seattle, WA 98103
Attention: Joan E. Hutchinson,
Vice President Origination and Marketing
Phone: (206) 462-4868
e-mail: jhutchinson@rl-en.com

To Idaho Power:

Original document to:

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

Copy of document to:

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

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

ARTICLE XXVI: ADDITIONAL TERMS AND CONDITIONS

26.1 Equal Employment. During performance pursuant to this Agreement, Seller agrees to comply with all applicable equal employment opportunity, small business, and affirmative action laws and regulations. All Equal Employment Opportunity and affirmative action laws and regulations are hereby incorporated by this reference, including provisions of 38 U.S.C. § 4212, Executive Order

11246, as amended, and any subsequent executive orders or other laws or regulations relating to equal opportunity for employment on government contracts. To the extent this Agreement is covered by Executive Order 11246, the Equal Opportunity Clauses contained in 41 C.F.R. 60-1.4, 41 C.F.R. 60-250.5, and 41 CFR 60-741.5 are incorporated herein by reference. [Reserved for review and comment by Seller]

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

Appendix A	-	Monthly Power Production and Availability Report
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Forms of Liquid Security
Appendix E	-	Wind Energy Production Forecasting
Appendix F	-	Form of Letter of Credit
Appendix G	-	Sample Shortfall Damages Calculation

ARTICLE XXVII: SEVERABILITY

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

ARTICLE XXVIII: COUNTERPARTS

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

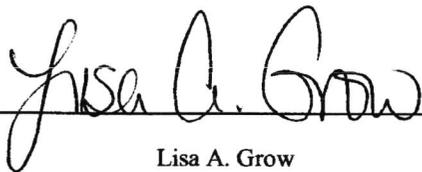
ARTICLE XXIX: ENTIRE AGREEMENT

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

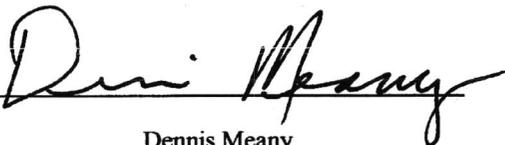
IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed
in their respective names on the dates set forth below:

Idaho Power Company

Rockland Wind Project LLC

By 

Lisa A. Grow
Sr. Vice President, Power Supply

By 

Dennis Meany
President

Dated 9.3.10

"Idaho Power"

Dated 9/1/2010

"Seller"

APPENDIX A

A-1 MONTHLY POWER PRODUCTION AND AVAILABILITY REPORT

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

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

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

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

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND AVAILABILITY REPORT

Month _____ Year _____

Project Name _____ Project Number: _____
 Address _____ Phone Number: _____
 City _____ State _____ Zip _____

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

Mechanical Availability Guarantee

Seller Calculated Mechanical Availability _____

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

Signature Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

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

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

A-3 ROUTINE REPORTING

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

Idaho Power Contact Information

Daily Energy Production Reporting

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

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

Planned and Unplanned Project outages

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

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

Seller's Contact Information

24-Hour Project Operational Contact

Name: _____
Telephone Number: _____
Cell Phone: _____

Project On-site Contact information

Telephone Number: _____

APPENDIX B

ROCKLAND WIND PROJECT

PROJECT NO. 41455300

B-1 DESCRIPTION OF FACILITY

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

Rockland Wind Project will be comprised of 44 Vestas V100 turbines for a total nameplate rating of 79.2 MW. Each turbine is rated at 1.8 MW and has .95 lead /.90 lag power factor. Turbine selection has not been finalized and the final Facility Description is subject to change based on actual turbine selection.

B-2 LOCATION OF FACILITY

Near: American Falls, Idaho

T7S R31E sec 31

T8S R30E sec 13, 24, 23-28, 33-36

T8S R31E sec 6, 7, 16, 19, 30, 31

T9S R30E sec 1-5, 9-12

County: Power County, ID.

Description of Interconnection Location: The Facility will interconnect to the Idaho Power transmission system at 138 kV at the project boundary in Section 36, Township 8 South, Range 30 East – to be defined in the interconnection agreement.

Nearest Idaho Power Substation: Brady Substation in American Falls.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected July 15, 2011 as the Scheduled First Energy Date.

Seller has selected December 31, 2011 as the Scheduled Operation Date.

In making these selections, Seller recognizes that adequate testing of the Facility and completion of all requirements in paragraph 5.3 of this Agreement must be completed prior to the project being granted an Operation Date.

B-4 MAXIMUM CAPACITY AMOUNT

This value will be 80 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with Seller's interconnection agreement. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 POINT OF DELIVERY

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

B-6 LOSSES

If the Idaho Power Metering equipment is capable of measuring the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, no Losses will be calculated for this Facility. If the Idaho Power Metering is unable to measure the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, a Losses calculation will be established to measure the energy losses (kWh) between the Seller's Facility and the Idaho Power Point of Delivery. This loss calculation will be initially set at 2% of the kWh energy production recorded on the Facility generation metering equipment. At such time as Seller provides Idaho Power with the electrical equipment specifications (transformer loss specifications, conductor sizes, etc) of all of the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power will configure a revised loss calculation formula to be agreed to by both Parties and used to calculate the kWh Losses for the remaining term of the Agreement. If at

any time during the term of this Agreement, Idaho Power determines that the loss calculation does not correctly reflect the actual kWh losses attributed to the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous month's kWh loss calculations.

B-7 METERING AND TELEMETRY

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

B-8 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until a Network Resource Designation ("NRD") application has been accepted by Idaho Power's delivery business unit. Federal Energy Regulatory Commission ("FERC") Rules require Idaho Power to prepare and submit the NRD. Because much of the information Idaho Power needs to prepare the NRD is specific to the Seller's Facility, Idaho Power's ability to file the NRD in a timely manner is

contingent upon timely receipt of the required information from the Seller. Prior to Idaho Power beginning the process to enable Idaho Power to submit a request for NRD status for this Facility, the Seller shall have completed all requirements as specified in Paragraph 5.7 of this Agreement. **Seller's failure to provide complete and accurate information in a timely manner can significantly impact Idaho Power's ability and cost to attain the NRD designation for the Seller's Facility and the Seller shall bear the costs of any of these delays that are a result of any action or inaction by the Seller.**

APPENDIX C

ENGINEER'S CERTIFICATION

OF

OPERATIONS & MAINTENANCE POLICY

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

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Firm Energy Sales Agreement, hereinafter "Agreement," between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the wind energy 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-five (25) 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 and assuming Sufficient Prime Mover, 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 5.3 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 Firm Energy Sales Agreement, hereinafter "Agreement," between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the wind energy power production project which is the subject of the Agreement and this Statement is identified as IPCo Facility No. _____ and hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty-five (25) 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 5.3 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 wind energy 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-five (25) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project and has made the analysis of the plans and specifications independently.
8. That Engineer has reviewed the engineering design and construction of the Project, including the civil work, electrical work, generating equipment, prime mover conveyance system, Seller furnished Interconnection Facilities and other Project facilities and equipment.

9. That the Project has been constructed in accordance with said plans and specifications, all applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

10. That the design and construction of the Project is such that with reasonable and prudent operation and maintenance practices by Seller, the Project is capable of performing in accordance with the terms of the Agreement and with Prudent Electrical Practices for a twenty (20) year period.

11. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.3 of the Agreement, in interconnecting the Project with its system, is relying on Engineer's representations and opinions contained in this Statement.

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

By _____
(P.E. Stamp)

Date _____

APPENDIX D

FORMS OF LIQUID SECURITY

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

For the purpose of this Appendix D, the term "Credit Requirements" shall mean acceptable financial creditworthiness of the entity providing the security instrument in relation to the term of the obligation in the reasonable judgment of Idaho Power, provided that (a) any guarantee issued by any other entity with a short-term or long-term investment grade credit rating by Standard & Poor's Corporation or Moody's Investor Services, Inc. shall be deemed to have acceptable financial creditworthiness, and (b) any letter of credit issued by any other entity with a short-term or long-term investment grade credit rating of A- by Standard & Poor's Corporation or A3 by Moody's Investor Services, Inc. shall be deemed to have acceptable financial creditworthiness.

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

substantially similar to the form in Appendix F, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution that satisfies the Credit Requirements. The Seller shall be responsible for its own costs and all costs imposed by the guarantor(s) or the issuer of the Letter(s) of Credit associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

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

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

Except so far as otherwise stated, this Letter of Credit is subject to the International Standby Practices ISP98 (also known as ICC Publication No. 590), or revision currently in effect (the "ISP"). As to matters not covered by the ISP, the laws of the State of California, without regard to the principles of conflicts of laws thereunder, shall govern all matters with respect to this Letter of Credit.

AUTHORIZED SIGNATURE for Issuer

(Name)

Title: _____

ATTACHMENT A

Drawing Certificate
TO *[ISSUING BANK NAME]*
IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT
No. _____

DRAWING CERTIFICATE
Bank
Bank Address

Subject: Irrevocable Non-transferable Standby Letter of Credit
Reference Number: _____

The undersigned _____, an authorized representative of Idaho Power Company (the "Beneficiary"), hereby certifies to *[Issuing Bank Name]* (the "Bank"), and _____ (the "Applicant"), with reference to Irrevocable Nontransferable Standby Letter of Credit No. { _____ }, dated _____, (the "Letter of Credit"), issued by the Bank in favor of the Beneficiary, as follows as of the date hereof:

1. The Beneficiary is entitled to draw under the Letter of Credit an amount equal to \$ _____, for the following reason(s) [check applicable provision]:
 - [] JA. Pursuant to the terms of that certain Firm Energy Sales Agreement between Applicant and Beneficiary, dated as of *[Date of Execution]* (the "Agreement"), Beneficiary is entitled to draw under the Letter of Credit amounts owed by Applicant under the Agreement.
 - [] JB. The Letter of Credit will expire in fewer than 30 days from the date hereof, and Applicant has not provided Beneficiary alternative security acceptable to Beneficiary.
2. Based upon the foregoing, the Beneficiary hereby makes demand under the Letter of Credit for payment of U.S. DOLLARS AND ____/100ths (U.S.\$ _____), which amount does not exceed (i) the amount set forth in paragraph 1 above, and (ii) the Available Amount under the Letter of Credit as of the date hereof.
3. Funds paid pursuant to the provisions of the Letter of Credit shall be wire transferred to the Beneficiary in accordance with the following instructions:

Unless otherwise provided herein, capitalized terms which are used and not defined herein shall have the meaning given each such term in the Letter of Credit.

IN WITNESS WHEREOF, this Certificate has been duly executed and delivered on behalf of the Beneficiary by its authorized representative as of this ____ day of _____, ____.

Beneficiary: IDAHO POWER COMPANY

By:
Name:
Title:

APPENDIX G

SAMPLE SHORTFALL DAMAGES CALCULATION

PARAGRAPH 6.6.4 OF THE AGREEMENT

Sample Mechanical Availability damage calculation

April 2012 (Hypothetical Month)

MAG Shortfall calculation

Mechanical Availability Guarantee (Paragraph 6.6)	85.00%
Less: Current Month calculated Mechanical Availability	80.00%
MAG shortfall	5.00%

KWh shortfall

April Initial Year Monthly Net Energy amounts (paragraph 6.4.1)	20,015,000	KWh
Multiplied by the MAG shortfall	5.00%	
KWh Shortfall	1,000,750	KWh
Availability Shortfall Price - as defined in paragraph 1.2 and not to be less than 15.00 Mills/KWh	15.00	Mills / KWh

Shortfall Payment payable to Idaho Power	\$15,011.25
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EXHIBIT 801
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
TUANA GULCH 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

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

TUANA GULCH WIND PARK, L.L.C.

Project Number: 31315065

THIS AGREEMENT, entered into on this 18th day of February 2005 between
TUANA GULCH 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 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation
Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 "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.
- 1.16 "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.
- 1.17 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.19 "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.
- 1.20 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 "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.
- 1.24 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 “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.
- 1.26 “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

- 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

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.

6.2.3 Seller's Adjustment of Net Energy Amount –

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 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 = a) 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.

b.) 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:

<u>Year</u>	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	<u>Mills/kWh</u>	<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

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 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as provided in paragraph 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.

14.3.2 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: Tuana Gulch 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:

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

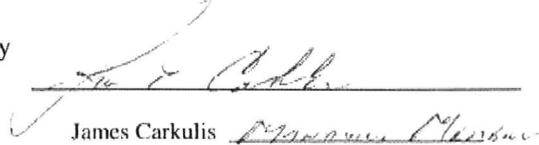
Tuana Gulch Wind Park L.L.C.

By



N. Vern Porter - Mgr Power Supply Operations

By



James Carkulis

Dated

FEBRUARY 18, 2005

"Idaho Power"

Dated

FEBRUARY 18TH, 2005

"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: _____				
End of Month kWh Meter Reading: _____				kW
Beginning of Month kWh Meter: _____				
Difference: _____				
Times Meter Constant: _____				<u>Net Generation</u>
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. 31315065

TUANA GULCH 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: 1,6,7,12,18,19 Township: 7S Range: 12E County: Twin Falls Idaho.

Sections: 19,30 Township: 6S Range: 13E 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 _____

EXHIBIT 802
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
GOLDEN VALLEY WIND PARK LLC
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

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

GOLDEN VALLEY WIND PARK LLC

Project Number: 31765160

THIS AGREEMENT, entered into on this 5th day of May 2005 between GOLDEN VALLEY WIND PARK, an Idaho limited liability company (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as "Parties" or individually as "Party."

WITNESSETH:

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

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

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

ARTICLE I: DEFINITIONS

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

- 1.1 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 “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.
- 1.16 “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.
- 1.17 “Operation Date” – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 “Point of Delivery” – The location specified in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected.
- 1.19 “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.
- 1.20 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 “Season” – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 “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.
- 1.24 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 “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.
- 1.26 “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

- 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	3,612,966
	April	2,787,964
	May	2,095,176
Season 2	July	1,513,939
	August	1,662,174
	November	2,387,942
	December	3,351,561
Season 3	June	1,939,187
	September	2,387,420
	October	2,734,798
	January	1,496,471
	February	2,659,638

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.

6.2.3 Seller's Adjustment of Net Energy Amount -

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 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 = a.) 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.

b.) 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:

<u>Year</u>	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	<u>Mills/kWh</u>	<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

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 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440, 000 kWh in this example would be

Inadvertent Energy.)

- 7.3.2 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 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as provided in paragraph 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.

14.3.2 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: Golden Valley Wind Park, LLC
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:

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

Golden Valley Wind Park LLC

By 

By 

N. Vern Porter - Mgr Power Supply Operations

James T. Carkulis - Managing Member

Dated MAY 5, 2005
"Idaho Power"

Dated MAY 5th, 2005
"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: _____	_____	_____	_____	
Times Meter Constant: _____	_____	_____	_____	<u>Net Generation</u>
kWh for the Month: _____	_____	_____	_____ =	
Metered Demand: _____	_____	_____	_____	

Breaker Opening Record

<u>Date</u>	<u>Time</u>	<u>Meter</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. 31765160

GOLDEN VALLEY WIND PARK

B-1 DESCRIPTION OF FACILITY

The Facility will consist of 7 Wind turbines model GE 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: Burley, Idaho

Sections: E ½, E ½ of 24 Township: 11 S Range: 21 E County: Cassia Idaho.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected April 31, 2006 as the estimated Scheduled First Energy Date.

Seller has selected June 1, 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 Golden Valley Wind Park, LLC 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 Golden Valley Wind Park Project, is located in Section E ½, E ½ of 24, Township 11 S, Range 21 E, Boise Meridian, Cassia County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ (___) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, provided said Project has been designed and built to appropriate standards, adherence to said O&M Policy will result in the

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 Golden Valley Wind Park, LLC 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 Golden Valley Wind Park Project, is located at 550 South ,700 West, Burley, Idaho
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has made a physical inspection of said Project, its 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 Golden Valley Wind Park, LLC 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 Golden Valley Wind Park Project, is located in Section E ½, E ½ of 24, Township 11S, Range 21E, Boise Meridian, Cassia 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 _____

Project's producing at or near the design electrical output, efficiency and plant factor for a _____ ()
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 _____

EXHIBIT 803
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
MILNER DAM WIND PARK LLC
TABLE OF CONTENTS

RECEIVED
2014 FEB 19 PM 4:15
IDAHO PUBLIC
UTILITIES COMMISSION

<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

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

MILNER DAM WIND PARK LLC

Project Number: 31720190

THIS AGREEMENT, entered into on this 14 day of Oct 2005 between MILNER DAM WIND PARK, an Idaho limited liability company (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as "Parties" or individually as "Party."

WITNESSETH:

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

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

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

ARTICLE I: DEFINITIONS

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

- 1.1 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 "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.
- 1.16 "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.
- 1.17 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.19 "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.
- 1.20 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 "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.
- 1.24 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 "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.
- 1.26 "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

- 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	5,787,962
	April	4,427,728
	May	4,963,825
Season 2	July	3,214,413
	August	3,031,353
	November	3,732,861
	December	4,870,362
Season 3	June	4,542,022
	September	3,874,824
	October	4,945,819
	January	3,863,663
	February	4,585,851

- 6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.
- 6.2.3 Seller's Adjustment of Net Energy Amount -
- 6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.
- 6.2.3.2 Beginning with the end of the 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 = a.) 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.

b.) 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:

<u>Year</u>	<u>Season 1 - (73.50 %)</u>	<u>Season 2 - (120.00 %)</u>	<u>Season 3 - (100.00 %)</u>
	<u>Mills/kWh</u>	<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

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 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440, 000 kWh in this example would be

Inadvertent Energy.)

- 7.3.2 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 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as

provided in paragraph 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.

14.3.2 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: Milner Dam Wind Park, LLC
 Attn: James T. Carkulis
 515 N 27th Street
 P.O. Box 7218
 Boise, Idaho 83702

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:

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

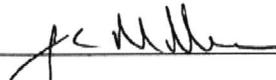
hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

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

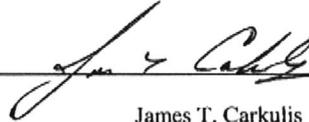
Milner Dam Wind Park L.L.C.

By



Jim C. Miller, Sr. Vice President, Power Supply

By



James T. Carkulis

Dated

10/11/05

"Idaho Power"

Dated

10/11/05

"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: _____	_____	_____	_____	
Times Meter Constant: _____	_____	_____	_____	<u>Net Generation</u>
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. 31720190

MILNER DAM WIND PARK

B-1 DESCRIPTION OF FACILITY

The Facility will consist of 12 Wind turbines; model 77 GE SLE with individual generator ratings of 1.5 MW for each unit, for a total Facility generator rating of 18.0 MW.

B-2 LOCATION OF FACILITY

Near:

Sections: 25, 26, 35 Township: T10S Range: R20E County: Cassia Idaho.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected November 1, 2006 as the estimated Scheduled First Energy Date.

Seller has selected May 1, 2007 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 19.2 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 Sellers 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 _____, 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 _____

EXHIBIT 804
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
OREGON TRAIL 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

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

OREGON TRAIL WIND PARK L.L.C.

Project Number: 31315075

THIS AGREEMENT, entered into on this 18th day of February 2005 between OREGON TRAIL 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 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 "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.
- 1.16 "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.
- 1.17 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.19 "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.
- 1.20 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 "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.
- 1.24 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 "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.
- 1.26 "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

- 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

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.

6.2.3 Seller's Adjustment of Net Energy Amount –

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 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 = a.) 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.

b.) 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:

<u>Year</u>	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	<u>Mills/kWh</u>	<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

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 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as provided in paragraph 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.

14.3.2 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: Oregon Trail 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:

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

Oregon Trail Wind Park L.L.C.

By



N. Vern Porter - Mgr Power Supply Operations

By



James Carkulis *Managing Member*

Dated

FEBRUARY 18, 2005

"Idaho Power"

Dated

February 18th, 2005

"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: _____				
End of Month kWh Meter Reading: _____				kW
Beginning of Month kWh Meter: _____				
Difference: _____				
Times Meter Constant: _____				<u>Net Generation</u>
kWh for the Month: _____	-	-	=	
Metered Demand: _____				

Breaker Opening Record

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

<u>#</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. 31315075

OREGON TRAIL 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: 1,6,7,12 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 _____

EXHIBIT 805
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
SALMON FALLS WIND PARK LLC
TABLE OF CONTENTS

RECEIVED
FILED
2005 OCT 20 PM 4: 53
IDAHO PUBLIC
UTILITIES COMMISSION

<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

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

SALMON FALLS WIND PARK LLC

Project Number: 31618100

THIS AGREEMENT, entered into on this 14 day of oct 2005 between SALMON FALLS WIND PARK, an Idaho limited liability company (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as "Parties" or individually as "Party."

WITNESSETH:

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

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

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

ARTICLE I: DEFINITIONS

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

- 1.1 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 "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.
- 1.16 "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.
- 1.17 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.19 "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.
- 1.20 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 "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.
- 1.24 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 "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.
- 1.26 "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

- 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	5,447,744
	April	5,565,060
	May	5,027,172
Season 2	July	4,065,190
	August	3,772,578
	November	4,041,053
	December	5,330,750
Season 3	June	4,700,332
	September	4,470,040
	October	4,757,415
	January	4,203,187
	February	3,436,421

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.

6.2.3 Seller's Adjustment of Net Energy Amount -

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 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 = a.) 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.
b.) 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:

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

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 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440, 000 kWh in this example would be

Inadvertent Energy.)

- 7.3.2 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 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as

provided in paragraph 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.

14.3.2 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: Salmon Falls Wind Park, LLC
Attn: James T. Carkulis
515 N 27th Street
P.O. Box 7218
Boise, Idaho 83702

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:

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

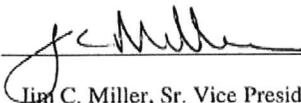
hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

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

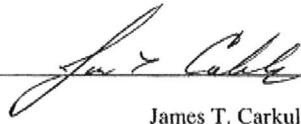
Salmon Falls Wind Park L.L.C.

By



Jim C. Miller, Sr. Vice President, Power Supply

By



James T. Carkulis

Dated

10/11/05

"Idaho Power"

Dated

10/11/05

"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.

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. 31618100

SALMON FALLS WIND PARK

B-1 DESCRIPTION OF FACILITY

The Facility will consist of 14 Wind turbines; model GE SLE with individual generator ratings of 1.5 MW for each unit, for a total Facility generator rating of 21.0 MW.

B-2 LOCATION OF FACILITY

Near:

Sections: 25, 36 Township: T08S Range: R12E County: Twin Falls Idaho.

Sections: 30, 31 Township: T08S Range: R13E County: Twin Falls Idaho.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected November 1, 2006 as the estimated Scheduled First Energy Date.

Seller has selected May 1, 2007 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 22.40 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 _____, 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 _____

EXHIBIT 806
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
THOUSAND SPRINGS 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

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

THOUSAND SPRINGS WIND PARK, L.L.C.

Project Number: 31315055

THIS AGREEMENT, entered into on this 18th day of February 2005 between THOUSAND SPRINGS 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 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 "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.
- 1.16 "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.
- 1.17 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.19 "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.
- 1.20 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 "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.
- 1.24 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 "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.
- 1.26 "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

- 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

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.

6.2.3 Seller's Adjustment of Net Energy Amount -

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 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 = a.) 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.
b.) 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:

<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>
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 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as provided in paragraph 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.

14.3.2 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: Thousand Springs 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:

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

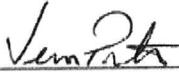
32.1 This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the

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

Thousand Springs Wind Park L.L.C.

By 
N. Vern Porter - Mgr Power Supply Operations

By 
James Carkulis 

Dated FEBRUARY 18, 2005
"Idaho Power"

Dated FEBRUARY 18TH, 2005
"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

Date	Time	Meter

*	Reason

Breaker Closing Record

Date	Time	Meter

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

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

Signature _____
Date

A-2 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. 31315055

THOUSAND SPRINGS 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: 4,5,8,9 Township: 7S Range: 13E County: Twin Falls Idaho.

Sections: 19,30 Township: 6S Range: 13E 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 _____

EXHIBIT 807
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

EXHIBIT 807
CASE NO. IPC E-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
BURLEY BUTTE WIND PARK LLC
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

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

BURLEY BUTTE WIND PARK LLC

Project Number: 31765170

THIS AGREEMENT, entered into on this 5th day of May 2005 between BURLEY BUTTE WIND PARK, an Idaho limited liability company (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as "Parties" or individually as "Party."

WITNESSETH:

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

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

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

ARTICLE I: DEFINITIONS

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

- 1.1 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 "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.
- 1.16 "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.
- 1.17 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.19 "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.
- 1.20 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 "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.
- 1.24 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 "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.
- 1.26 "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

- 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	3,612,966
	April	2,787,964
	May	2,095,176
Season 2	July	1,513,939
	August	1,662,174
	November	2,387,942
	December	3,351,561
Season 3	June	1,939,187
	September	2,387,420
	October	2,734,798
	January	1,496,471
	February	2,659,638

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.

6.2.3 Seller's Adjustment of Net Energy Amount -

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 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 = a.) 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.

b.) 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:

<u>Year</u>	Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
	<u>Mills/kWh</u>	<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

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 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440, 000 kWh in this example would be

Inadvertent Energy.)

- 7.3.2 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 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as

provided in paragraph 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.

14.3.2 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: Burley Butte Wind Park, LLC
 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:

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

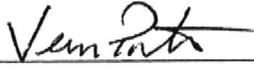
Parties concerning the subject matter hereof.

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

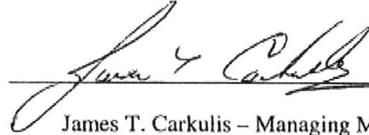
Burley Butte Wind Park L.L.C.

By



N. Vern Porter - Mgr Power Supply Operations

By



James T. Carkulis - Managing Member

Dated

MAY 5, 2005

"Idaho Power"

Dated

MAY 5TH, 2005

"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 _____

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

Breaker Opening Record

Date	Time	Meter

Breaker Closing Record

* Reason	Date	Time	Meter

* **Breaker Opening Reason Codes**

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

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

Signature Date

A-2 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. 31765170

BURLEY BUTTE WIND PARK

B-1 DESCRIPTION OF FACILITY

The Facility will consist of 7 Wind turbines; model GE 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: Burley, Idaho

Sections: 6 Township: 11 S Range: 22 E County: Cassia Idaho.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected October 30, 2005 as the estimated Scheduled First Energy Date.

Seller has selected December 31, 2005 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 Burley Butte Wind Park LLC 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 Burley Butte Wind Park Project, is located in Section 6, Township 11 S, Range 22 E, Boise Meridian, Cassia 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 Burley Butte Wind Park LLC 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 Burley Butte Wind Park Project, is located at 250 South, 650 West, Burley, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has made a physical inspection of said Project, its 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 Burley Butte Wind Park, LLC 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 Burley Butte Wind Park Project, is located in Section 6, Township 11 S, Range 22 E, Boise Meridian, Cassia 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 _____

EXHIBIT 808
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

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

Article	TITLE
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

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 "Commission" - The Idaho Public Utilities Commission.
- 1.2 "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 "Disconnection Equipment" - All equipment specified in Schedule 72 and the Generation
Interconnection Process and any additional equipment specified in Appendix B.
- 1.5 "Facility" - That electric generation facility described in Appendix B of this Agreement.

- 1.6 "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.
- 1.7 "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.
- 1.8 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.3 of this Agreement.
- 1.9 "Interconnection Facilities" - All equipment specified in Schedule 72 and the Generation Interconnection Process and any additional equipment specified in Appendix B.
- 1.10 "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.
- 1.11 "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.
- 1.12 "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.
- 1.13 "Material Breach" – A Default (paragraph 22.2.1) subject to paragraph 22.2.2.

- 1.14 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.15 "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.
- 1.16 "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.
- 1.17 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.18 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.19 "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.
- 1.20 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.21 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.22 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.23 "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.
- 1.24 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.25 “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.
- 1.26 “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

- 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

6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts) and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates. 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.

6.2.3 Seller's Adjustment of Net Energy Amount –

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 28.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 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 = a.) 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.
- b.) 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:

<u>Year</u>	<u>Season 1 - (73.50 %)</u>	<u>Season 2 - (120.00 %)</u>	<u>Season 3 - (100.00 %)</u>
	<u>Mills/kWh</u>	<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

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 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 923, 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

14.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility, Seller may, after giving notice as provided in paragraph 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.

14.3.2 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: 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:

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

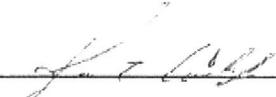
Pilgrim Stage Station Wind Park L.L.C.

By



N. Vern Porter - Mgr Power Supply Operations

By


James Carkulis *Chairman of the Board*

Dated

FEBRUARY 18, 2005
"Idaho Power"

Dated

FEBRUARY 18TH, 2005
"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: _____	_____	_____	_____	
Times Meter Constant: _____	_____	_____	_____	<u>Net Generation</u>
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 _____

EXHIBIT 809
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
YAHOO CREEK WIND PARK, LLC
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	Metering and Telemetry
11	Records
12	Operations
13	Indemnification and Insurance
14	Force Majeure
15	Liability; Dedication
16	Several Obligations
17	Waiver
18	Choice of Laws and Venue
19	Disputes and Default
20	Governmental Authorization
21	Commission Order
22	Successors and Assigns
23	Modification
24	Taxes
25	Notices
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	Appendix A
	Appendix B
	Appendix C
	Appendix D
	Appendix E
	Appendix F

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

Project Name: Yahoo Creek Wind Park, LLC

Project Number: 31315070

THIS AGREEMENT, entered into on this 9th day of July 2009 between
YAHOO CREEK WIND PARK, LLC (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.
- 1.4 "Delay Liquidated Damages" - Damages payable to Idaho Power as calculated in paragraph 5.3,
5.4, 5.5 and 5.6.
- 1.5 "Delay Period" - All days past the Scheduled Operation Date until the Seller's Facility achieves
the Operation Date.

- 1.6 "Delay Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.7 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.8 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.9 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.10 "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.
- 1.11 "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.
- 1.12 "Heavy Load Hours" - The daily hours beginning at 07:00 am, ending at 11:00 pm Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.
- 1.13 "Inadvertent Energy" - Electric energy Seller does not intend to generate. Inadvertent Energy is more particularly described in paragraph 7.5 of this Agreement.
- 1.14 "Interconnection Facilities" - All equipment specified in Idaho Power's Schedule 72.

- 1.15 “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.
- 1.16 “Light Load Hours” – The daily hours beginning at 11:00 pm, ending at 07:00 am Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.
- 1.17 “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.
- 1.18 “Lost Net 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 Net 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)

- 1.19 “Market Energy Reference Price” – Eighty-five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.20 “Material Breach” – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.
- 1.21 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.22 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month. Any penalty associated with falling short of the Mechanical Availability Guarantee for each month shall be determined in accordance with paragraph 6.4.4.
- 1.23 “Mechanical Availability Guarantee” shall be as defined in paragraph 6.4.
- 1.24 “Metering Equipment” - All equipment specified in Schedule 72, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter bi-directional power flows between the Seller's Facility at the Seller’s individual generation Facilities and the Point of Delivery on the Idaho Power electrical system.
- 1.25 “Mid- Columbia Market Energy Cost” – The monthly weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-C Index) prices for non-firm energy. If the Dow Jones Mid-Columbia Index price is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the Dow Jones Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.26 “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.
- 1.27 “Net Energy” – All of the electric energy produced by the Facility, less Station Use, less Losses, expressed in kilowatt hours (kWh) delivered to Idaho Power at the Point of Delivery. Subject to the terms of this Agreement, Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement. Net Energy does not include Inadvertent Energy.
- 1.28 “Operation Date” – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.29 “Point of Delivery” – The location specified in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected.
- 1.30 “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.
- 1.31 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. In establishing this date it is expected that the Seller reasonably determines this date is based upon the best known information in regards to equipment availability and construction schedules.
- 1.32 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission. The Seller shall be responsible to pay all costs of interconnection and integration of this Facility into the Idaho Power electrical system as specified within Schedule 72.
- 1.33 “Season” – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.34 “Special Facilities” - Additions or alterations of transmission and/or distribution lines and transformers as described in Schedule 72.
- 1.35 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility. To calculate the Station Use value for use

in the Mechanical Availability calculation, the previous period's actual Station Use will be used as a basis.

- 1.36 "Sufficient Prime Mover" means wind speed that is (1) equal to or greater than the generation unit's manufacturer-specified minimum levels required for the generation unit to produce energy and (2) equal to or less than the generation unit's manufacturer-specified maximum levels at which the generation unit can safely produce energy.
- 1.37 "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.
- 1.38 "Total Cost of the Facility" - The total replacement cost of structures, equipment and appurtenances.
- 1.39 "Wind Energy Production Forecast" – A forecast of energy deliveries from this Facility provided by an Idaho Power provided wind forecasting model. The Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

ARTICLE II: NO RELIANCE ON IDAHO POWER

- 2.1 Seller Independent Investigation - Seller warrants and represents to Idaho Power that in entering into this Agreement and the undertaking by Seller of the obligations set forth herein, Seller has investigated and determined that it is capable of performing hereunder and has not relied upon the advice, experience or expertise of Idaho Power in connection with the transactions contemplated by this Agreement.
- 2.2 Seller Independent Experts - All professionals or experts including, but not limited to, engineers, attorneys or accountants, that Seller may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Seller.

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the 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 292.201 et seq. and a Qualifying Facility certificate.
- 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.

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

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

- 4.1.5 Engineer's Certifications - Submit an executed Engineer's Certification of Design & Construction Adequacy and an Engineer's Certification of Operations and Maintenance (O&M) Policy as described in Commission Order No. 21690. These certificates will be in the form specified in Appendix C but may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates.
- 4.1.6 Insurance - Submit written proof to Idaho Power of all insurance required in Article XIII.
- 4.1.7 Interconnection – Provide written confirmation from Idaho Power's delivery business unit that Seller has satisfied all interconnection requirements.
- 4.1.8 Network Resource Designation –
- 4.1.8.1 Provide all data required by the Idaho Power delivery business unit to enable the Seller's Facility to be designated as a network resource.
- 4.1.8.2 Receive confirmation from the Idaho Power delivery business unit that the Seller's Facility has been designated as a network resource.
- 4.1.9 Reserve Accounts - Demonstrate to Idaho Power's satisfaction that the Seller has established and funded (1) a debt service reserve account in a form and with a fund holder which complies with paragraph 19.3.2 and (2) demonstrate to Idaho Power's satisfaction that the Seller has established a maintenance reserve account in a form and with a fund holder acceptable to Idaho Power. Said maintenance reserve account shall be structured and funded as follows:
- 4.1.9.1 All funds will be prudently invested, in a guaranteed, insured account and all cost of implementing and operating the maintenance reserve account shall be paid by the Seller. All interest earned on the funds on deposit will be retained in the maintenance reserve account. At the end of the term of this Agreement, any balance remaining in the maintenance reserve account shall be the property of the Seller.
- 4.1.9.2 Within 60 days after the completion of each Contract Year, the Seller will deposit cash in the maintenance reserve account in an amount equal

to, or exceeding 5% of the Facility's estimated gross income for the ensuing Contract Year, less an amount equal to the Facility's actual maintenance, repair and replacement expenses (maintenance expenses) incurred during the prior Contract Year. At Seller's option, the cash required hereunder to be maintained in such reserve may be replaced by an irrevocable standby letter of credit in the same amount.

4.1.9.3 The minimum amount of deposit retained in the maintenance reserve account shall be \$2,000,000. This minimum amount will be adjusted either upward or downward to reflect current replacement cost of a complete wind turbine/generator. (i.e. tower, nacelle, generator, control unit, associated wiring, etc) This adjustment will be made at the beginning of each 3rd contract year and the replacement value determined by the replacement cost valuation methods as described within paragraph 13.2.6.c. In the event this adjustment results in a balance in this account exceeding 10% of the cost of the actual replacement cost of a complete wind turbine/generator then the Seller may request a disbursement of funds as specified in paragraph 4.1.9.6.

4.1.9.4 At the time Seller makes the deposit described in paragraph 4.1.9.2, Seller will provide Idaho Power with an accurate, verifiable report showing the prior Contract Year's actual maintenance expenses, identified by appropriate FERC maintenance account number, and the estimate of the Facility's gross income for the ensuing Contract Year used to compute the deposit amount, together with documentation supporting the estimate of gross income.

4.1.9.5 If at any time it appears that the maintenance expense for that Contract Year will exceed 5% of the Facility's estimated gross income for that Contract Year, the Seller may request that Idaho Power consent to the

release of funds from the maintenance reserve account in an amount sufficient to pay the anticipated additional maintenance expenses. The request must include documentation supporting the Seller's projection of excess maintenance expense, identified by appropriate FERC maintenance account number, and such documentation shall be submitted to Idaho Power. Upon approval by Idaho Power, the required funds will be released to Seller in accordance with Paragraph 4.1.9.6.

4.1.9.6 Control of the maintenance reserve account will be maintained by Idaho Power through the requirement of dual signatures on the account. The only authorized signers will be the Chief Operating Officer and the Chief Financial Officer of Idaho Power (or their respective designees) and the Treasurer of Seller (or his/her respective designee). Accordingly, funds will only be released from the maintenance reserve account upon the signatures of both Idaho Power authorized signers or one Idaho Power authorized signer and Seller's authorized signer.

4.1.9.7 At the end of each Contract Year, Seller will provide Idaho Power with evidence of compliance with the maintenance reserve account requirements set out in this Agreement. This evidence of compliance will be provided in a manner and form acceptable to Idaho Power. The maintenance reserve fund will be subject to the lien rights described in paragraph 4.1.10 below.

4.1.9.8 If the Facility has established a maintenance reserve account in a form and amount that meets or exceeds the maintenance reserve requirements as defined below for compliance with other parties having a financial interest in this Facility, the Seller shall provide Idaho Power with documentation of those requirements and upon Idaho Power's acceptance that the financial maintenance reserve requirements meet or

exceed the requirements within this Agreement, Idaho Power will accept this financial maintenance reserve account as meeting these requirements. If Idaho Power accepts, this financial maintenance reserve account, it will be required that within 60 days of the end of each Contract Year the Seller provide Idaho Power documentation of the balance within the financial maintenance reserve account and the previous year's activity within the account. Idaho Power reserves the right to require the Seller to provide a maintenance reserve account as specified below at any time during the term of this Agreement if Idaho Power determines that the Seller's financial maintenance reserve account no longer meets or exceeds these requirements.

4.1.10 Security Interests - Provide Idaho Power with acceptable security against Seller's default under this Agreement. Acceptable security will conform to Commission Order No. 21690 and No. 21800 and may include, but will not be limited to (1) title insurance, security interests in the real property associated with the Facility, equipment, fixtures, contracts, permits, easements, rights-of-way, land use agreements, funds held in escrow in which Seller has an interest and that relate to the operation of the Facility, and other reasonable security arrangements consistent with the Facility's financing and ownership arrangements; or (2) the seller may post liquid security in an amount equal to at least thirty five percent (35%) of the Accumulated Overpayment Amount specified for that year in Appendix F.

4.1.10.1 Idaho Power's security interests will be superior and senior to all liens other than the first mortgage lien and other security interests permitted in accordance with paragraphs 4.1.10.2. The Seller shall be responsible for all costs reasonably incurred by Idaho Power to review and perfect this security interest not to exceed \$15,000.

- 4.1.10.2 If Seller desires to incur a first mortgage lien or other security interests that will be superior to Idaho Power's security interests in the Facility, at least twenty-one (21) days prior to their execution, Seller shall provide Idaho Power with draft copies of the deeds of trust, mortgages and other security agreements that will be used to secure such first lien. Upon their execution Seller shall provide Idaho Power with copies of the executed first lien documents. The executed first lien documents shall not be assigned, amended, modified, or extended, and no replacement or refinancing of any nature shall be undertaken, without Idaho Power's prior written consent which consent shall not be unreasonably withheld. In no event will the amount of any first mortgage lien exceed \$56,250,000. The total amount of all refinanced or replaced first liens shall not exceed the unpaid principal balance of the first mortgage liens they replace.
- 4.1.10.3 Other than the first mortgage liens permitted herein, or temporary mechanic's, statutory or similar liens incurred in the ordinary course of business in an amount not to exceed in aggregate \$50,000, Seller will not permit any liens or encumbrances of any nature whatsoever to be placed on the Facility without Idaho Power's prior written consent, which consent will not be unreasonably withheld. If any unpermitted lien or encumbrance is placed on the Facility, Seller will provide Idaho Power with a bond, insurance or other security acceptable to Idaho Power in an amount sufficient to secure the full discharge of such unpermitted lien or encumbrance.
- 4.1.10.4 During the remaining term of this Agreement, Seller shall maintain compliance with all requirements of Idaho Power's security interests described above in paragraph 4.1.10 of this Agreement and

Commission Order No. 21690. Seller's failure to comply with those requirements, will be an event of default and in addition to any other remedies available under this Agreement, Commission Order No. 21690, and the security interests, Seller will be required by Idaho Power to post liquid security ("Performance Security") in a form as specified in Appendix D in an amount equal to at least thirty five percent (35%) of the Accumulated Overpayment Amount specified for that year in Appendix F. Failure to maintain and provide the liquid security required by this Agreement and Commission Order No. 21690 and No. 21800 shall be an event of default.

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

ARTICLE V: TERM AND OPERATION DATE

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

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

- a) Achieved the First Energy Date.
- b) Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- c) Seller has demonstrated to Idaho Power's satisfaction that the Facility is complete and able to provide energy in a consistent, reliable and safe manner.
- d) Seller has requested an Operation Date from Idaho Power in a written format.

e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

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

5.3.1 If the Operation Date occurs after the Scheduled Operation Date but prior to 90 days past the Scheduled Operation Date, Seller shall pay Idaho Power Delay Liquidated Damages calculated monthly as follows:

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

5.3.2 If the Seller's Facility has not achieved the Operation Date within 90 days after the Scheduled Operation Date, the Seller shall pay Idaho Power Delay Liquidated Damages calculated as follows:

Twenty dollars (\$20) multiplied by the Maximum Capacity Amount with the Maximum Capacity Amount being measured in KW.

5.4 If Seller fails to achieve the Operation Date within ninety (90) days after the Scheduled Operation Date, such failure will be a Material Breach and Idaho Power may terminate this Agreement.

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

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

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

5.7.1 Twenty dollars (\$20) multiplied by the Maximum Capacity Amount with the Maximum Capacity Amount being measured in kW.

5.7.1.1 If the Seller provides Idaho Power with certification that a generation interconnection agreement specifying a schedule that will enable the Facility to achieve the Operation Date no later than the Scheduled Operation Date has (1) been completed and the Seller has paid all required interconnection costs or (2) a generation interconnection agreement is substantially complete and all material costs of interconnection have been identified and agreed upon and (3) the Seller is in compliance with all terms and conditions of the generation interconnection agreement, the Delay Security calculated in accordance with paragraph 5.7.1 will be reduced by ten percent (10%).

5.7.1.2 If the Seller has received a reduction in the calculated Delay Security as specified in paragraph 5.7.1.1 and subsequently (1) at Seller’s request, the generation interconnection agreement specified in paragraph 5.7.1.1 is revised and as a result the Facility will not achieve its Operation Date by the Scheduled Operation Date or (2) if the Seller does not maintain compliance with the generation interconnection agreement, the full amount of the Delay Security as calculated in paragraph 5.7.1 will be subject to reinstatement and will be due and owing within 5 business days from the date Idaho Power requests reinstatement. Failure to timely reinstate the Delay Security will be a Material Breach of this Agreement.

5.7.2 Idaho Power shall release any remaining security posted hereunder after all calculated Delay Liquidated Damages are paid in full to Idaho Power and the earlier of (1) 30 days

after the Operation Date has been achieved or (2) 120 days after the termination of this Agreement.

- 5.7.3 Early Termination Payment – At any time after the Operation Date has been achieved, Idaho Power terminates this Agreement due to any default by the Seller, Seller will make a termination payment to Idaho Power. The termination payment will include but not be limited to the Accumulated Overpayment Amount specified in Appendix F of this Agreement.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Delivery and Acceptance of Net Energy - Except when either Party's performance is excused as provided herein, Idaho Power will purchase and Seller will sell all of the Net Energy to Idaho Power at the Point of Delivery. All Inadvertent Energy produced by the Facility will also be delivered by the Seller to Idaho Power at the Point of Delivery. At no time will the total amount of Net Energy and/or Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery exceed the Maximum Capacity Amount.
- 6.2 Net Energy Amounts - Seller intends to produce and deliver Net Energy in the following monthly amounts. These amounts shall be consistent with the Mechanical Availability Guarantee.

6.2.1 Initial Year Monthly Net Energy Amounts:

	<u>Month</u>	<u>kWh</u>
Season 1	March	5,735,994
	April	5,541,459
	May	5,207,971
Season 2	July	3,490,508
	August	3,618,345
	November	4,201,949
	December	4,824,460
Season 3	June	4,552,111
	September	4,029,647
	October	4,618,809
	January	5,018,995
	February	4,746,646

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.

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

6.4.1 At the same time the Facility 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

- 6.4.2 The Facility shall maintain detailed documentation supporting its calculation of the Facility's Mechanical Availability. These records will be retained for three years.
- 6.4.3 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.
- 6.4.4 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.
- 6.4.5 Any damages calculated in paragraph 6.4.4 will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Facility shall pay in full the remaining balance within fifteen (15) days of the date of the invoice.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Heavy Load Purchase Price – For all Net Energy received during Heavy Load Hours, Idaho Power will pay the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30415 for Heavy Load Hour Energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
63.65	106.47	87.64

7.2 Light Load Purchase Price – For all Net Energy received during Light Load Hours, Idaho Power will pay the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30415 for Light Load Hour Energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
58.73	97.73	80.36

7.3 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
61.47	102.58	84.40

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

7.5 Inadvertent Energy –

7.5.1 Inadvertent Energy is electric energy produced by the Facility, expressed in kWh, which the Seller delivers to Idaho Power at the Point of Delivery that exceeds 10,000 kW multiplied by the hours in the specific month in which the energy was

delivered. (For example January contains 744 hours. 744 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440,000 kWh in this example would be Inadvertent Energy.)

- 7.5.2 Although Seller intends to design and operate the Facility to generate no more than 10 average MW and therefore does not intend to generate Inadvertent Energy, Idaho Power will accept Inadvertent Energy that does not exceed the Maximum Capacity Amount but will not purchase or pay for Inadvertent Energy.
- 7.6 Payment Due Date – Energy payments, less Wind Energy Production Forecasting Monthly Cost Allocation (MCA), will be disbursed to the Seller within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Available Guarantee and the Net Energy actually delivered to Idaho Power as specified in Appendix A.
- 7.7 Continuing Jurisdiction of the Commission .This Agreement is a special contract and, as such, the rates, terms and conditions contained in this Agreement will be construed in accordance with *Idaho Power Company v. Idaho Public Utilities Commission and 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: METERING AND TELEMETRY

- 10.1 Metering - Idaho Power shall, for the account of Seller, provide, install, and maintain Metering and Telemetry Equipment to be located at a mutually agreed upon location to record and measure power flows to Idaho Power in accordance with this Agreement and Schedule 72. The Metering Equipment will be at the location and the type required to measure, record and report the Facility's Net Energy, Station Use, Inadvertent Energy and maximum energy deliveries (kW) at the Point of Delivery in a manner to provide Idaho Power adequate energy measurement data to administer this Agreement and to integrate this Facility's energy production into the Idaho Power electrical system.
- 10.2 Telemetry - Idaho Power will install, operate and maintain at Seller's expense metering, communications and telemetry equipment which will be capable of providing Idaho Power with continuous instantaneous telemetry of Seller's Net Energy and Inadvertent Energy produced and delivered to the Idaho Power Point of Delivery to Idaho Power's Designated Dispatch Facility.

ARTICLE XI - RECORDS

- 11.1 Maintenance of Records - Seller shall maintain at the Facility or such other location mutually acceptable to the Parties adequate total generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records in a form and content recommended by Idaho Power.
- 11.2 Inspection - Either Party, after reasonable notice to the other Party, shall have the right, during normal business hours, to inspect and audit any or all generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records pertaining to the Seller's Facility.

ARTICLE XII: OPERATIONS

- 12.1 Communications - Idaho Power and the Seller shall maintain appropriate operating communications through Idaho Power's Designated Dispatch Facility in accordance with Appendix A of this Agreement.
- 12.2 Energy Acceptance -
- 12.2.1 Idaho Power shall be excused from accepting and paying for Net Energy or accepting Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery, if it is prevented from doing so by an event of Force Majeure, Forced Outage or temporary disconnection of the Facility in accordance with Schedule 72. If, for reasons other than an event of Force Majeure or a Forced Outage, a temporary disconnection under Schedule 72 exceeds twenty (20) days, beginning with the twenty-first day of such interruption, curtailment or reduction, Seller will be deemed to be delivering Net Energy at a rate equivalent to the pro rata daily average of the amounts specified for the applicable month in paragraph 6.2. Idaho Power will notify Seller when the interruption, curtailment or reduction is terminated.
- 12.2.2 If, in the reasonable opinion of Idaho Power, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified

within Schedule 72 or take such other reasonable steps as Idaho Power deems appropriate.

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

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

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

12.5 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt the interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's construction, ownership, operation or

maintenance of, or by failure of, any 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 documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

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

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

13.2.2 All Risk Property Insurance with minimum limits not less than eighty percent (80%) of the Total Cost of the Facility. The Property Insurance coverage must be written on a Replacement Cost basis and will include:

- (a) Standard fire policy
- (b) Extended coverage endorsement; and
- (c) Vandalism and malicious mischief endorsement.
- (d) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.3 Boiler and Machinery insurance with minimum limits not less than eighty percent (80%) of the total Replacement Cost of the equipment covered in (a) below:

- (a) All boiler and machinery coverage must be written on a "comprehensive form" basis to provide coverage against the sudden and accidental breakdown of all boilers, machinery and electrical equipment, turbines, generators, and switchgear.
- (b) Coverage under this insurance must be written on a Replacement Cost basis; and

- (c) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.4 Earthquake & Flood (catastrophic perils) Insurance with limits not less than eighty percent (80%) of the Total Cost of the Facility. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.5 Business Interruption (Loss of Income) Insurance with minimum daily limits not less than twenty percent (20%) of the Facility's estimated annual income;

- (a) Coverage will include Seller's loss of earnings when business operations are curtailed or suspended because of a loss due to an insured peril. Coverage may be written on an actual loss sustained basis.
- (b) This insurance coverage must be endorsed to both the All Risk Property Insurance Policy and the Boiler and Machinery Insurance Policy;
- (c) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.
- (d) The estimated annual income shall be computed on the basis of the Net Energy Amounts contained in paragraph 6.2.

13.2.6 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.
- (c) In the case of the insurance coverages described in sub-paragraphs 13.2.1, 13.2.2, 13.2.3, and 13.2.4 above, the Total Cost of the Facility will include any Seller-furnished Disconnection Equipment and/or Interconnection Facilities. The Total Cost of the Facility and total Replacement Cost of equipment will be adjusted either upward or downward to reflect the current replacement cost of the Facility

or equipment. This adjustment will be based on either (1) an appraisal made by, or for, the Seller's insurance company, or (2) use of an approved "industrial cost trend index" published by a national insurer (i.e., Factory Mutual Engineering and Research Building Cost Index; Kemper Replacement Value Cost Trends - Industrial Machinery & Equipment; Industrial Risk Insurers, U.S. Replacement Cost Factors) (3) any other mutually agreed upon methodology of establishing the total replacement cost. Such adjustment shall be made, at a minimum, every fifth Contract Year during the term of this Agreement. A copy of these computations and/or appraisals will be submitted to Idaho Power for Idaho Power's review and approval.

13.2.7 Insurance Alternatives - Comprehensive General Liability Insurance as defined in paragraph 13.2.1 will be required at all times throughout the term of this agreement. Alternative arrangements creating equivalent protection for Idaho Power in lieu of the insurance requirements specified in paragraphs 13.2.2, 13.2.3, 13.2.4 and 13.2.5 of this Agreement may be submitted to Idaho Power for review. Only upon Idaho Power's written acceptance of these alternate arrangements may the Seller be allowed to forgo the insurance requirements of paragraphs 13.2.2, 13.2.3, 13.2.3 and 13.2.5 of this Agreement. Any and all acceptable alternative arrangements must place Idaho Power in an equal or better position in the event of the occurrence of an insurable event.

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

13.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by paragraph 13.2 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is

taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute a Material Breach of this Agreement.

ARTICLE XIV: FORCE MAJEURE

14.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the control of the Seller or of Idaho Power which, despite the exercise of due diligence, such Party is unable to prevent or overcome. Force Majeure includes, but is not limited to, acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, or changes in law or regulation occurring after the 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 XV: LIABILITY; DEDICATION

15.1 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one

Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

- 18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.
- 18.2 Venue for any litigation arising out of or related to this Agreement will lie in the District Court of the Fourth Judicial District of Idaho in and for the County of Ada.

ARTICLE XIX: DISPUTES AND DEFAULT

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

19.2 Notice of Default -

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

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach.

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

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

19.3.2 Debt Service Reserve Account – The Seller will establish a debt service reserve account. Said debt service reserve account will be separate from the maintenance reserve account and shall be structured as follows:

- 19.3.2.1 All funds will be prudently invested, in a guaranteed, insured account and all cost of implementing and operating the Debt Service Reserve Account shall be paid by the Seller. All interest earned on the funds on deposit will be retained in the Debt Service Reserve Account. At the end of the term of this Agreement, any balance remaining in the Debt Service Reserve Account shall be the property of the Seller.
- 19.3.2.2 Control of the Debt Service Reserve Account will be maintained by Idaho Power through the requirement of dual signatures on the account. The only authorized signers will be the Chief Operating Officer and the Chief Financial Officer of Idaho Power (or their respective designees) and the Treasurer of Seller (or his/her respective designee). Accordingly, funds will only be released from the Debt Service Reserve Account upon the signatures of both Idaho Power authorized signers or one Idaho Power authorized signer and Seller's authorized signer.
- 19.3.2.3 During the period of time in which the Facility acts as security for a first mortgage lien which is senior to Idaho Power's security interest in the Facility as described in paragraph 4.1.10, Seller shall maintain a debt service reserve account in cash or an irrevocable standby letter of credit in an amount equal to twenty percent (20 %) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000. The estimated gross Contract Year revenue is calculated to be the sum of the monthly Net Energy Amounts specified in paragraph 6.2 multiplied by the All Energy Price specified in paragraph 7.3.
- 19.3.2.4 During the period when the Facility is security for a first mortgage lien that is senior to Idaho Power's lien, funds from the debt service reserve account will only be released to the holder of the first mortgage lien. Funds from said account shall be released only when, and only to the extent that Seller

certifies to Idaho Power that after payment of all operating costs, the Facility's revenues are insufficient to make full debt service and/or lease payments on the Facility.

- 19.3.2.5 Upon full satisfaction of the above-referenced first mortgage lien and when Idaho Power's security interest becomes the senior security interest in the Facility, a withdrawal from the Debt Service Reserve Account may be requested by the Seller for the amount in the debt service reserve account which exceeds five percent (5%) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000. Seller shall maintain a debt service reserve account in cash or an irrevocable standby letter of credit in an amount equal to five percent (5%) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000.
- 19.3.2.6 During the period when Idaho Power's security interest is the senior security interest in the Facility, funds from the debt service reserve account will only be released to pay operating costs for the Facility.
- 19.3.2.7 For purposes of the debt service reserve account, operating costs are limited to those costs necessary for the operation of the Facility such as taxes, insurance expenses, lease payments and other ordinary and necessary operating expenses. Operating costs shall not include any disbursements other than lease payments which would constitute a profit or return on investment.
- 19.3.2.8 After any release of funds from the debt service reserve account, Seller shall be obligated to restore the debt service reserve account to the amounts provided for in paragraphs 19.3.2.3 or 19.3.2.5, whichever is applicable, prior to Seller disbursing funds which would constitute a profit or return on investment. Until the debt service reserve account is fully restored, Seller will, within sixty (60) days of the completion of each Contract Year,

provide Idaho Power with a report prepared by Seller's outside accountants showing that Seller has not breached its obligations under this paragraph 19.3.2.

19.3.2.9 If the Facility has established a debt service reserve account in a form and amount that meets or exceeds the Debt Service Reserve Account requirements as defined below for compliance with other parties having a financial interest in this Facility, the Seller shall provide Idaho Power with documentation of those requirements and upon Idaho Power's acceptance that the financial debt service reserve requirements meet or exceed the requirements within this Agreement, Idaho Power will accept this financial debt service reserve account as meeting these requirements. If Idaho Power accepts this financial debt service reserve account it will be required that within 60 days of the end of each Contract Year the Seller provide Idaho Power documentation of the balance within the financial debt service reserve account and the previous year's activity within the account. Idaho Power reserves the right to require the Seller to provide a Debt Service Reserve Account as specified below at any time during the term of this Agreement if Idaho Power determines that the Seller's financial debt reserve account no longer meets or exceeds these requirements.

19.3.2.10 Any breach of paragraph 19.3.2 by Seller will constitute a Material Breach of this Agreement.

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

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

ARTICLE XX: GOVERNMENTAL AUTHORIZATION

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

ARTICLE XXI: COMMISSION ORDER

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

ARTICLE XXII: SUCCESSORS AND ASSIGNS

22.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto, except that no assignment hereof by either Party shall become effective without the written consent of both Parties being first obtained. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, any party which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights,

obligations and interests under this Agreement. This article shall not prevent a financing entity with recorded or secured rights from exercising all rights and remedies available to it under law or contract. Idaho Power shall have the right to be notified by the financing entity that it is exercising such rights or remedies.

ARTICLE XXIII: MODIFICATION

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

ARTICLE XXIV: TAXES

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

ARTICLE XXV: NOTICES

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

To Seller: Contract Manager
 c/o Exergy Development Group of Idaho, LLC
 802 W. Bannock St., 12th Floor
 Boise, ID 83702
 info@exergydevelopmentgroup.com

Copy of document to:
Peter Richardson
Richardson & O'Leary Law Firm
515 N. 27th Street
Boise, ID 83702
peter@richardsonandoleary.com

To Idaho Power:

Original document to:

Senior Vice President, Delivery
Idaho Power Company
P O Box 70
Boise, Idaho 83707
Email: DMinor@idahopower.com

Copy of document to:

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

ARTICLE XXVI: ADDITIONAL TERMS AND CONDITIONS

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

Appendix A	-	Generation Scheduling and Reporting
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Forms of Liquid Security
Appendix E	-	Wind Energy Production Forecasting
Appendix F	-	Accumulated Overpayment Amount

ARTICLE XXVII: SEVERABILITY

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

ARTICLE XXVIII: COUNTERPARTS

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

ARTICLE XXIX: ENTIRE AGREEMENT

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

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

Idaho Power Company

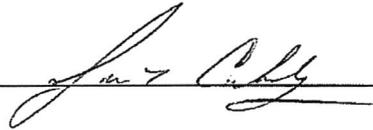
Yahoo Creek Wind Park, LLC

By



Dan B. Minor
Senior Vice President, Delivery

By



Dated

7/9/09

"Idaho Power"

Dated

07-July-2009

"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 _____

	Facility <u>Output</u>	Station <u>Usage</u>	Station <u>Usage</u>	Metered <u>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

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

Idaho Power Contact Information

Daily Energy Production Reporting

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

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

Planned and Unplanned Project outages

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

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

Seller's Contact Information

24-Hour Project Operational Contact

Name: _____
Telephone Number: _____
Cell Phone: _____

Project On-site Contact information

Telephone Number: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

PROJECT NO. 31315070

Yahoo Creek Wind Park, LLC

B-1 DESCRIPTION OF FACILITY

21.0 MW Installed capacity wind conversion power generation facility utilizing 14 GE Model 1500 xle wind turbine generators with standard reactive power range 0.95 lead (reactive power leaving the generator) to 0.90 lagging.

B-2 LOCATION OF FACILITY

Near: Hagerman, ID

Section 35 - W1/2, S1/2NE1/4, N1/2SE1/4, SW1/4SE1/4 Township: 7S Range: 12E

County: Twin Falls, ID.

Section 36 - ALL Township: 7S Range: 12E County: Twin Falls, ID.

Section 2 - ALL Township: 8S Range: 12E County: Twin Falls, ID.

Section 6 - N1/2 Township: 8S Range: 12E County: Twin Falls, ID.

Description of Interconnection Location: 400 W, 5900 N, Hagerman, connecting to the King / Bliss 138 kV line.

Nearest Idaho Power Substation: Tuana Substation

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected September 30, 2010 as the Scheduled First Energy Date.

Seller has selected September 30, 2010 as the Scheduled Operation Date.

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

B-4 MAXIMUM CAPACITY AMOUNT: This value will be 21.0 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with Schedule 72. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 POINT OF DELIVERY

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

B-6 LOSSES

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

equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous months kWh loss calculations.

B-7 METERING AND TELEMETRY

Schedule 72 will determine the specific metering and telemetry requirements for this Facility. At the minimum the Metering Equipment and Telemetry equipment must be able to provide and record hourly energy deliveries to the Point of Delivery and any other energy measurements required to administer this Agreement. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. Seller will arrange for and make available at Seller's cost communication circuit(s) compatible 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.

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 five (5) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, provided said Project has been designed and built to appropriate standards, adherence to said O&M Policy will result in the Project's producing at or near the design electrical output, efficiency and plant factor for a twenty (20) year period.

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

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

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION

OF

ONGOING OPERATIONS AND MAINTENANCE

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

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

9. That the Project has been constructed in accordance with said plans and specifications, all applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

10. That the design and construction of the Project is such that with reasonable and prudent operation and maintenance practices by Seller, the Project is capable of performing in accordance with the terms of the Agreement and with Prudent Electrical Practices for a twenty (20) year period.

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

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

By _____
(P.E. Stamp)

Date _____

APPENDIX D

FORMS OF LIQUID SECURITY

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

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

1. Cash Escrow Security – Seller shall deposit funds in an escrow account established by the Seller in a banking institution acceptable to both Parties equal to the required security amount(s). A single escrow account may be established for all security requirements, however detailed accounting of the individual security requirements must be maintained by the Seller and Seller shall be obligated to maintain the appropriate amounts to satisfy each security requirement within the individually identified accounts. The Seller shall be responsible for all costs associated with establishing and maintaining the escrow account(s).
2. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the required security amount(s): (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable

Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. A single aggregate Guarantee or Letter of Credit may be provided for all security requirements, however detailed accounting of the individual security requirements must be maintained by the Seller and Seller shall be obligated to maintain the appropriate amounts to satisfy each security requirement within the individually identified accounts. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

As specified in Commission Order 30488, Idaho Power shall make use of a Wind Energy Production Forecasting model to forecast the energy production from this Facility and other QF 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. Sellers share will not be greater than 0.1% of the total energy payments made to Seller by Idaho Power during the previous Contract Year.

- a. For every month of this Agreement beginning with the first full month after the Scheduled First Energy Date as specified in Appendix of this Agreement, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. Any Wind Energy Production Forecasting Monthly Cost Allocations (MCA) that are not reimbursed to Idaho Power shall be deducted from energy payments to the Seller.
 - As the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete, at the end of the first Contract Year any prior allocations that exceeded the 0.1% cap shall be adjusted to reflect the 0.1% cap and if the Facility has paid the monthly allocations a refund will be included in equal monthly amounts over the ensuing Contract Year. If the Facility has not paid the monthly allocations the amount due Idaho Power will be adjusted accordingly and the unpaid balance will be deducted from the ensuing Contract Year's energy payments.
- b. During the first Contract Year, as the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete,

Idaho Power will deduct the Facility's calculated share of the Wind Energy Production Forecasting costs specified in item b each month during the first Contract Year and subsequently refund any overpayment (payments that exceed the cap) in equal monthly amounts over the ensuing Contract Year.

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

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

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

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

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

And

Monthly Cost Allocation (MCA) = ACA / 12

- e. The Wind Energy Production Forecasting Monthly Cost Allocation (MCA) is due and payable to Idaho Power. The MCA will first be netted against any monthly energy payments owed to the Seller. If the netting of the MCA against

the monthly energy payments results in a balance being due Idaho Power, the
Facility shall pay this amount within 15 days of the date of the payment invoice.

APPENDIX F

ACCUMULATED OVERPAYMENT AMOUNT

PROJECT NUMBER: 31315070

YAHOO CREEK WIND PARK

The accumulated total of:

The monthly Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 multiplied by the All Hours Energy Price (Mill/kWh) specified in paragraph 7.3 less the same monthly Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 multiplied by the monthly, seasonalized, Non Levelized rates where the seasonalization factors are the same as identified in paragraph 7.3 and Non Levelized rates are in accordance with IPUC order No. 30744 for all expired months of this Agreement and the next 12 months. In addition a cumulative interest Amount will be calculated on the expired month's Accumulated Overpayment Amount and included in the Accumulated Overpayment Amount based upon the Idaho Power overall allowed rate of return in the Idaho jurisdiction, which at the time of the signing of this agreement is 8.18 %.

This Accumulated Overpayment Amount will be initially calculated prior to the First Energy Date and then recalculated annually at the end of each Contract Year.

APPENDIX F

TABLE OF ACCUMULATED OVERPAYMENT ENERGY RATES AS DEFINED IN THIS APPENDIX

PROJECT NUMBER: 31315070

YAHOO CREEK WIND PARK

Per IPUC Order 30744 and 30738

Calendar Year	Levelized Flat Energy Prices for a Project coming online in 2010			Non Levelized Flat Energy Prices			Accumulated Overpayment Energy Rate		
	Season 1	Season 2	Season 3	Season 1	Season 2	Season 3	Season 1	Season 2	Season 3
2010	61.47	102.58	84.40	52.59	86.82	71.55	8.88	15.76	12.85
2011	61.47	102.58	84.40	54.13	89.56	73.65	7.33	13.02	10.75
2012	61.47	102.58	84.40	55.42	91.84	75.45	6.04	10.74	8.95
2013	61.47	102.58	84.40	56.74	94.18	77.40	4.73	8.40	7.00
2014	61.47	102.58	84.40	58.09	96.58	79.40	3.38	6.00	5.00
2015	61.47	102.58	84.40	59.54	99.16	81.55	1.92	3.42	2.85
2016	61.47	102.58	84.40	60.95	101.67	83.64	0.52	0.91	0.76
2017	61.47	102.58	84.40	62.48	104.38	85.90	(1.01)	(1.80)	(1.50)
2018	61.47	102.58	84.40	63.97	107.01	88.09	(2.50)	(4.43)	(3.69)
2019	61.47	102.58	84.40	65.49	109.71	90.34	(4.02)	(7.13)	(5.94)
2020	61.47	102.58	84.40	67.04	112.48	92.65	(5.58)	(9.90)	(8.25)
2021	61.47	102.58	84.40	68.64	115.32	95.01	(7.18)	(12.74)	(10.61)
2022	61.47	102.58	84.40	70.28	118.22	97.44	(8.81)	(15.64)	(13.04)
2023	61.47	102.58	84.40	71.96	121.21	99.92	(10.50)	(18.63)	(15.52)
2024	61.47	102.58	84.40	73.68	124.26	102.47	(12.22)	(21.68)	(18.07)
2025	61.47	102.58	84.40	75.87	127.99	105.57	(14.40)	(25.41)	(21.17)
2026	61.47	102.58	84.40	78.22	131.82	108.77	(16.75)	(29.24)	(24.37)
2027	61.47	102.58	84.40	80.65	135.78	112.07	(19.18)	(33.20)	(27.67)
2028	61.47	102.58	84.40	83.14	139.86	115.47	(21.67)	(37.28)	(31.07)
2029	61.47	102.58	84.40	85.72	144.06	118.97	(24.25)	(41.48)	(34.57)
2030	61.47	102.58	84.40	87.80	147.47	121.81	(26.33)	(44.89)	(37.41)

APPENDIX F

EXAMPLE OF ACCUMULATED OVERPAYMENT CALCULATION

The calculation below is for example purposes only – to calculate the Accumulated Overpayment Amounts for this Agreement it will be required that the actual values from the agreement are used in this calculation.

Example Assumptions :

Project becomes Operational as of Jan 1, 2010.
Project terminates Agreement as of July 1, 2010.

Expired Months:

	Estimated Mwh (per article 6.2.1 of the Agreement)	Accumulated Overpayment Energy Rate	Calculated Overpayment	Interest applied to expired Months	Total Accumulated Overpayment including interest
				8.18%	
Jan-10	15,000	12.85	\$192,750	\$1,313.91	\$194,064
Feb-10	20,000	12.85	\$257,000	\$1,322.87	\$452,387
Mar-10	16,000	8.88	\$142,080	\$3,083.77	\$597,551
Apr-10	21,000	8.88	\$186,480	\$4,073.30	\$788,104
May-10	13,000	8.88	\$115,440	\$5,372.24	\$908,916
Jun-10	14,000	12.85	\$179,900	\$6,195.78	\$1,095,012

Plus Next 12 Months:

Jul-10	14,000	15.76	\$220,640		\$1,315,652
Aug-10	15,000	15.76	\$236,400		\$1,552,052
Sep-10	18,000	12.85	\$231,300		\$1,783,352
Oct-10	13,000	12.85	\$167,050		\$1,950,402
Nov-10	15,000	15.76	\$236,400		\$2,186,802
Dec-10	14,000	15.76	\$220,640		\$2,407,442
Jan-11	15,000	10.75	\$161,250		\$2,568,692
Feb-11	20,000	10.75	\$215,000		\$2,783,692
Mar-11	16,000	7.33	\$117,280		\$2,900,972
Apr-11	21,000	7.33	\$153,930		\$3,054,902
May-11	13,000	7.33	\$95,290		\$3,150,192
Jun-11	14,000	10.75	\$150,500		\$3,300,692

Based on this example - if this example Project were to terminate this "levelized" agreement in July 2010. The calculated accumulated Overpayment Amount would be \$3,300,692 which would be payable to Idaho Power in addition to any other damages due Idaho Power.

EXHIBIT 810
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
CAMP REED WIND PARK, LLC
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	Metering and Telemetry
11	Records
12	Operations
13	Indemnification and Insurance
14	Force Majeure
15	Liability; Dedication
16	Several Obligations
17	Waiver
18	Choice of Laws and Venue
19	Disputes and Default
20	Governmental Authorization
21	Commission Order
22	Successors and Assigns
23	Modification
24	Taxes
25	Notices
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	Appendix A
	Appendix B
	Appendix C
	Appendix D
	Appendix E
	Appendix F

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

Project Name: Camp Reed Wind Park, LLC

Project Number: 31315050

THIS AGREEMENT, entered into on this 9th day of July 2009 between
CAMP REED WIND PARK, LLC (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.
- 1.4 "Delay Liquidated Damages" - Damages payable to Idaho Power as calculated in paragraph 5.3,
5.4, 5.5 and 5.6.
- 1.5 "Delay Period" - All days past the Scheduled Operation Date until the Seller's Facility achieves
the Operation Date.

- 1.6 “Delay Price” - The current month’s Mid-Columbia Market Energy Cost minus the current month’s All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.7 “Designated Dispatch Facility” - Idaho Power’s Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.8 “Energy Shortfall Price” - The current month’s Mid-Columbia Market Energy Cost minus the current month’s All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.9 “Facility” - That electric generation facility described in Appendix B of this Agreement.
- 1.10 “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.
- 1.11 “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.
- 1.12 “Heavy Load Hours” – The daily hours beginning at 07:00 am, ending at 11:00 pm Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.
- 1.13 “Inadvertent Energy” – Electric energy Seller does not intend to generate. Inadvertent Energy is more particularly described in paragraph 7.5 of this Agreement.
- 1.14 “Interconnection Facilities” - All equipment specified in Idaho Power’s Schedule 72.

- 1.15 “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.
- 1.16 “Light Load Hours” – The daily hours beginning at 11:00 pm, ending at 07:00 am Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.
- 1.17 “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.
- 1.18 “Lost Net 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 Net 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)

- 1.19 “Market Energy Reference Price” – Eighty-five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.20 “Material Breach” – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.
- 1.21 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.22 “Mechanical Availability” - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility’s monthly actual Net Energy divided by the Facility’s Calculated Net Energy Amount for the applicable month. Any penalty associated with falling short of the Mechanical Availability Guarantee for each month shall be determined in accordance with paragraph 6.4.4.
- 1.23 “Mechanical Availability Guarantee” shall be as defined in paragraph 6.4.
- 1.24 “Metering Equipment” - All equipment specified in Schedule 72, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter bi-directional power flows between the Seller's Facility at the Seller’s individual generation Facilities and the Point of Delivery on the Idaho Power electrical system.
- 1.25 “Mid- Columbia Market Energy Cost” – The monthly weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-C Index) prices for non-firm energy. If the Dow Jones Mid-Columbia Index price is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the Dow Jones Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.26 “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.

- 1.27 "Net Energy" – All of the electric energy produced by the Facility, less Station Use, less Losses, expressed in kilowatt hours (kWh) delivered to Idaho Power at the Point of Delivery. Subject to the terms of this Agreement, Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement. Net Energy does not include Inadvertent Energy.
- 1.28 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.29 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.30 "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.
- 1.31 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date. In establishing this date it is expected that the Seller reasonably determines this date is based upon the best known information in regards to equipment availability and construction schedules.
- 1.32 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission. The Seller shall be responsible to pay all costs of interconnection and integration of this Facility into the Idaho Power electrical system as specified within Schedule 72.
- 1.33 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.34 "Special Facilities" - Additions or alterations of transmission and/or distribution lines and transformers as described in Schedule 72.
- 1.35 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility. To calculate the Station Use value for use

in the Mechanical Availability calculation, the previous period's actual Station Use will be used as a basis.

- 1.36 "Sufficient Prime Mover" means wind speed that is (1) equal to or greater than the generation unit's manufacturer-specified minimum levels required for the generation unit to produce energy and (2) equal to or less than the generation unit's manufacturer-specified maximum levels at which the generation unit can safely produce energy.
- 1.37 "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.
- 1.38 "Total Cost of the Facility" - The total replacement cost of structures, equipment and appurtenances.
- 1.39 "Wind Energy Production Forecast" – A forecast of energy deliveries from this Facility provided by an Idaho Power provided wind forecasting model. The Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

ARTICLE II: NO RELIANCE ON IDAHO POWER

- 2.1 Seller Independent Investigation - Seller warrants and represents to Idaho Power that in entering into this Agreement and the undertaking by Seller of the obligations set forth herein, Seller has investigated and determined that it is capable of performing hereunder and has not relied upon the advice, experience or expertise of Idaho Power in connection with the transactions contemplated by this Agreement.
- 2.2 Seller Independent Experts - All professionals or experts including, but not limited to, engineers, attorneys or accountants, that Seller may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Seller.

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the 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 292.201 et seq. and a Qualifying Facility certificate.
- 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.

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

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

- 4.1.5 Engineer's Certifications - Submit an executed Engineer's Certification of Design & Construction Adequacy and an Engineer's Certification of Operations and Maintenance (O&M) Policy as described in Commission Order No. 21690. These certificates will be in the form specified in Appendix C but may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates.
- 4.1.6 Insurance - Submit written proof to Idaho Power of all insurance required in Article XIII.
- 4.1.7 Interconnection – Provide written confirmation from Idaho Power's delivery business unit that Seller has satisfied all interconnection requirements.
- 4.1.8 Network Resource Designation –
- 4.1.8.1 Provide all data required by the Idaho Power delivery business unit to enable the Seller's Facility to be designated as a network resource.
- 4.1.8.2 Receive confirmation from the Idaho Power delivery business unit that the Seller's Facility has been designated as a network resource.
- 4.1.9 Reserve Accounts - Demonstrate to Idaho Power's satisfaction that the Seller has established and funded (1) a debt service reserve account in a form and with a fund holder which complies with paragraph 19.3.2 and (2) demonstrate to Idaho Power's satisfaction that the Seller has established a maintenance reserve account in a form and with a fund holder acceptable to Idaho Power. Said maintenance reserve account shall be structured and funded as follows:
- 4.1.9.1 All funds will be prudently invested, in a guaranteed, insured account and all cost of implementing and operating the maintenance reserve account shall be paid by the Seller. All interest earned on the funds on deposit will be retained in the maintenance reserve account. At the end of the term of this Agreement, any balance remaining in the maintenance reserve account shall be the property of the Seller.
- 4.1.9.2 Within 60 days after the completion of each Contract Year, the Seller will deposit cash in the maintenance reserve account in an amount equal

to, or exceeding 5% of the Facility's estimated gross income for the ensuing Contract Year, less an amount equal to the Facility's actual maintenance, repair and replacement expenses (maintenance expenses) incurred during the prior Contract Year. At Seller's option, the cash required hereunder to be maintained in such reserve may be replaced by an irrevocable standby letter of credit in the same amount.

4.1.9.3 The minimum amount of deposit retained in the maintenance reserve account shall be \$2,000,000. This minimum amount will be adjusted either upward or downward to reflect current replacement cost of a complete wind turbine/generator. (i.e. tower, nacelle, generator, control unit, associated wiring, etc) This adjustment will be made at the beginning of each 3rd contract year and the replacement value determined by the replacement cost valuation methods as described within paragraph 13.2.6.c. In the event this adjustment results in a balance in this account exceeding 10% of the actual replacement cost of a complete wind turbine/generator then the Seller may request a disbursement of funds as specified in paragraph 4.1.9.6.

4.1.9.4 At the time Seller makes the deposit described in paragraph 4.1.9.2, Seller will provide Idaho Power with an accurate, verifiable report showing the prior Contract Year's actual maintenance expenses, identified by appropriate FERC maintenance account number, and the estimate of the Facility's gross income for the ensuing Contract Year used to compute the deposit amount, together with documentation supporting the estimate of gross income.

4.1.9.5 If at any time it appears that the maintenance expense for that Contract Year will exceed 5% of the Facility's estimated gross income for that Contract Year, the Seller may request that Idaho Power consent to the

release of funds from the maintenance reserve account in an amount sufficient to pay the anticipated additional maintenance expenses. The request must include documentation supporting the Seller's projection of excess maintenance expense, identified by appropriate FERC maintenance account number, and such documentation shall be submitted to Idaho Power. Upon approval by Idaho Power, the required funds will be released to Seller in accordance with Paragraph 4.1.9.6.

4.1.9.6 Control of the maintenance reserve account will be maintained by Idaho Power through the requirement of dual signatures on the account. The only authorized signers will be the Chief Operating Officer and the Chief Financial Officer of Idaho Power (or their respective designees) and the Treasurer of Seller (or his/her respective designee). Accordingly, funds will only be released from the maintenance reserve account upon the signatures of both Idaho Power authorized signers or one Idaho Power authorized signer and Seller's authorized signer.

4.1.9.7 At the end of each Contract Year, Seller will provide Idaho Power with evidence of compliance with the maintenance reserve account requirements set out in this Agreement. This evidence of compliance will be provided in a manner and form acceptable to Idaho Power. The maintenance reserve fund will be subject to the lien rights described in paragraph 4.1.10 below.

4.1.9.8 If the Facility has established a maintenance reserve account in a form and amount that meets or exceeds the maintenance reserve requirements as defined below for compliance with other parties having a financial interest in this Facility, the Seller shall provide Idaho Power with documentation of those requirements and upon Idaho Power's acceptance that the financial maintenance reserve requirements meet or

exceed the requirements within this Agreement, Idaho Power will accept this financial maintenance reserve account as meeting these requirements. If Idaho Power accepts, this financial maintenance reserve account, it will be required that within 60 days of the end of each Contract Year the Seller provide Idaho Power documentation of the balance within the financial maintenance reserve account and the previous year's activity within the account. Idaho Power reserves the right to require the Seller to provide a maintenance reserve account as specified below at any time during the term of this Agreement if Idaho Power determines that the Seller's financial maintenance reserve account no longer meets or exceeds these requirements.

4.1.10 Security Interests - Provide Idaho Power with acceptable security against Seller's default under this Agreement. Acceptable security will conform to Commission Order No. 21690 and No. 21800 and may include, but will not be limited to (1) title insurance, security interests in the real property associated with the Facility, equipment, fixtures, contracts, permits, easements, rights-of-way, land use agreements, funds held in escrow in which Seller has an interest and that relate to the operation of the Facility, and other reasonable security arrangements consistent with the Facility's financing and ownership arrangements; or (2) the seller may post liquid security in an amount equal to at least thirty five percent (35%) of the Accumulated Overpayment Amount specified for that year in Appendix F.

4.1.10.1 Idaho Power's security interests will be superior and senior to all liens other than the first mortgage lien and other security interests permitted in accordance with paragraphs 4.1.10.2. The Seller shall be responsible for all costs reasonably incurred by Idaho Power to review and perfect this security interest not to exceed \$15,000.

4.1.10.2 If Seller desires to incur a first mortgage lien or other security interests

that will be superior to Idaho Power's security interests in the Facility, at least twenty-one (21) days prior to their execution, Seller shall provide Idaho Power with draft copies of the deeds of trust, mortgages and other security agreements that will be used to secure such first lien. Upon their execution Seller shall provide Idaho Power with copies of the executed first lien documents. The executed first lien documents shall not be assigned, amended, modified, or extended, and no replacement or refinancing of any nature shall be undertaken, without Idaho Power's prior written consent which consent shall not be unreasonably withheld. In no event will the amount of any first mortgage lien exceed \$56,250,000. The total amount of all refinanced or replaced first liens shall not exceed the unpaid principal balance of the first mortgage liens they replace.

4.1.10.3 Other than the first mortgage liens permitted herein, or temporary mechanic's, statutory or similar liens incurred in the ordinary course of business in an amount not to exceed in aggregate \$50,000, Seller will not permit any liens or encumbrances of any nature whatsoever to be placed on the Facility without Idaho Power's prior written consent, which consent will not be unreasonably withheld. If any unpermitted lien or encumbrance is placed on the Facility, Seller will provide Idaho Power with a bond, insurance or other security acceptable to Idaho Power in an amount sufficient to secure the full discharge of such unpermitted lien or encumbrance.

4.1.10.4 During the remaining term of this Agreement, Seller shall maintain compliance with all requirements of Idaho Power's security interests described above in paragraph 4.1.10 of this Agreement and

Commission Order No. 21690. Seller's failure to comply with those requirements, will be an event of default and in addition to any other remedies available under this Agreement, Commission Order No. 21690, and the security interests, Seller will be required by Idaho Power to post liquid security ("Performance Security") in a form as specified in Appendix D in an amount equal to at least thirty five percent (35%) of the Accumulated Overpayment Amount specified for that year in Appendix F. Failure to maintain and provide the liquid security required by this Agreement and Commission Order No. 21690 and No. 21800 shall be an event of default.

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

ARTICLE V: TERM AND OPERATION DATE

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

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

- a) Achieved the First Energy Date.
- b) Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- c) Seller has demonstrated to Idaho Power's satisfaction that the Facility is complete and able to provide energy in a consistent, reliable and safe manner.
- d) Seller has requested an Operation Date from Idaho Power in a written format.

- e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

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

5.3.1 If the Operation Date occurs after the Scheduled Operation Date but prior to 90 days past the Scheduled Operation Date, Seller shall pay Idaho Power Delay Liquidated Damages calculated monthly as follows:

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

5.3.2 If the Seller's Facility has not achieved the Operation Date within 90 days after the Scheduled Operation Date, the Seller shall pay Idaho Power Delay Liquidated Damages calculated as follows:

Twenty dollars (\$20) multiplied by the Maximum Capacity Amount with the Maximum Capacity Amount being measured in KW.

5.4 If Seller fails to achieve the Operation Date within ninety (90) days after the Scheduled Operation Date, such failure will be a Material Breach and Idaho Power may terminate this Agreement.

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

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

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

5.7.1 Twenty dollars (\$20) multiplied by the Maximum Capacity Amount with the Maximum Capacity Amount being measured in kW.

5.7.1.1 If the Seller provides Idaho Power with certification that a generation interconnection agreement specifying a schedule that will enable the Facility to achieve the Operation Date no later than the Scheduled Operation Date has (1) been completed and the Seller has paid all required interconnection costs or (2) a generation interconnection agreement is substantially complete and all material costs of interconnection have been identified and agreed upon and (3) the Seller is in compliance with all terms and conditions of the generation interconnection agreement, the Delay Security calculated in accordance with paragraph 5.7.1 will be reduced by ten percent (10%).

5.7.1.2 If the Seller has received a reduction in the calculated Delay Security as specified in paragraph 5.7.1.1 and subsequently (1) at Seller’s request, the generation interconnection agreement specified in paragraph 5.7.1.1 is revised and as a result the Facility will not achieve its Operation Date by the Scheduled Operation Date or (2) if the Seller does not maintain compliance with the generation interconnection agreement, the full amount of the Delay Security as calculated in paragraph 5.7.1 will be subject to reinstatement and will be due and owing within 5 business days from the date Idaho Power requests reinstatement. Failure to timely reinstate the Delay Security will be a Material Breach of this Agreement.

5.7.2 Idaho Power shall release any remaining security posted hereunder after all calculated Delay Liquidated Damages are paid in full to Idaho Power and the earlier of (1) 30 days

after the Operation Date has been achieved or (2) 120 days after the termination of this Agreement.

5.7.3 Early Termination Payment -- At any time after the Operation Date has been achieved, Idaho Power terminates this Agreement due to any default by the Seller, Seller will make a termination payment to Idaho Power. The termination payment will include but not be limited to the Accumulated Overpayment Amount specified in Appendix F of this Agreement.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Delivery and Acceptance of Net Energy - Except when either Party's performance is excused as provided herein, Idaho Power will purchase and Seller will sell all of the Net Energy to Idaho Power at the Point of Delivery. All Inadvertent Energy produced by the Facility will also be delivered by the Seller to Idaho Power at the Point of Delivery. At no time will the total amount of Net Energy and/or Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery exceed the Maximum Capacity Amount.
- 6.2 Net Energy Amounts - Seller intends to produce and deliver Net Energy in the following monthly amounts. These amounts shall be consistent with the Mechanical Availability Guarantee.

6.2.1 Initial Year Monthly Net Energy Amounts:

	<u>Month</u>	<u>kWh</u>
Season 1	March	6,413,596
	April	6,196,081
	May	5,823,197
Season 2	July	3,902,847
	August	4,045,786
	November	4,698,332
	December	5,394,381
Season 3	June	5,089,860
	September	4,505,676
	October	5,164,437
	January	5,611,897
	February	5,307,375

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.

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

6.4.1 At the same time the Facility 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

6.4.2 The Facility shall maintain detailed documentation supporting its calculation of the Facility's Mechanical Availability. These records will be retained for three years.

6.4.3 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.

6.4.4 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.

6.4.5 Any damages calculated in paragraph 6.4.4 will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Facility shall pay in full the remaining balance within fifteen (15) days of the date of the invoice.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

7.1 Heavy Load Purchase Price – For all Net Energy received during Heavy Load Hours, Idaho Power will pay the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30415 for Heavy Load Hour Energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
63.65	106.47	87.64

7.2 Light Load Purchase Price – For all Net Energy received during Light Load Hours, Idaho Power will pay the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30415 for Light Load Hour Energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
58.73	97.73	80.36

7.3 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
61.47	102.58	84.40

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

7.5 Inadvertent Energy –

7.5.1 Inadvertent Energy is electric energy produced by the Facility, expressed in kWh, which the Seller delivers to Idaho Power at the Point of Delivery that exceeds 10,000 kW multiplied by the hours in the specific month in which the energy was

delivered. (For example January contains 744 hours. 744 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440, 000 kWh in this example would be Inadvertent Energy.)

- 7.5.2 Although Seller intends to design and operate the Facility to generate no more than 10 average MW and therefore does not intend to generate Inadvertent Energy, Idaho Power will accept Inadvertent Energy that does not exceed the Maximum Capacity Amount but will not purchase or pay for Inadvertent Energy.
- 7.6 Payment Due Date – Energy payments, less Wind Energy Production Forecasting Monthly Cost Allocation (MCA), will be disbursed to the Seller within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Available Guarantee and the Net Energy actually delivered to Idaho Power as specified in Appendix A.
- 7.7 Continuing Jurisdiction of the Commission This Agreement is a special contract and, as such, the rates, terms and conditions contained in this Agreement will be construed in accordance with *Idaho Power Company v. Idaho Public Utilities Commission and 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: METERING AND TELEMTRY

- 10.1 Metering - Idaho Power shall, for the account of Seller, provide, install, and maintain Metering and Telemetry Equipment to be located at a mutually agreed upon location to record and measure power flows to Idaho Power in accordance with this Agreement and Schedule 72. The Metering Equipment will be at the location and the type required to measure, record and report the Facility's Net Energy, Station Use, Inadvertent Energy and maximum energy deliveries (kW) at the Point of Delivery in a manner to provide Idaho Power adequate energy measurement data to administer this Agreement and to integrate this Facility's energy production into the Idaho Power electrical system.
- 10.2 Telemetry - Idaho Power will install, operate and maintain at Seller's expense metering, communications and telemetry equipment which will be capable of providing Idaho Power with continuous instantaneous telemetry of Seller's Net Energy and Inadvertent Energy produced and delivered to the Idaho Power Point of Delivery to Idaho Power's Designated Dispatch Facility.

ARTICLE XI - RECORDS

- 11.1 Maintenance of Records - Seller shall maintain at the Facility or such other location mutually acceptable to the Parties adequate total generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records in a form and content recommended by Idaho Power.
- 11.2 Inspection - Either Party, after reasonable notice to the other Party, shall have the right, during normal business hours, to inspect and audit any or all generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records pertaining to the Seller's Facility.

ARTICLE XII: OPERATIONS

- 12.1 Communications - Idaho Power and the Seller shall maintain appropriate operating communications through Idaho Power's Designated Dispatch Facility in accordance with Appendix A of this Agreement.
- 12.2 Energy Acceptance -
- 12.2.1 Idaho Power shall be excused from accepting and paying for Net Energy or accepting Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery, if it is prevented from doing so by an event of Force Majeure, Forced Outage or temporary disconnection of the Facility in accordance with Schedule 72. If, for reasons other than an event of Force Majeure or a Forced Outage, a temporary disconnection under Schedule 72 exceeds twenty (20) days, beginning with the twenty-first day of such interruption, curtailment or reduction, Seller will be deemed to be delivering Net Energy at a rate equivalent to the pro rata daily average of the amounts specified for the applicable month in paragraph 6.2. Idaho Power will notify Seller when the interruption, curtailment or reduction is terminated.
- 12.2.2 If, in the reasonable opinion of Idaho Power, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified

within Schedule 72 or take such other reasonable steps as Idaho Power deems appropriate.

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

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

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

12.5 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt the interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's construction, ownership, operation or

maintenance of, or by failure of, any 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 documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

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

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

13.2.2 All Risk Property Insurance with minimum limits not less than eighty percent (80%) of the Total Cost of the Facility. The Property Insurance coverage must be written on a Replacement Cost basis and will include:

- (a) Standard fire policy
- (b) Extended coverage endorsement; and
- (c) Vandalism and malicious mischief endorsement.
- (d) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.3 Boiler and Machinery insurance with minimum limits not less than eighty percent (80%) of the total Replacement Cost of the equipment covered in (a) below:

- (a) All boiler and machinery coverage must be written on a "comprehensive form" basis to provide coverage against the sudden and accidental breakdown of all boilers, machinery and electrical equipment, turbines, generators, and switchgear.
- (b) Coverage under this insurance must be written on a Replacement Cost basis; and

- (c) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.4 Earthquake & Flood (catastrophic perils) Insurance with limits not less than eighty percent (80%) of the Total Cost of the Facility. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.5 Business Interruption (Loss of Income) Insurance with minimum daily limits not less than twenty percent (20%) of the Facility's estimated annual income;

- (a) Coverage will include Seller's loss of earnings when business operations are curtailed or suspended because of a loss due to an insured peril. Coverage may be written on an actual loss sustained basis.
- (b) This insurance coverage must be endorsed to both the All Risk Property Insurance Policy and the Boiler and Machinery Insurance Policy;
- (c) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.
- (d) The estimated annual income shall be computed on the basis of the Net Energy Amounts contained in paragraph 6.2.

13.2.6 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.
- (c) In the case of the insurance coverages described in sub-paragraphs 13.2.1, 13.2.2, 13.2.3, and 13.2.4 above, the Total Cost of the Facility will include any Seller-furnished Disconnection Equipment and/or Interconnection Facilities. The Total Cost of the Facility and total Replacement Cost of equipment will be adjusted either upward or downward to reflect the current replacement cost of the Facility

or equipment. This adjustment will be based on either (1) an appraisal made by, or for, the Seller's insurance company, or (2) use of an approved "industrial cost trend index" published by a national insurer (i.e., Factory Mutual Engineering and Research Building Cost Index; Kemper Replacement Value Cost Trends - Industrial Machinery & Equipment; Industrial Risk Insurers, U.S. Replacement Cost Factors) (3) any other mutually agreed upon methodology of establishing the total replacement cost. Such adjustment shall be made, at a minimum, every fifth Contract Year during the term of this Agreement. A copy of these computations and/or appraisals will be submitted to Idaho Power for Idaho Power's review and approval.

13.2.7 Insurance Alternatives - Comprehensive General Liability Insurance as defined in paragraph 13.2.1 will be required at all times throughout the term of this agreement. Alternative arrangements creating equivalent protection for Idaho Power in lieu of the insurance requirements specified in paragraphs 13.2.2, 13.2.3, 13.2.4 and 13.2.5 of this Agreement may be submitted to Idaho Power for review. Only upon Idaho Power's written acceptance of these alternate arrangements may the Seller be allowed to forgo the insurance requirements of paragraphs 13.2.2, 13.2.3, 13.2.3 and 13.2.5 of this Agreement. Any and all acceptable alternative arrangements must place Idaho Power in an equal or better position in the event of the occurrence of an insurable event.

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

13.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by paragraph 13.2 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is

taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute a Material Breach of this Agreement.

ARTICLE XIV: FORCE MAJEURE

14.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the control of the Seller or of Idaho Power which, despite the exercise of due diligence, such Party is unable to prevent or overcome. Force Majeure includes, but is not limited to, acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, or changes in law or regulation occurring after the 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 XV: LIABILITY; DEDICATION

15.1 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one

Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

- 18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.
- 18.2 Venue for any litigation arising out of or related to this Agreement will lie in the District Court of the Fourth Judicial District of Idaho in and for the County of Ada.

ARTICLE XIX: DISPUTES AND DEFAULT

- 19.1 Disputes - All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted to the Commission for resolution.
- 19.2 Notice of Default -
- 19.2.1 Defaults. If either Party fails to perform any of the terms or conditions of this Agreement (an "event of default"), the nondefaulting Party shall cause notice in writing to be given to the defaulting Party, specifying the manner in which such default occurred. If the defaulting Party shall fail to cure such default within the sixty (60) days after service of such notice, or if the defaulting Party reasonably demonstrates to the other Party that the default can be cured within a commercially reasonable time but not within such sixty (60) day period and then fails to diligently pursue such cure, then, the nondefaulting Party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies.
- 19.2.2 Material Breaches - The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach.
- 19.3 Security for Performance - Prior to the Operation Date and thereafter for the full term of this Agreement, Seller will provide Idaho Power with the following:
- 19.3.1 Insurance - Evidence of compliance with the provisions of paragraph 13.2. If Seller fails to comply, such failure will be a Material Breach and may only be cured by Seller supplying evidence that the required insurance coverage has been replaced or reinstated.
- 19.3.2 Debt Service Reserve Account - The Seller will establish a debt service reserve account. Said debt service reserve account will be separate from the maintenance reserve account and shall be structured as follows:

- 19.3.2.1 All funds will be prudently invested, in a guaranteed, insured account and all cost of implementing and operating the Debt Service Reserve Account shall be paid by the Seller. All interest earned on the funds on deposit will be retained in the Debt Service Reserve Account. At the end of the term of this Agreement, any balance remaining in the Debt Service Reserve Account shall be the property of the Seller.
- 19.3.2.2 Control of the Debt Service Reserve Account will be maintained by Idaho Power through the requirement of dual signatures on the account. The only authorized signers will be the Chief Operating Officer and the Chief Financial Officer of Idaho Power (or their respective designees) and the Treasurer of Seller (or his/her respective designee). Accordingly, funds will only be released from the Debt Service Reserve Account upon the signatures of both Idaho Power authorized signers or one Idaho Power authorized signer and Seller's authorized signer.
- 19.3.2.3 During the period of time in which the Facility acts as security for a first mortgage lien which is senior to Idaho Power's security interest in the Facility as described in paragraph 4.1.10, Seller shall maintain a debt service reserve account in cash or an irrevocable standby letter of credit in an amount equal to twenty percent (20 %) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000. The estimated gross Contract Year revenue is calculated to be the sum of the monthly Net Energy Amounts specified in paragraph 6.2 multiplied by the All Energy Price specified in paragraph 7.3.
- 19.3.2.4 During the period when the Facility is security for a first mortgage lien that is senior to Idaho Power's lien, funds from the debt service reserve account will only be released to the holder of the first mortgage lien. Funds from said account shall be released only when, and only to the extent that Seller

certifies to Idaho Power that after payment of all operating costs, the Facility's revenues are insufficient to make full debt service and/or lease payments on the Facility.

19.3.2.5 Upon full satisfaction of the above-referenced first mortgage lien and when Idaho Power's security interest becomes the senior security interest in the Facility, a withdrawal from the Debt Service Reserve Account may be requested by the Seller for the amount in the debt service reserve account which exceeds five percent (5%) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000. Seller shall maintain a debt service reserve account in cash or an irrevocable standby letter of credit in an amount equal to five percent (5%) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000.

19.3.2.6 During the period when Idaho Power's security interest is the senior security interest in the Facility, funds from the debt service reserve account will only be released to pay operating costs for the Facility.

19.3.2.7 For purposes of the debt service reserve account, operating costs are limited to those costs necessary for the operation of the Facility such as taxes, insurance expenses, lease payments and other ordinary and necessary operating expenses. Operating costs shall not include any disbursements other than lease payments which would constitute a profit or return on investment.

19.3.2.8 After any release of funds from the debt service reserve account, Seller shall be obligated to restore the debt service reserve account to the amounts provided for in paragraphs 19.3.2.3 or 19.3.2.5, whichever is applicable, prior to Seller disbursing funds which would constitute a profit or return on investment. Until the debt service reserve account is fully restored, Seller will, within sixty (60) days of the completion of each Contract Year,

provide Idaho Power with a report prepared by Seller's outside accountants showing that Seller has not breached its obligations under this paragraph 19.3.2.

19.3.2.9 If the Facility has established a debt service reserve account in a form and amount that meets or exceeds the Debt Service Reserve Account requirements as defined below for compliance with other parties having a financial interest in this Facility, the Seller shall provide Idaho Power with documentation of those requirements and upon Idaho Power's acceptance that the financial debt service reserve requirements meet or exceed the requirements within this Agreement, Idaho Power will accept this financial debt service reserve account as meeting these requirements. If Idaho Power accepts this financial debt service reserve account it will be required that within 60 days of the end of each Contract Year the Seller provide Idaho Power documentation of the balance within the financial debt service reserve account and the previous year's activity within the account. Idaho Power reserves the right to require the Seller to provide a Debt Service Reserve Account as specified below at any time during the term of this Agreement if Idaho Power determines that the Seller's financial debt reserve account no longer meets or exceeds these requirements.

19.3.2.10 Any breach of paragraph 19.3.2 by Seller will constitute a Material Breach of this Agreement.

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

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

ARTICLE XX: GOVERNMENTAL AUTHORIZATION

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

ARTICLE XXI: COMMISSION ORDER

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

ARTICLE XXII: SUCCESSORS AND ASSIGNS

22.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto, except that no assignment hereof by either Party shall become effective without the written consent of both Parties being first obtained. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, any party which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights,

obligations and interests under this Agreement. This article shall not prevent a financing entity with recorded or secured rights from exercising all rights and remedies available to it under law or contract. Idaho Power shall have the right to be notified by the financing entity that it is exercising such rights or remedies.

ARTICLE XXIII: MODIFICATION

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

ARTICLE XXIV: TAXES

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

ARTICLE XXV: NOTICES

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

To Seller: Contract Manager
 c/o Exergy Development Group of Idaho, LLC
 802 W. Bannock St., 12th Floor
 Boise, ID 83702
 info@exergydevelopmentgroup.com

Copy of document to:
Peter Richardson
Richardson & O'Leary Law Firm
515 N. 27th Street
Boise, ID 83702
peter@richardsonandoleary.com

To Idaho Power:

Original document to:

Senior Vice President, Delivery
Idaho Power Company
P O Box 70
Boise, Idaho 83707
Email: DMinor@idahopower.com

Copy of document to:

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

ARTICLE XXVI: ADDITIONAL TERMS AND CONDITIONS

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

Appendix A	-	Generation Scheduling and Reporting
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Forms of Liquid Security
Appendix E	-	Wind Energy Production Forecasting
Appendix F	-	Accumulated Overpayment Amount

ARTICLE XXVII: SEVERABILITY

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

ARTICLE XXVIII: COUNTERPARTS

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

ARTICLE XXIX: ENTIRE AGREEMENT

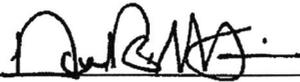
29.1 This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

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

Idaho Power Company

Camp Reed Wind Park, LLC

By



Dan B. Minor
Senior Vice President, Delivery

By



Dated

7/9/09
"Idaho Power"

Dated

07- June - 2009
"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 _____

	Facility <u>Output</u>	Station <u>Usage</u>	Station <u>Usage</u>	Metered <u>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

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

Idaho Power Contact Information

Daily Energy Production Reporting

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

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

Planned and Unplanned Project outages

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

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

Seller's Contact Information

24-Hour Project Operational Contact

Name: _____
Telephone Number: _____
Cell Phone: _____

Project On-site Contact information

Telephone Number: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

PROJECT NO. 31315050

Camp Reed Wind Park, LLC

B-1 DESCRIPTION OF FACILITY

22.5 MW Installed capacity wind conversion power generation facility utilizing 14 GE Model 1500 xle wind turbine generators with standard reactive power range 0.95 lead (reactive power leaving the generator) to 0.90 lagging.

B-2 LOCATION OF FACILITY

Near: Hagerman, ID

Section 35 - W1/2, S1/2NE1/4, N1/2SE1/4, SW1/4SE1/4 Township: 7S Range: 12E

County: Twin Falls, ID.

Section 36 - ALL Township: 7S Range: 12E County: Twin Falls, ID.

Section 2 - ALL Township: 8S Range: 12E County: Twin Falls, ID.

Section 6 - N1/2 Township: 8S Range: 12E County: Twin Falls, ID.

Description of Interconnection Location: 400 W, 5900 N, Hagerman, connecting to the King / Bliss 138 kV line.

Nearest Idaho Power Substation: Tuana Substation

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected September 30, 2010 as the Scheduled First Energy Date.

Seller has selected September 30, 2010 as the Scheduled Operation Date.

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

B-4 **MAXIMUM CAPACITY AMOUNT:** This value will be 22.5 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with Schedule 72. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 **POINT OF DELIVERY**

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

B-6 **LOSSES**

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

equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous months kWh loss calculations.

B-7 METERING AND TELEMETRY

Schedule 72 will determine the specific metering and telemetry requirements for this Facility. At the minimum the Metering Equipment and Telemetry equipment must be able to provide and record hourly energy deliveries to the Point of Delivery and any other energy measurements required to administer this Agreement. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. Seller will arrange for and make available at Seller's cost communication circuit(s) compatible 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.

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 five (5) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, provided said Project has been designed and built to appropriate standards, adherence to said O&M Policy will result in the Project's producing at or near the design electrical output, efficiency and plant factor for a twenty (20) year period.

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

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

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION

OF

ONGOING OPERATIONS AND MAINTENANCE

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

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

9. That the Project has been constructed in accordance with said plans and specifications, all applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

10. That the design and construction of the Project is such that with reasonable and prudent operation and maintenance practices by Seller, the Project is capable of performing in accordance with the terms of the Agreement and with Prudent Electrical Practices for a twenty (20) year period.

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

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

By _____
(P.E. Stamp)

Date _____

APPENDIX D

FORMS OF LIQUID SECURITY

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

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

1. Cash Escrow Security – Seller shall deposit funds in an escrow account established by the Seller in a banking institution acceptable to both Parties equal to the required security amount(s). A single escrow account may be established for all security requirements, however detailed accounting of the individual security requirements must be maintained by the Seller and Seller shall be obligated to maintain the appropriate amounts to satisfy each security requirement within the individually identified accounts. The Seller shall be responsible for all costs associated with establishing and maintaining the escrow account(s).
2. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the required security amount(s): (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable

Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. A single aggregate Guarantee or Letter of Credit may be provided for all security requirements, however detailed accounting of the individual security requirements must be maintained by the Seller and Seller shall be obligated to maintain the appropriate amounts to satisfy each security requirement within the individually identified accounts. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

As specified in Commission Order 30488, Idaho Power shall make use of a Wind Energy Production Forecasting model to forecast the energy production from this Facility and other QF 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. Sellers share will not be greater than 0.1% of the total energy payments made to Seller by Idaho Power during the previous Contract Year.

- a. For every month of this Agreement beginning with the first full month after the Scheduled First Energy Date as specified in Appendix of this Agreement, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. Any Wind Energy Production Forecasting Monthly Cost Allocations (MCA) that are not reimbursed to Idaho Power shall be deducted from energy payments to the Seller.
 - As the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete, at the end of the first Contract Year any prior allocations that exceeded the 0.1% cap shall be adjusted to reflect the 0.1% cap and if the Facility has paid the monthly allocations a refund will be included in equal monthly amounts over the ensuing Contract Year. If the Facility has not paid the monthly allocations the amount due Idaho Power will be adjusted accordingly and the unpaid balance will be deducted from the ensuing Contract Year's energy payments.
- b. During the first Contract Year, as the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete,

Idaho Power will deduct the Facility's calculated share of the Wind Energy

Production Forecasting costs specified in item b each month during the first

Contract Year and subsequently refund any overpayment (payments that exceed the cap) in equal monthly amounts over the ensuing Contract Year.

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

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

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

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

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

And

Monthly Cost Allocation (MCA) = ACA / 12

- e. The Wind Energy Production Forecasting Monthly Cost Allocation (MCA) is due and payable to Idaho Power. The MCA will first be netted against any monthly energy payments owed to the Seller. If the netting of the MCA against

the monthly energy payments results in a balance being due Idaho Power, the

Facility shall pay this amount within 15 days of the date of the payment invoice.

APPENDIX F

ACCUMULATED OVERPAYMENT AMOUNT

PROJECT NUMBER: 31315050

CAMP REED WIND PARK

The accumulated total of:

The monthly Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 multiplied by the All Hours Energy Price (Mill/kWh) specified in paragraph 7.3 less the same monthly Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 multiplied by the monthly, seasonalized, Non Levelized rates where the seasonalization factors are the same as identified in paragraph 7.3 and Non Levelized rates are in accordance with IPUC order No. 30744 for all expired months of this Agreement and the next 12 months. In addition a cumulative interest Amount will be calculated on the expired month's Accumulated Overpayment Amount and included in the Accumulated Overpayment Amount based upon the Idaho Power overall allowed rate of return in the Idaho jurisdiction, which at the time of the signing of this agreement is 8.18 %.

This Accumulated Overpayment Amount will be initially calculated prior to the First Energy Date and then recalculated annually at the end of each Contract Year.

APPENDIX F

TABLE OF ACCUMULATED OVERPAYMENT ENERGY RATES AS DEFINED IN THIS APPENDIX

PROJECT NUMBER: 31315050

CAMP REED WIND PARK

Per IPUC Order 30744 and 30738

Calendar Year	Levelized Flat Energy Prices for a Project coming online in 2010			Non Levelized Flat Energy Prices			Accumulated Overpayment Energy Rate		
	Season 1	Season 2	Season 3	Season 1	Season 2	Season 3	Season 1	Season 2	Season 3
2010	61.47	102.58	84.40	52.59	86.82	71.55	8.88	15.76	12.85
2011	61.47	102.58	84.40	54.13	89.56	73.65	7.33	13.02	10.75
2012	61.47	102.58	84.40	55.42	91.84	75.45	6.04	10.74	8.95
2013	61.47	102.58	84.40	56.74	94.18	77.40	4.73	8.40	7.00
2014	61.47	102.58	84.40	58.09	96.58	79.40	3.38	6.00	5.00
2015	61.47	102.58	84.40	59.54	99.16	81.55	1.92	3.42	2.85
2016	61.47	102.58	84.40	60.95	101.67	83.64	0.52	0.91	0.76
2017	61.47	102.58	84.40	62.48	104.38	85.90	(1.01)	(1.80)	(1.50)
2018	61.47	102.58	84.40	63.97	107.01	88.09	(2.50)	(4.43)	(3.69)
2019	61.47	102.58	84.40	65.49	109.71	90.34	(4.02)	(7.13)	(5.94)
2020	61.47	102.58	84.40	67.04	112.48	92.65	(5.58)	(9.90)	(8.25)
2021	61.47	102.58	84.40	68.64	115.32	95.01	(7.18)	(12.74)	(10.61)
2022	61.47	102.58	84.40	70.28	118.22	97.44	(8.81)	(15.64)	(13.04)
2023	61.47	102.58	84.40	71.96	121.21	99.92	(10.50)	(18.63)	(15.52)
2024	61.47	102.58	84.40	73.68	124.26	102.47	(12.22)	(21.68)	(18.07)
2025	61.47	102.58	84.40	75.87	127.99	105.57	(14.40)	(25.41)	(21.17)
2026	61.47	102.58	84.40	78.22	131.82	108.77	(16.75)	(29.24)	(24.37)
2027	61.47	102.58	84.40	80.65	135.78	112.07	(19.18)	(33.20)	(27.67)
2028	61.47	102.58	84.40	83.14	139.86	115.47	(21.67)	(37.28)	(31.07)
2029	61.47	102.58	84.40	85.72	144.06	118.97	(24.25)	(41.48)	(34.57)
2030	61.47	102.58	84.40	87.80	147.47	121.81	(26.33)	(44.89)	(37.41)

APPENDIX F

EXAMPLE OF ACCUMULATED OVERPAYMENT CALCULATION

The calculation below is for example purposes only – to calculate the Accumulated Overpayment Amounts for this Agreement it will be required that the actual values from the agreement are used in this calculation.

Example Assumptions :

- Project becomes Operational as of Jan 1, 2010.
- Project terminates Agreement as of July 1, 2010.

Expired Months:

	Estimated Mwh (per article 6.2.1 of the Agreement)	Accumulated Overpayment Energy Rate	Calculated Overpayment	Interest applied to expired Months	Total Accumulated Overpayment including interest
				8.18%	
Jan-10	15,000	12.85	\$192,750	\$1,313.91	\$194,064
Feb-10	20,000	12.85	\$257,000	\$1,322.87	\$452,387
Mar-10	16,000	8.88	\$142,080	\$3,083.77	\$597,551
Apr-10	21,000	8.88	\$186,480	\$4,073.30	\$788,104
May-10	13,000	8.88	\$115,440	\$5,372.24	\$908,916
Jun-10	14,000	12.85	\$179,900	\$6,195.78	\$1,095,012

Plus Next 12 Months:

Jul-10	14,000	15.76	\$220,640		\$1,315,652
Aug-10	15,000	15.76	\$236,400		\$1,552,052
Sep-10	18,000	12.85	\$231,300		\$1,783,352
Oct-10	13,000	12.85	\$167,050		\$1,950,402
Nov-10	15,000	15.76	\$236,400		\$2,186,802
Dec-10	14,000	15.76	\$220,640		\$2,407,442
Jan-11	15,000	10.75	\$161,250		\$2,568,692
Feb-11	20,000	10.75	\$215,000		\$2,783,692
Mar-11	16,000	7.33	\$117,280		\$2,900,972
Apr-11	21,000	7.33	\$153,930		\$3,054,902
May-11	13,000	7.33	\$95,290		\$3,150,192
Jun-11	14,000	10.75	\$150,500		\$3,300,692

Based on this example - if this example Project were to terminate this "levelized" agreement in July 2011. The calculated accumulated Overpayment Amount would be \$3,300,692 which would be payable to Idaho Power in addition to any other damages due Idaho Power.

EXHIBIT 811
CASE NO. IPCE-13-22
D. NELSON, IDAHO WIND PARTNERS, LLC

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
PAYNE'S FERRY WIND PARK, LLC
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	Metering and Telemetry
11	Records
12	Operations
13	Indemnification and Insurance
14	Force Majeure
15	Liability; Dedication
16	Several Obligations
17	Waiver
18	Choice of Laws and Venue
19	Disputes and Default
20	Governmental Authorization
21	Commission Order
22	Successors and Assigns
23	Modification
24	Taxes
25	Notices
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	Appendix A
	Appendix B
	Appendix C
	Appendix D
	Appendix E
	Appendix F

FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

Project Name: Payne's Ferry Wind Park, LLC

Project Number: 31315060

THIS AGREEMENT, entered into on this 9th day of July 2009 between
PAYNE'S FERRY WIND PARK, LLC (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.
- 1.4 "Delay Liquidated Damages" - Damages payable to Idaho Power as calculated in paragraph 5.3,
5.4, 5.5 and 5.6.
- 1.5 "Delay Period" - All days past the Scheduled Operation Date until the Seller's Facility achieves
the Operation Date.

- 1.6 "Delay Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.7 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.8 "Energy Shortfall Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 15.00 Mills/Kwh the result shall be 15.00 Mills/Kwh.
- 1.9 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.10 "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.
- 1.11 "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.
- 1.12 "Heavy Load Hours" - The daily hours beginning at 07:00 am, ending at 11:00 pm Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.
- 1.13 "Inadvertent Energy" - Electric energy Seller does not intend to generate. Inadvertent Energy is more particularly described in paragraph 7.5 of this Agreement.
- 1.14 "Interconnection Facilities" - All equipment specified in Idaho Power's Schedule 72.

- 1.15 “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.
- 1.16 “Light Load Hours” – The daily hours beginning at 11:00 pm, ending at 07:00 am Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.
- 1.17 “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.
- 1.18 “Lost Net 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 Net 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 kWh)

- 1.19 "Market Energy Reference Price" – Eighty-five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.20 "Material Breach" – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.
- 1.21 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.22 "Mechanical Availability" - The percentage amount calculated by Seller within 5 days after the end of each month of the Facility's monthly actual Net Energy divided by the Facility's Calculated Net Energy Amount for the applicable month. Any penalty associated with falling short of the Mechanical Availability Guarantee for each month shall be determined in accordance with paragraph 6.4.4.
- 1.23 "Mechanical Availability Guarantee" shall be as defined in paragraph 6.4.
- 1.24 "Metering Equipment" - All equipment specified in Schedule 72, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter bi-directional power flows between the Seller's Facility at the Seller's individual generation Facilities and the Point of Delivery on the Idaho Power electrical system.
- 1.25 "Mid- Columbia Market Energy Cost" – The monthly weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-C Index) prices for non-firm energy. If the Dow Jones Mid-Columbia Index price is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the Dow Jones Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.26 "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.

- 1.27 "Net Energy" – All of the electric energy produced by the Facility, less Station Use, less Losses, expressed in kilowatt hours (kWh) delivered to Idaho Power at the Point of Delivery. Subject to the terms of this Agreement, Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement. Net Energy does not include Inadvertent Energy.
- 1.28 "Operation Date" – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.29 "Point of Delivery" – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected.
- 1.30 "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.
- 1.31 "Scheduled Operation Date" – The date specified in Appendix B when Seller anticipates achieving the Operation Date. In establishing this date it is expected that the Seller reasonably determines this date is based upon the best known information in regards to equipment availability and construction schedules.
- 1.32 "Schedule 72" – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission. The Seller shall be responsible to pay all costs of interconnection and integration of this Facility into the Idaho Power electrical system as specified within Schedule 72.
- 1.33 "Season" – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.34 "Special Facilities" - Additions or alterations of transmission and/or distribution lines and transformers as described in Schedule 72.
- 1.35 "Station Use" – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility. To calculate the Station Use value for use

in the Mechanical Availability calculation, the previous period's actual Station Use will be used as a basis.

- 1.36 "Sufficient Prime Mover" means wind speed that is (1) equal to or greater than the generation unit's manufacturer-specified minimum levels required for the generation unit to produce energy and (2) equal to or less than the generation unit's manufacturer-specified maximum levels at which the generation unit can safely produce energy.
- 1.37 "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.
- 1.38 "Total Cost of the Facility" - The total replacement cost of structures, equipment and appurtenances.
- 1.39 "Wind Energy Production Forecast" – A forecast of energy deliveries from this Facility provided by an Idaho Power provided wind forecasting model. The Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix E.

ARTICLE II: NO RELIANCE ON IDAHO POWER

- 2.1 Seller Independent Investigation - Seller warrants and represents to Idaho Power that in entering into this Agreement and the undertaking by Seller of the obligations set forth herein, Seller has investigated and determined that it is capable of performing hereunder and has not relied upon the advice, experience or expertise of Idaho Power in connection with the transactions contemplated by this Agreement.
- 2.2 Seller Independent Experts - All professionals or experts including, but not limited to, engineers, attorneys or accountants, that Seller may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Seller.

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the 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 292.201 et seq. and a Qualifying Facility certificate.
- 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.

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

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

- 4.1.5 Engineer's Certifications - Submit an executed Engineer's Certification of Design & Construction Adequacy and an Engineer's Certification of Operations and Maintenance (O&M) Policy as described in Commission Order No. 21690. These certificates will be in the form specified in Appendix C but may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates.
- 4.1.6 Insurance - Submit written proof to Idaho Power of all insurance required in Article XIII.
- 4.1.7 Interconnection - Provide written confirmation from Idaho Power's delivery business unit that Seller has satisfied all interconnection requirements.
- 4.1.8 Network Resource Designation -
- 4.1.8.1 Provide all data required by the Idaho Power delivery business unit to enable the Seller's Facility to be designated as a network resource.
- 4.1.8.2 Receive confirmation from the Idaho Power delivery business unit that the Seller's Facility has been designated as a network resource.
- 4.1.9 Reserve Accounts - Demonstrate to Idaho Power's satisfaction that the Seller has established and funded (1) a debt service reserve account in a form and with a fund holder which complies with paragraph 19.3.2 and (2) demonstrate to Idaho Power's satisfaction that the Seller has established a maintenance reserve account in a form and with a fund holder acceptable to Idaho Power. Said maintenance reserve account shall be structured and funded as follows:
- 4.1.9.1 All funds will be prudently invested, in a guaranteed, insured account and all cost of implementing and operating the maintenance reserve account shall be paid by the Seller. All interest earned on the funds on deposit will be retained in the maintenance reserve account. At the end of the term of this Agreement, any balance remaining in the maintenance reserve account shall be the property of the Seller.
- 4.1.9.2 Within 60 days after the completion of each Contract Year, the Seller will deposit cash in the maintenance reserve account in an amount equal

to, or exceeding 5% of the Facility's estimated gross income for the ensuing Contract Year, less an amount equal to the Facility's actual maintenance, repair and replacement expenses (maintenance expenses) incurred during the prior Contract Year. At Seller's option, the cash required hereunder to be maintained in such reserve may be replaced by an irrevocable standby letter of credit in the same amount.

4.1.9.3 The minimum amount of deposit retained in the maintenance reserve account shall be \$2,000,000. This minimum amount will be adjusted either upward or downward to reflect current replacement cost of a complete wind turbine/generator. (i.e. tower, nacelle, generator, control unit, associated wiring, etc) This adjustment will be made at the beginning of each 3rd contract year and the replacement value determined by the replacement cost valuation methods as described within paragraph 13.2.6.c. In the event this adjustment results in a balance in this account exceeding 10% of the actual replacement cost of a complete wind turbine/generator then the Seller may request a disbursement of funds as specified in paragraph 4.1.9.6.

4.1.9.4 At the time Seller makes the deposit described in paragraph 4.1.9.2, Seller will provide Idaho Power with an accurate, verifiable report showing the prior Contract Year's actual maintenance expenses, identified by appropriate FERC maintenance account number, and the estimate of the Facility's gross income for the ensuing Contract Year used to compute the deposit amount, together with documentation supporting the estimate of gross income.

4.1.9.5 If at any time it appears that the maintenance expense for that Contract Year will exceed 5% of the Facility's estimated gross income for that Contract Year, the Seller may request that Idaho Power consent to the

release of funds from the maintenance reserve account in an amount sufficient to pay the anticipated additional maintenance expenses. The request must include documentation supporting the Seller's projection of excess maintenance expense, identified by appropriate FERC maintenance account number, and such documentation shall be submitted to Idaho Power. Upon approval by Idaho Power, the required funds will be released to Seller in accordance with Paragraph 4.1.9.6.

4.1.9.6 Control of the maintenance reserve account will be maintained by Idaho Power through the requirement of dual signatures on the account. The only authorized signers will be the Chief Operating Officer and the Chief Financial Officer of Idaho Power (or their respective designees) and the Treasurer of Seller (or his/her respective designee). Accordingly, funds will only be released from the maintenance reserve account upon the signatures of both Idaho Power authorized signers or one Idaho Power authorized signer and Seller's authorized signer.

4.1.9.7 At the end of each Contract Year, Seller will provide Idaho Power with evidence of compliance with the maintenance reserve account requirements set out in this Agreement. This evidence of compliance will be provided in a manner and form acceptable to Idaho Power. The maintenance reserve fund will be subject to the lien rights described in paragraph 4.1.10 below.

4.1.9.8 If the Facility has established a maintenance reserve account in a form and amount that meets or exceeds the maintenance reserve requirements as defined below for compliance with other parties having a financial interest in this Facility, the Seller shall provide Idaho Power with documentation of those requirements and upon Idaho Power's acceptance that the financial maintenance reserve requirements meet or

exceed the requirements within this Agreement, Idaho Power will accept this financial maintenance reserve account as meeting these requirements. If Idaho Power accepts, this financial maintenance reserve account, it will be required that within 60 days of the end of each Contract Year the Seller provide Idaho Power documentation of the balance within the financial maintenance reserve account and the previous year's activity within the account. Idaho Power reserves the right to require the Seller to provide a maintenance reserve account as specified below at any time during the term of this Agreement if Idaho Power determines that the Seller's financial maintenance reserve account no longer meets or exceeds these requirements.

4.1.10 Security Interests - Provide Idaho Power with acceptable security against Seller's default under this Agreement. Acceptable security will conform to Commission Order No. 21690 and No. 21800 and may include, but will not be limited to (1) title insurance, security interests in the real property associated with the Facility, equipment, fixtures, contracts, permits, easements, rights-of-way, land use agreements, funds held in escrow in which Seller has an interest and that relate to the operation of the Facility, and other reasonable security arrangements consistent with the Facility's financing and ownership arrangements; or (2) the seller may post liquid security in an amount equal to at least thirty five percent (35%) of the Accumulated Overpayment Amount specified for that year in Appendix F.

4.1.10.1 Idaho Power's security interests will be superior and senior to all liens other than the first mortgage lien and other security interests permitted in accordance with paragraphs 4.1.10.2. The Seller shall be responsible for all costs reasonably incurred by Idaho Power to review and perfect this security interest not to exceed \$15,000.

- 4.1.10.2 If Seller desires to incur a first mortgage lien or other security interests that will be superior to Idaho Power's security interests in the Facility, at least twenty-one (21) days prior to their execution, Seller shall provide Idaho Power with draft copies of the deeds of trust, mortgages and other security agreements that will be used to secure such first lien. Upon their execution Seller shall provide Idaho Power with copies of the executed first lien documents. The executed first lien documents shall not be assigned, amended, modified, or extended, and no replacement or refinancing of any nature shall be undertaken, without Idaho Power's prior written consent which consent shall not be unreasonably withheld. In no event will the amount of any first mortgage lien exceed \$56,250,000. The total amount of all refinanced or replaced first liens shall not exceed the unpaid principal balance of the first mortgage liens they replace.
- 4.1.10.3 Other than the first mortgage liens permitted herein, or temporary mechanic's, statutory or similar liens incurred in the ordinary course of business in an amount not to exceed in aggregate \$50,000, Seller will not permit any liens or encumbrances of any nature whatsoever to be placed on the Facility without Idaho Power's prior written consent, which consent will not be unreasonably withheld. If any unpermitted lien or encumbrance is placed on the Facility, Seller will provide Idaho Power with a bond, insurance or other security acceptable to Idaho Power in an amount sufficient to secure the full discharge of such unpermitted lien or encumbrance.
- 4.1.10.4 During the remaining term of this Agreement, Seller shall maintain compliance with all requirements of Idaho Power's security interests described above in paragraph 4.1.10 of this Agreement and

Commission Order No. 21690. Seller's failure to comply with those requirements, will be an event of default and in addition to any other remedies available under this Agreement, Commission Order No. 21690, and the security interests, Seller will be required by Idaho Power to post liquid security ("Performance Security") in a form as specified in Appendix D in an amount equal to at least thirty five percent (35%) of the Accumulated Overpayment Amount specified for that year in Appendix F. Failure to maintain and provide the liquid security required by this Agreement and Commission Order No. 21690 and No. 21800 shall be an event of default.

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

ARTICLE V: TERM AND OPERATION DATE

- 5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of twenty (20) Contract Years from the Operation Date.
- 5.2 Operation Date - The Operation Date may occur only after the Facility has achieved all of the following:
- a) Achieved the First Energy Date.
 - b) Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
 - c) Seller has demonstrated to Idaho Power's satisfaction that the Facility is complete and able to provide energy in a consistent, reliable and safe manner.
 - d) Seller has requested an Operation Date from Idaho Power in a written format.

e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

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

5.3.1 If the Operation Date occurs after the Scheduled Operation Date but prior to 90 days past the Scheduled Operation Date, Seller shall pay Idaho Power Delay Liquidated Damages calculated monthly as follows:

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

5.3.2 If the Seller's Facility has not achieved the Operation Date within 90 days after the Scheduled Operation Date, the Seller shall pay Idaho Power Delay Liquidated Damages calculated as follows:

Twenty dollars (\$20) multiplied by the Maximum Capacity Amount with the Maximum Capacity Amount being measured in KW.

5.4 If Seller fails to achieve the Operation Date within ninety (90) days after the Scheduled Operation Date, such failure will be a Material Breach and Idaho Power may terminate this Agreement.

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

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

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

5.7.1 Twenty dollars (\$20) multiplied by the Maximum Capacity Amount with the Maximum Capacity Amount being measured in kW.

5.7.1.1 If the Seller provides Idaho Power with certification that a generation interconnection agreement specifying a schedule that will enable the Facility to achieve the Operation Date no later than the Scheduled Operation Date has (1) been completed and the Seller has paid all required interconnection costs or (2) a generation interconnection agreement is substantially complete and all material costs of interconnection have been identified and agreed upon and (3) the Seller is in compliance with all terms and conditions of the generation interconnection agreement, the Delay Security calculated in accordance with paragraph 5.7.1 will be reduced by ten percent (10%).

5.7.1.2 If the Seller has received a reduction in the calculated Delay Security as specified in paragraph 5.7.1.1 and subsequently (1) at Seller's request, the generation interconnection agreement specified in paragraph 5.7.1.1 is revised and as a result the Facility will not achieve its Operation Date by the Scheduled Operation Date or (2) if the Seller does not maintain compliance with the generation interconnection agreement, the full amount of the Delay Security as calculated in paragraph 5.7.1 will be subject to reinstatement and will be due and owing within 5 business days from the date Idaho Power requests reinstatement. Failure to timely reinstate the Delay Security will be a Material Breach of this Agreement.

5.7.2 Idaho Power shall release any remaining security posted hereunder after all calculated Delay Liquidated Damages are paid in full to Idaho Power and the earlier of (1) 30 days

after the Operation Date has been achieved or (2) 120 days after the termination of this Agreement.

- 5.7.3 Early Termination Payment – At any time after the Operation Date has been achieved, Idaho Power terminates this Agreement due to any default by the Seller, Seller will make a termination payment to Idaho Power. The termination payment will include but not be limited to the Accumulated Overpayment Amount specified in Appendix F of this Agreement.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Delivery and Acceptance of Net Energy - Except when either Party's performance is excused as provided herein, Idaho Power will purchase and Seller will sell all of the Net Energy to Idaho Power at the Point of Delivery. All Inadvertent Energy produced by the Facility will also be delivered by the Seller to Idaho Power at the Point of Delivery. At no time will the total amount of Net Energy and/or Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery exceed the Maximum Capacity Amount.
- 6.2 Net Energy Amounts - Seller intends to produce and deliver Net Energy in the following monthly amounts. These amounts shall be consistent with the Mechanical Availability Guarantee.

6.2.1 Initial Year Monthly Net Energy Amounts:

	<u>Month</u>	<u>kWh</u>
Season 1	March	5,837,644
	April	5,639,662
	May	5,300,264
Season 2	July	3,552,365
	August	3,682,467
	November	4,276,414
	December	4,909,957
Season 3	June	4,632,782
	September	4,101,058
	October	4,700,661
	January	5,107,939
	February	4,830,764

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.

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

6.4.1 At the same time the Facility 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

6.4.2 The Facility shall maintain detailed documentation supporting its calculation of the Facility's Mechanical Availability. These records will be retained for three years.

6.4.3 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.

6.4.4 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.

6.4.5 Any damages calculated in paragraph 6.4.4 will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Facility shall pay in full the remaining balance within fifteen (15) days of the date of the invoice.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

7.1 Heavy Load Purchase Price – For all Net Energy received during Heavy Load Hours, Idaho Power will pay the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30415 for Heavy Load Hour Energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
63.65	106.47	87.64

7.2 Light Load Purchase Price – For all Net Energy received during Light Load Hours, Idaho Power will pay the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30415 for Light Load Hour Energy deliveries, and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
58.73	97.73	80.36

7.3 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the levelized energy price for a Facility scheduled to come on-line during calendar year 2010, for a contract term of twenty (20) years in accordance with Commission Order 30744, 30738 and adjusted in accordance with Commission Order 30488 for the wind integration charge and with seasonalization factors applied:

Season 1 - (73.50 %)	Season 2 - (120.00 %)	Season 3 - (100.00 %)
<u>Mills/kWh</u>	<u>Mills/kWh</u>	<u>Mills/kWh</u>
61.47	102.58	84.40

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

7.5 Inadvertent Energy –

7.5.1 Inadvertent Energy is electric energy produced by the Facility, expressed in kWh, which the Seller delivers to Idaho Power at the Point of Delivery that exceeds 10,000 kW multiplied by the hours in the specific month in which the energy was

delivered. (For example January contains 744 hours. 744 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440, 000 kWh in this example would be Inadvertent Energy.)

- 7.5.2 Although Seller intends to design and operate the Facility to generate no more than 10 average MW and therefore does not intend to generate Inadvertent Energy, Idaho Power will accept Inadvertent Energy that does not exceed the Maximum Capacity Amount but will not purchase or pay for Inadvertent Energy.
- 7.6 Payment Due Date – Energy payments, less Wind Energy Production Forecasting Monthly Cost Allocation (MCA), will be disbursed to the Seller within 30 days of the date which Idaho Power receives and accepts the documentation of the monthly Mechanical Available Guarantee and the Net Energy actually delivered to Idaho Power as specified in Appendix A.
- 7.7 Continuing Jurisdiction of the Commission. This Agreement is a special contract and, as such, the rates, terms and conditions contained in this Agreement will be construed in accordance with *Idaho Power Company v. Idaho Public Utilities Commission and 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: METERING AND TELEMETRY

- 10.1 Metering - Idaho Power shall, for the account of Seller, provide, install, and maintain Metering and Telemetry Equipment to be located at a mutually agreed upon location to record and measure power flows to Idaho Power in accordance with this Agreement and Schedule 72. The Metering Equipment will be at the location and the type required to measure, record and report the Facility's Net Energy, Station Use, Inadvertent Energy and maximum energy deliveries (kW) at the Point of Delivery in a manner to provide Idaho Power adequate energy measurement data to administer this Agreement and to integrate this Facility's energy production into the Idaho Power electrical system.
- 10.2 Telemetry - Idaho Power will install, operate and maintain at Seller's expense metering, communications and telemetry equipment which will be capable of providing Idaho Power with continuous instantaneous telemetry of Seller's Net Energy and Inadvertent Energy produced and delivered to the Idaho Power Point of Delivery to Idaho Power's Designated Dispatch Facility.

ARTICLE XI - RECORDS

- 11.1 Maintenance of Records - Seller shall maintain at the Facility or such other location mutually acceptable to the Parties adequate total generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records in a form and content recommended by Idaho Power.
- 11.2 Inspection - Either Party, after reasonable notice to the other Party, shall have the right, during normal business hours, to inspect and audit any or all generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records pertaining to the Seller's Facility.

ARTICLE XII: OPERATIONS

- 12.1 Communications - Idaho Power and the Seller shall maintain appropriate operating communications through Idaho Power's Designated Dispatch Facility in accordance with Appendix A of this Agreement.
- 12.2 Energy Acceptance -
- 12.2.1 Idaho Power shall be excused from accepting and paying for Net Energy or accepting Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery, if it is prevented from doing so by an event of Force Majeure, Forced Outage or temporary disconnection of the Facility in accordance with Schedule 72. If, for reasons other than an event of Force Majeure or a Forced Outage, a temporary disconnection under Schedule 72 exceeds twenty (20) days, beginning with the twenty-first day of such interruption, curtailment or reduction, Seller will be deemed to be delivering Net Energy at a rate equivalent to the pro rata daily average of the amounts specified for the applicable month in paragraph 6.2. Idaho Power will notify Seller when the interruption, curtailment or reduction is terminated.
- 12.2.2 If, in the reasonable opinion of Idaho Power, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified

within Schedule 72 or take such other reasonable steps as Idaho Power deems appropriate.

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

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

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

12.5 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt the interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's construction, ownership, operation or

maintenance of, or by failure of, any 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 documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

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

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

13.2.2 All Risk Property Insurance with minimum limits not less than eighty percent (80%) of the Total Cost of the Facility. The Property Insurance coverage must be written on a Replacement Cost basis and will include:

- (a) Standard fire policy
- (b) Extended coverage endorsement; and
- (c) Vandalism and malicious mischief endorsement.
- (d) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.3 Boiler and Machinery insurance with minimum limits not less than eighty percent (80%) of the total Replacement Cost of the equipment covered in (a) below:

- (a) All boiler and machinery coverage must be written on a "comprehensive form" basis to provide coverage against the sudden and accidental breakdown of all boilers, machinery and electrical equipment, turbines, generators, and switchgear.
- (b) Coverage under this insurance must be written on a Replacement Cost basis; and

- (c) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.4 Earthquake & Flood (catastrophic perils) Insurance with limits not less than eighty percent (80%) of the Total Cost of the Facility. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

13.2.5 Business Interruption (Loss of Income) Insurance with minimum daily limits not less than twenty percent (20%) of the Facility's estimated annual income;

- (a) Coverage will include Seller's loss of earnings when business operations are curtailed or suspended because of a loss due to an insured peril. Coverage may be written on an actual loss sustained basis.
- (b) This insurance coverage must be endorsed to both the All Risk Property Insurance Policy and the Boiler and Machinery Insurance Policy;
- (c) The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.
- (d) The estimated annual income shall be computed on the basis of the Net Energy Amounts contained in paragraph 6.2.

13.2.6 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.
- (c) In the case of the insurance coverages described in sub-paragraphs 13.2.1, 13.2.2, 13.2.3, and 13.2.4 above, the Total Cost of the Facility will include any Seller-furnished Disconnection Equipment and/or Interconnection Facilities. The Total Cost of the Facility and total Replacement Cost of equipment will be adjusted either upward or downward to reflect the current replacement cost of the Facility

or equipment. This adjustment will be based on either (1) an appraisal made by, or for, the Seller's insurance company, or (2) use of an approved "industrial cost trend index" published by a national insurer (i.e., Factory Mutual Engineering and Research Building Cost Index; Kemper Replacement Value Cost Trends - Industrial Machinery & Equipment; Industrial Risk Insurers, U.S. Replacement Cost Factors) (3) any other mutually agreed upon methodology of establishing the total replacement cost. Such adjustment shall be made, at a minimum, every fifth Contract Year during the term of this Agreement. A copy of these computations and/or appraisals will be submitted to Idaho Power for Idaho Power's review and approval.

13.2.7 Insurance Alternatives - Comprehensive General Liability Insurance as defined in paragraph 13.2.1 will be required at all times throughout the term of this agreement. Alternative arrangements creating equivalent protection for Idaho Power in lieu of the insurance requirements specified in paragraphs 13.2.2, 13.2.3, 13.2.4 and 13.2.5 of this Agreement may be submitted to Idaho Power for review. Only upon Idaho Power's written acceptance of these alternate arrangements may the Seller be allowed to forgo the insurance requirements of paragraphs 13.2.2, 13.2.3, 13.2.3 and 13.2.5 of this Agreement. Any and all acceptable alternative arrangements must place Idaho Power in an equal or better position in the event of the occurrence of an insurable event.

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

13.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by paragraph 13.2 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is

taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute a Material Breach of this Agreement.

ARTICLE XIV: FORCE MAJEURE

14.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the control of the Seller or of Idaho Power which, despite the exercise of due diligence, such Party is unable to prevent or overcome. Force Majeure includes, but is not limited to, acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, or changes in law or regulation occurring after the 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 XV: LIABILITY; DEDICATION

15.1 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one

Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

- 18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.
- 18.2 Venue for any litigation arising out of or related to this Agreement will lie in the District Court of the Fourth Judicial District of Idaho in and for the County of Ada.

ARTICLE XIX: DISPUTES AND DEFAULT

- 19.1 Disputes - All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted to the Commission for resolution.
- 19.2 Notice of Default -
- 19.2.1 Defaults. If either Party fails to perform any of the terms or conditions of this Agreement (an “event of default”), the nondefaulting Party shall cause notice in writing to be given to the defaulting Party, specifying the manner in which such default occurred. If the defaulting Party shall fail to cure such default within the sixty (60) days after service of such notice, or if the defaulting Party reasonably demonstrates to the other Party that the default can be cured within a commercially reasonable time but not within such sixty (60) day period and then fails to diligently pursue such cure, then, the nondefaulting Party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies.
- 19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach.
- 19.3 Security for Performance - Prior to the Operation Date and thereafter for the full term of this Agreement, Seller will provide Idaho Power with the following:
- 19.3.1 Insurance - Evidence of compliance with the provisions of paragraph 13.2. If Seller fails to comply, such failure will be a Material Breach and may only be cured by Seller supplying evidence that the required insurance coverage has been replaced or reinstated.
- 19.3.2 Debt Service Reserve Account – The Seller will establish a debt service reserve account. Said debt service reserve account will be separate from the maintenance reserve account and shall be structured as follows:

- 19.3.2.1 All funds will be prudently invested, in a guaranteed, insured account and all cost of implementing and operating the Debt Service Reserve Account shall be paid by the Seller. All interest earned on the funds on deposit will be retained in the Debt Service Reserve Account. At the end of the term of this Agreement, any balance remaining in the Debt Service Reserve Account shall be the property of the Seller.
- 19.3.2.2 Control of the Debt Service Reserve Account will be maintained by Idaho Power through the requirement of dual signatures on the account. The only authorized signers will be the Chief Operating Officer and the Chief Financial Officer of Idaho Power (or their respective designees) and the Treasurer of Seller (or his/her respective designee). Accordingly, funds will only be released from the Debt Service Reserve Account upon the signatures of both Idaho Power authorized signers or one Idaho Power authorized signer and Seller's authorized signer.
- 19.3.2.3 During the period of time in which the Facility acts as security for a first mortgage lien which is senior to Idaho Power's security interest in the Facility as described in paragraph 4.1.10, Seller shall maintain a debt service reserve account in cash or an irrevocable standby letter of credit in an amount equal to twenty percent (20 %) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000. The estimated gross Contract Year revenue is calculated to be the sum of the monthly Net Energy Amounts specified in paragraph 6.2 multiplied by the All Energy Price specified in paragraph 7.3.
- 19.3.2.4 During the period when the Facility is security for a first mortgage lien that is senior to Idaho Power's lien, funds from the debt service reserve account will only be released to the holder of the first mortgage lien. Funds from said account shall be released only when, and only to the extent that Seller

certifies to Idaho Power that after payment of all operating costs, the Facility's revenues are insufficient to make full debt service and/or lease payments on the Facility.

19.3.2.5 Upon full satisfaction of the above-referenced first mortgage lien and when Idaho Power's security interest becomes the senior security interest in the Facility, a withdrawal from the Debt Service Reserve Account may be requested by the Seller for the amount in the debt service reserve account which exceeds five percent (5%) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000. Seller shall maintain a debt service reserve account in cash or an irrevocable standby letter of credit in an amount equal to five percent (5%) of the Facility's estimated gross Contract Year revenue rounded to the nearest \$1,000.

19.3.2.6 During the period when Idaho Power's security interest is the senior security interest in the Facility, funds from the debt service reserve account will only be released to pay operating costs for the Facility.

19.3.2.7 For purposes of the debt service reserve account, operating costs are limited to those costs necessary for the operation of the Facility such as taxes, insurance expenses, lease payments and other ordinary and necessary operating expenses. Operating costs shall not include any disbursements other than lease payments which would constitute a profit or return on investment.

19.3.2.8 After any release of funds from the debt service reserve account, Seller shall be obligated to restore the debt service reserve account to the amounts provided for in paragraphs 19.3.2.3 or 19.3.2.5, whichever is applicable, prior to Seller disbursing funds which would constitute a profit or return on investment. Until the debt service reserve account is fully restored, Seller will, within sixty (60) days of the completion of each Contract Year,

provide Idaho Power with a report prepared by Seller's outside accountants showing that Seller has not breached its obligations under this paragraph 19.3.2.

19.3.2.9 If the Facility has established a debt service reserve account in a form and amount that meets or exceeds the Debt Service Reserve Account requirements as defined below for compliance with other parties having a financial interest in this Facility, the Seller shall provide Idaho Power with documentation of those requirements and upon Idaho Power's acceptance that the financial debt service reserve requirements meet or exceed the requirements within this Agreement, Idaho Power will accept this financial debt service reserve account as meeting these requirements. If Idaho Power accepts this financial debt service reserve account it will be required that within 60 days of the end of each Contract Year the Seller provide Idaho Power documentation of the balance within the financial debt service reserve account and the previous year's activity within the account. Idaho Power reserves the right to require the Seller to provide a Debt Service Reserve Account as specified below at any time during the term of this Agreement if Idaho Power determines that the Seller's financial debt reserve account no longer meets or exceeds these requirements.

19.3.2.10 Any breach of paragraph 19.3.2 by Seller will constitute a Material Breach of this Agreement.

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

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

ARTICLE XX: GOVERNMENTAL AUTHORIZATION

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

ARTICLE XXI: COMMISSION ORDER

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

ARTICLE XXII: SUCCESSORS AND ASSIGNS

22.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto, except that no assignment hereof by either Party shall become effective without the written consent of both Parties being first obtained. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, any party which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights,

obligations and interests under this Agreement. This article shall not prevent a financing entity with recorded or secured rights from exercising all rights and remedies available to it under law or contract. Idaho Power shall have the right to be notified by the financing entity that it is exercising such rights or remedies.

ARTICLE XXIII: MODIFICATION

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

ARTICLE XXIV: TAXES

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

ARTICLE XXV: NOTICES

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

To Seller: Contract Manager
 c/o Exergy Development Group of Idaho, LLC
 802 W. Bannock St., 12th Floor
 Boise, ID 83702
 info@exergydevelopmentgroup.com

Copy of document to:
Peter Richardson
Richardson & O'Leary Law Firm
515 N. 27th Street
Boise, ID 83702
peter@richardsonandoleary.com

To Idaho Power:

Original document to:

Senior Vice President, Delivery
Idaho Power Company
P O Box 70
Boise, Idaho 83707
Email: DMinor@idahopower.com

Copy of document to:

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

ARTICLE XXVI: ADDITIONAL TERMS AND CONDITIONS

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

Appendix A	-	Generation Scheduling and Reporting
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Forms of Liquid Security
Appendix E	-	Wind Energy Production Forecasting
Appendix F	-	Accumulated Overpayment Amount

ARTICLE XXVII: SEVERABILITY

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

ARTICLE XXVIII: COUNTERPARTS

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

ARTICLE XXIX: ENTIRE AGREEMENT

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

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

Idaho Power Company

Payne's Ferry Wind Park, LLC

By



By



Dan Minor
Senior Vice President, Delivery

Dated

7/9/09

Dated

09-July-2009

"Idaho Power"

"Seller"

APPENDIX A

A -1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

Idaho Power Company
Attn: Cogeneration and Small Power Production
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 _____

	Facility <u>Output</u>	Station <u>Usage</u>	Station <u>Usage</u>	Metered <u>Maximum Generation</u>
Meter Number:	_____	_____	_____	kW
End of Month kWh Meter Reading:	_____	_____	_____	
Beginning of Month kWh Meter Reading:	_____	_____	_____	
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

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

Idaho Power Contact Information

Daily Energy Production Reporting

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

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

Planned and Unplanned Project outages

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

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

Seller's Contact Information

24-Hour Project Operational Contact

Name: _____
Telephone Number: _____
Cell Phone: _____

Project On-site Contact information

Telephone Number: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

PROJECT NO. 31315060

Payne's Ferry Wind Park, LLC

B-1 DESCRIPTION OF FACILITY

21.0 MW Installed capacity wind conversion power generation facility utilizing 14 GE Model 1500 xle wind turbine generators with standard reactive power range 0.95 lead (reactive power leaving the generator) to 0.90 lagging.

B-2 LOCATION OF FACILITY

Near: Hagerman, ID

Section 35 - W1/2, S1/2NE1/4, N1/2SE1/4, SW1/4SE1/4 Township: 7S Range: 12E

County: Twin Falls, ID.

Section 36 - ALL Township: 7S Range: 12E County: Twin Falls, ID.

Section 2 - ALL Township: 8S Range: 12E County: Twin Falls, ID.

Section 6 - N1/2 Township: 8S Range: 12E County: Twin Falls, ID.

Description of Interconnection Location: 400 W, 5900 N, Hagerman, connecting to the King / Bliss 138 kV line.

Nearest Idaho Power Substation: Tuana Substation

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected September 30, 2010 as the Scheduled First Energy Date.

Seller has selected September 30, 2010 as the Scheduled Operation Date.

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

B-4 MAXIMUM CAPACITY AMOUNT: This value will be 21.0 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with Schedule 72. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 POINT OF DELIVERY

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

B-6 LOSSES

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

equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous months kWh loss calculations.

B-7 METERING AND TELEMETRY

Schedule 72 will determine the specific metering and telemetry requirements for this Facility. At the minimum the Metering Equipment and Telemetry equipment must be able to provide and record hourly energy deliveries to the Point of Delivery and any other energy measurements required to administer this Agreement. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. Seller will arrange for and make available at Seller's cost communication circuit(s) compatible 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.

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 five (5) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, provided said Project has been designed and built to appropriate standards, adherence to said O&M Policy will result in the Project's producing at or near the design electrical output, efficiency and plant factor for a twenty (20) year period.

9. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.
10. That Engineer certifies that the above statements are complete, true and accurate to the best of his knowledge and therefore sets his hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION

OF

ONGOING OPERATIONS AND MAINTENANCE

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

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

9. That the Project has been constructed in accordance with said plans and specifications, all applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

10. That the design and construction of the Project is such that with reasonable and prudent operation and maintenance practices by Seller, the Project is capable of performing in accordance with the terms of the Agreement and with Prudent Electrical Practices for a twenty (20) year period.

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

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

By _____
(P.E. Stamp)

Date _____

APPENDIX D

FORMS OF LIQUID SECURITY

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

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

1. Cash Escrow Security – Seller shall deposit funds in an escrow account established by the Seller in a banking institution acceptable to both Parties equal to the required security amount(s). A single escrow account may be established for all security requirements, however detailed accounting of the individual security requirements must be maintained by the Seller and Seller shall be obligated to maintain the appropriate amounts to satisfy each security requirement within the individually identified accounts. The Seller shall be responsible for all costs associated with establishing and maintaining the escrow account(s).
2. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the required security amount(s): (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable

Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. A single aggregate Guarantee or Letter of Credit may be provided for all security requirements, however detailed accounting of the individual security requirements must be maintained by the Seller and Seller shall be obligated to maintain the appropriate amounts to satisfy each security requirement within the individually identified accounts. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

WIND ENERGY PRODUCTION FORECASTING

As specified in Commission Order 30488, Idaho Power shall make use of a Wind Energy Production Forecasting model to forecast the energy production from this Facility and other QF 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. Sellers share will not be greater than 0.1% of the total energy payments made to Seller by Idaho Power during the previous Contract Year.

- a. For every month of this Agreement beginning with the first full month after the Scheduled First Energy Date as specified in Appendix of this Agreement, the Wind Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. Any Wind Energy Production Forecasting Monthly Cost Allocations (MCA) that are not reimbursed to Idaho Power shall be deducted from energy payments to the Seller.
 - As the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete, at the end of the first Contract Year any prior allocations that exceeded the 0.1% cap shall be adjusted to reflect the 0.1% cap and if the Facility has paid the monthly allocations a refund will be included in equal monthly amounts over the ensuing Contract Year. If the Facility has not paid the monthly allocations the amount due Idaho Power will be adjusted accordingly and the unpaid balance will be deducted from the ensuing Contract Year's energy payments.
- b. During the first Contract Year, as the value of the 0.1% cap of the Facilities total energy payments will not be known until the first Contract Year is complete,

Idaho Power will deduct the Facility's calculated share of the Wind Energy Production Forecasting costs specified in item b each month during the first Contract Year and subsequently refund any overpayment (payments that exceed the cap) in equal monthly amounts over the ensuing Contract Year.

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

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

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

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

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

And

Monthly Cost Allocation (MCA) = ACA / 12

- e. The Wind Energy Production Forecasting Monthly Cost Allocation (MCA) is due and payable to Idaho Power. The MCA will first be netted against any monthly energy payments owed to the Seller. If the netting of the MCA against

the monthly energy payments results in a balance being due Idaho Power, the
Facility shall pay this amount within 15 days of the date of the payment invoice.

APPENDIX F

ACCUMULATED OVERPAYMENT AMOUNT

PROJECT NUMBER: 31315060

PAYNE'S FERRY WIND PARK

The accumulated total of:

The monthly Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 multiplied by the All Hours Energy Price (Mill/kWh) specified in paragraph 7.3 less the same monthly Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 multiplied by the monthly, seasonalized, Non Levelized rates where the seasonalization factors are the same as identified in paragraph 7.3 and Non Levelized rates are in accordance with IPUC order No. 30744 for all expired months of this Agreement and the next 12 months. In addition a cumulative interest Amount will be calculated on the expired month's Accumulated Overpayment Amount and included in the Accumulated Overpayment Amount based upon the Idaho Power overall allowed rate of return in the Idaho jurisdiction, which at the time of the signing of this agreement is 8.18 %.

This Accumulated Overpayment Amount will be initially calculated prior to the First Energy Date and then recalculated annually at the end of each Contract Year.

APPENDIX F

TABLE OF ACCUMULATED OVERPAYMENT ENERGY RATES AS DEFINED IN THIS APPENDIX

PROJECT NUMBER: 31315060

PAYNE'S FERRY WIND PARK

Per IPUC Order 30744 and 30738

Calendar Year	Levelized Flat Energy Prices for a Project coming online in 2010			Non Levelized Flat Energy Prices			Accumulated Overpayment Energy Rate		
	Season 1	Season 2	Season 3	Season 1	Season 2	Season 3	Season 1	Season 2	Season 3
2010	61.47	102.58	84.40	52.59	86.82	71.55	8.88	15.76	12.85
2011	61.47	102.58	84.40	54.13	89.56	73.65	7.33	13.02	10.75
2012	61.47	102.58	84.40	55.42	91.84	75.45	6.04	10.74	8.95
2013	61.47	102.58	84.40	56.74	94.18	77.40	4.73	8.40	7.00
2014	61.47	102.58	84.40	58.09	96.58	79.40	3.38	6.00	5.00
2015	61.47	102.58	84.40	59.54	99.16	81.55	1.92	3.42	2.85
2016	61.47	102.58	84.40	60.95	101.67	83.64	0.52	0.91	0.76
2017	61.47	102.58	84.40	62.48	104.38	85.90	(1.01)	(1.80)	(1.50)
2018	61.47	102.58	84.40	63.97	107.01	88.09	(2.50)	(4.43)	(3.69)
2019	61.47	102.58	84.40	65.49	109.71	90.34	(4.02)	(7.13)	(5.94)
2020	61.47	102.58	84.40	67.04	112.48	92.65	(5.58)	(9.90)	(8.25)
2021	61.47	102.58	84.40	68.64	115.32	95.01	(7.18)	(12.74)	(10.61)
2022	61.47	102.58	84.40	70.28	118.22	97.44	(8.81)	(15.64)	(13.04)
2023	61.47	102.58	84.40	71.96	121.21	99.92	(10.50)	(18.63)	(15.52)
2024	61.47	102.58	84.40	73.68	124.26	102.47	(12.22)	(21.68)	(18.07)
2025	61.47	102.58	84.40	75.87	127.99	105.57	(14.40)	(25.41)	(21.17)
2026	61.47	102.58	84.40	78.22	131.82	108.77	(16.75)	(29.24)	(24.37)
2027	61.47	102.58	84.40	80.65	135.78	112.07	(19.18)	(33.20)	(27.67)
2028	61.47	102.58	84.40	83.14	139.86	115.47	(21.67)	(37.28)	(31.07)
2029	61.47	102.58	84.40	85.72	144.06	118.97	(24.25)	(41.48)	(34.57)
2030	61.47	102.58	84.40	87.80	147.47	121.81	(26.33)	(44.89)	(37.41)

APPENDIX F

EXAMPLE OF ACCUMULATED OVERPAYMENT CALCULATION

The calculation below is for example purposes only – to calculate the Accumulated Overpayment Amounts for this Agreement it will be required that the actual values from the agreement are used in this calculation.

Example Assumptions :

Project becomes Operational as of Jan 1, 2010.
Project terminates Agreement as of July 1, 2010.

Expired Months:

	Estimated Mwh (per article 6.2.1 of the Agreement)	Accumulated Overpayment Energy Rate	Calculated Overpayment	Interest applied to expired Months	Total Accumulated Overpayment including interest
				8.18%	
Jan-10	15,000	12.85	\$192,750	\$1,313.91	\$194,064
Feb-10	20,000	12.85	\$257,000	\$1,322.87	\$452,387
Mar-10	16,000	8.88	\$142,080	\$3,083.77	\$597,551
Apr-10	21,000	8.88	\$186,480	\$4,073.30	\$788,104
May-10	13,000	8.88	\$115,440	\$5,372.24	\$908,916
Jun-10	14,000	12.85	\$179,900	\$6,195.78	\$1,095,012

Plus Next 12 Months:

Jul-10	14,000	15.76	\$220,640		\$1,315,652
Aug-10	15,000	15.76	\$236,400		\$1,552,052
Sep-10	18,000	12.85	\$231,300		\$1,783,352
Oct-10	13,000	12.85	\$167,050		\$1,950,402
Nov-10	15,000	15.76	\$236,400		\$2,186,802
Dec-10	14,000	15.76	\$220,640		\$2,407,442
Jan-11	15,000	10.75	\$161,250		\$2,568,692
Feb-11	20,000	10.75	\$215,000		\$2,783,692
Mar-11	16,000	7.33	\$117,280		\$2,900,972
Apr-11	21,000	7.33	\$153,930		\$3,054,902
May-11	13,000	7.33	\$95,290		\$3,150,192
Jun-11	14,000	10.75	\$150,500		\$3,300,692

Based on this example - if this example Project were to terminate this "levelized" agreement in July 2011. The calculated accumulated Overpayment Amount would be \$3,300,692 which would be payable to Idaho Power in addition to any other damages due Idaho Power.

EXHIBIT 901
CASE NO. IPCE-13-22
D. NELSON, MEADOW CREEK PROJECT
COMPANY LLC

AMENDED AND RESTATED POWER PURCHASE AGREEMENT

BETWEEN

MEADOW CREEK PROJECT COMPANY LLC

AND

PACIFICORP

Relating to North Point Project, an 80 MW Wind Turbine Generation Project

a non-fueled, on-system, Intermittent Resource with Mechanical Availability Guarantee,

Idaho Qualifying Facility

Table of Contents

SECTION 1.	DEFINITIONS	2
SECTION 2.	TERM; COMMERCIAL OPERATION DATE.....	9
SECTION 3.	REPRESENTATIONS AND WARRANTIES	13
SECTION 4.	DELIVERY OF POWER; AVAILABILITY GUARANTY	15
SECTION 5.	PURCHASE PRICES	18
SECTION 6.	OPERATION AND CONTROL	20
SECTION 7.	MOTIVE FORCE	23
SECTION 8.	GENERATION FORECASTING COSTS.....	24
SECTION 9.	METERING: REPORTS AND RECORDS	24
SECTION 10.	BILLINGS. COMPUTATIONS AND PAYMENTS.....	26
SECTION 11.	SECURITY	27
SECTION 12.	DEFAULTS AND REMEDIES	28
SECTION 13.	INDEMNIFICATION: LIABILITY	30
SECTION 14.	INSURANCE.....	31
SECTION 15.	FORCE MAJEURE	32
SECTION 16.	SEVERAL OBLIGATIONS.....	33
SECTION 17.	CHOICE OF LAW	33
SECTION 18.	PARTIAL INVALIDITY	33
SECTION 19.	WAIVER	33
SECTION 20.	GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS	34
SECTION 21.	SUCCESSORS AND ASSIGNS	34
SECTION 22.	ENTIRE AGREEMENT.....	35
SECTION 23.	NOTICES.....	35

AMENDED AND RESTATED POWER PURCHASE AGREEMENT

THIS AMENDED AND RESTATED POWER PURCHASE AGREEMENT, relating to NORTH POINT, an 80 MW wind turbine generation project, entered into this 4th day of January, 2012, is between Meadow Creek Project Company LLC, a Delaware limited liability company (the “**Seller**”) and PacifiCorp, an Oregon corporation acting in its merchant function capacity (“**PacifiCorp**”). Seller and PacifiCorp are referred to collectively as the “**Parties**” and individually as a “**Party**”.

RECITALS

A. Cedar Creek Wind, LLC (“**CCW**”) and PacifiCorp entered into that certain Power Purchase Agreement dated as of December 14, 2011 (the “**Original PPA**”), pursuant to which CCW has been granted the right to assign the Original PPA to an affiliate of Ridgeline Energy, LLC.

B. CCW has elected to exercise its right to assign the Original PPA to Seller, an affiliate of Ridgeline Energy, LLC, and pursuant to the terms of the Original PPA, effective upon such assignment, the Original PPA is to be amended and restated on the terms set forth in this Agreement.

C. Seller intends to construct, own, operate and maintain a wind facility, including Seller’s Interconnection Facilities, for the generation of electric power located in Idaho, with an expected Facility Capacity Rating of 80 megawatts as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

D. Seller has secured rights to deliver output from its Facility to PacifiCorp across the interconnection and other facilities as further described in **Addendum L**.

E. Seller intends to operate the Facility as a Qualifying Facility, as such term is defined in Section 1.59 below, and to sell Net Output to PacifiCorp in Idaho.

F. Seller estimates that the average annual Net Output to be delivered by the Facility to PacifiCorp is 238,483,850 kilowatt hours (kWh) (“**Average Annual Net Output**”) pursuant to the Initial Year Energy Delivery Schedule in Section 4.3.1, which amount of energy PacifiCorp will include in its resource planning.

G. Seller intends to sell and PacifiCorp intends to purchase all the Net Output from the Facility in accordance with the terms and conditions of this Agreement.

H. PacifiCorp intends to designate Seller’s Facility as a Network Resource for the purposes of serving Network Load.

I. This Agreement is a “New QF Contract” under the PacifiCorp Inter-Jurisdictional Cost Allocation Revised Protocol.

J. Seller has authorized Transmission Provider to release generation data to PacifiCorp. If yes, the authorization is attached as **Exhibit H**.

NOW, THEREFORE, the Parties mutually agree to amend and restated the Original PPA to read in its entirety as follows:

SECTION 1. DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1 “**As-built Supplement**” shall be a supplement to **Exhibit A**, provided by Seller following completion of construction of the Facility, accurately describing the completed Facility.

1.2 “**Availability**” means, for any Billing Period, the ratio, expressed as a percentage, of (x) the aggregate sum of the turbine-minutes in which each of the Wind Turbines at the Facility was available to generate at the Maximum Facility Delivery Rate during the Billing Period over (y) the product of the number of Wind Turbines that comprise the Facility Capacity Rating as of Commercial Operation multiplied by the number of minutes in such Billing Period. A Wind Turbine shall be deemed not available to operate during minutes in which it is (a) in an emergency, stop, service mode or pause state; (b) in “run” status and faulted; or (c) otherwise not operational or capable of delivering at the Maximum Facility Delivery Rate to the Point of Delivery; unless if unavailable due solely to (i) a default by PacifiCorp; (ii) to the extent not caused by Seller’s actions, a curtailment in accordance with Section 6.3 or (iii) insufficient wind (including the normal amount of time required by the generating equipment to resume operations following a period when wind speed is below the Cut-In Wind Speed).

1.3 “**Billing Period**” means the time period between PacifiCorp’s reading of its power purchase meter at the Facility, which for this Agreement shall coincide with calendar months.

1.4 “**CAMD**” means the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any state or federal entity given jurisdiction over a program involving Green Tags or any attribute thereof.

1.5 “**Commercial Operation**” means that not less than the 90% of the expected Facility Capacity Rating is fully operational and reliable and the Facility is fully interconnected, fully integrated, and synchronized with the System, all of which shall be Seller’s responsibility to receive or obtain, and which occurs when all of the following events (i) have occurred, and (ii) remain simultaneously true and accurate as of the date and moment on which Seller gives PacifiCorp notice that Commercial Operation has occurred:

1.5.1 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer (a) stating the Facility Capacity Rating of the Facility at the anticipated time of Commercial Operation and (b) stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement.

1.5.2 Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**.

1.5.3 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer, an attorney in good standing in Idaho, or a letter from Transmission Provider, stating that, in accordance with the Generation Interconnection

Agreement, all required interconnection facilities have been constructed, all required interconnection tests have been completed and the Facility is physically interconnected with the System in conformance with the Generation Interconnection Agreement and able to deliver energy consistent with the terms of this Agreement, and the Facility is fully integrated and synchronized with the System.

1.5.4 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer, or an attorney in good standing in Idaho, stating that Seller has obtained all Required Facility Documents and, if requested by PacifiCorp in writing, Seller shall have provided copies of any or all such requested Required Facility Documents.

1.5.5 Seller has complied with the security requirements of Section 11.

1.5.6 Network Resource Designation and Transmission Service Request, (i) PacifiCorp has received confirmation from the Transmission Provider that the Facility has been designated as a Network Resource and (ii) PacifiCorp has received confirmation from the Transmission Provider that the transmission service request has been granted in sufficient capacity to meet or exceed the Maximum Facility Delivery Rate and the Seller has paid all costs associated with any requirements of the transmission service request.

1.6 “**Commercial Operation Date**” means the date, as designated by PacifiCorp pursuant to Section 2.4, the Facility first achieves Commercial Operation.

1.7 “**Commission**” means the Idaho Public Utilities Commission.

1.8 “**Conforming Energy**” means all Net Energy except Non-Conforming Energy.

1.9 “**Conforming Energy Purchase Price**” means the applicable price for Conforming Energy and capacity, specified in Section 5.1.

1.10 “**Contract Year**” means a twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending on 24:00 hours PPT on December 31; provided, however, that the first Contract Year shall commence on the Scheduled Commercial Operation Date and end on the next succeeding December 31, and the last Contract Year shall end on the Expiration Date, unless earlier terminated as provided herein.

1.11 “**Cut-in Wind Speed**” means the wind speed at which a stationary wind turbine begins producing Net Energy, as specified by the turbine manufacturer and set forth in **Exhibit A**.

1.12 “**Default Security**” shall have the meaning set forth in Section 11.2 of this Agreement.

1.13 “**Delay Liquidated Damages**”, “**Delay Daily Minimum**”, “**Delay Period**”, “**Delay Price**” and “**Delay Volume**” shall have the meanings set forth in Section 2.5 of this Agreement.

- 1.14 “Delay Period Commencement Date” means October 1, 2013.
- 1.15 “Delay Security” shall have the meaning set forth in Section 11.1.1 of this Agreement.
- 1.16 “Effective Date” shall have the meaning set forth in Section 2.1 of this Agreement.
- 1.17 “Energy Delivery Schedule” shall have the meaning set forth in Section 4.3 of this Agreement.
- 1.18 “Environmental Attributes” means any and all claims, credits, emissions reductions, offsets, and allowances, howsoever entitled, associated with the generation of Output from the Facility or the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water, that is capable of being measured, verified, or calculated. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere; and, (3) all WREGIS Certificates. Environmental Attributes do not include (i) Production Tax Credits or certain other tax incentives existing now or in the future associated with the construction, ownership or operation of the Facility, or (ii) adverse wildlife or environmental impacts.
- 1.19 “Environmental Contamination” means the introduction or presence of Hazardous Materials at such levels, quantities or location, or of such form or character, as to constitute a violation of federal, state or local laws or regulations, and present a material risk under federal, state or local laws and regulations that the Premises will not be available or usable for the purposes contemplated by this Agreement.
- 1.20 “Expiration Date” shall have the meaning set forth in Section 2.1 of this Agreement.
- 1.21 “Facility” is defined in Recital A of this Agreement.
- 1.22 “Facility Capacity Rating” means the sum of the Nameplate Capacity Ratings for all Wind Turbine generators comprising the Facility.
- 1.23 “Force Majeure” has the meaning set forth in Section 15.1.
- 1.24 “Forced Outage” means an outage that requires removal of one or more Wind Turbines from service, another outage state or a reserve shutdown state before the end of the next weekend. Maintenance Outages and Planned Outages are not Forced Outages.
- 1.25 “Generation Interconnection Agreement” means the generation interconnection agreement entered into separately between Seller and Transmission Provider, as applicable, specifying the Point of Delivery and providing for the construction and operation of the Interconnection Facilities.

1.26 “**Green Tags**” means (a) the Environmental Attributes associated with all Output, together with (b) the Green Tag Reporting Rights associated with such energy and Environmental Attributes, however commercially transferred or traded under any or other product names, such as “Renewable Energy Credits,” “Green-e Certified,” or otherwise. One Green Tag represents the Environmental Attributes made available by the generation of one MWh of energy from the Facility.

1.27 “**Green Tag Reporting Rights**” means the exclusive right of a purchaser of Environmental Attributes to report ownership of Environmental Attributes in compliance with federal or state law, if applicable, and to federal or state agencies or other parties at such purchaser’s discretion, and include reporting under Section 1605(b) of the Energy Policy Act of 1992, or under any present or future domestic, international, or foreign emissions trading program or renewable portfolio standard.

1.28 “**Governmental Authority**” means any supranational, federal, state or other political subdivision thereof, having jurisdiction over Seller, PacifiCorp or this Agreement, including any municipality, township or county, and any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any corporation or other entity owned or controlled by any of the foregoing.

1.29 “**Hazardous Materials**” means any waste or other substance that is listed, defined, designated or classified as or determined to be hazardous under or pursuant to any environmental law or regulation.

1.30 “**Inadvertent Energy**” means energy delivered to the Point of Delivery at a rate exceeding the Maximum Facility Delivery Rate on an hour-averaged basis. Inadvertent Energy is not included in Net Energy.

1.31 “**Index Price**”, for each day, shall mean the weighted average of the average Peak and Off-Peak firm energy market prices, as published in the *Intercontinental Exchange (ICE) Day Ahead Power Price Report* for the Palo Verde Hub for such day. For Sunday and NERC holidays, the 24-Hour Index Price shall be used, unless ICE shall publish a Firm On-Peak and Firm Off-Peak Price for such days for Palo Verde, in which event such indices shall be utilized for such days. If the ICE index or any replacement of that index ceases to be published during the term of this Agreement, PacifiCorp shall select as a replacement a substantially equivalent index that, after any appropriate or necessary adjustments, provides the most reasonable substitute for the index in question. PacifiCorp’s selection shall be subject to Seller’s consent, which Seller shall not unreasonably withhold, condition or delay.

1.32 “**Initial Year Energy Delivery Schedule**” shall have the meaning set forth in Section 4.3.1.

1.33 “**Interconnection Facilities**” means all the facilities and ancillary equipment used to interconnect the Facility to the System, as defined in the Generation Interconnection Agreement.

1.34 “**Letter of Credit**” means an irrevocable standby letter of credit in a form reasonably acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests thereunder. Such letter of credit shall be provided by an

institution that is a United States office of a commercial bank or trust company organized under the laws of the United States of America or a political subdivision thereof, with a credit rating on its long-term senior unsecured debt of at least “A” from Standard & Poor’s and “A2” from Moody’s Investor Services, and (unless otherwise agreed) having assets of at least \$10,000,000,000 (net of reserves).

1.35 “**Licensed Professional Engineer**” means a person acceptable to PacifiCorp in its reasonable judgment who is licensed to practice engineering in the state of Idaho, who has training and experience in the engineering discipline(s) relevant to the matters with respect to which such person is called to provide a certification, evaluation and/or opinion, who has no economic relationship, association, or nexus with Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made. The engagement and payment of a Licensed Professional Engineer solely to provide the certifications, evaluations and opinions required by this Agreement shall not constitute a prohibited economic relationship, association or nexus with Seller, so long as such engineer has no other economic relationship, association or nexus with the Seller.

1.36 “**Maintenance Outage**” means any outage of one or more Wind Turbines that is not a Forced Outage or a Planned Outage. A Maintenance Outage is an outage that can be deferred until after the end of the next weekend, but that requires that the Wind Turbine(s) be removed from service before the next Planned Outage. A Maintenance Outage may occur any time during the year and must have a flexible start date.

1.37 “**Material Adverse Change**” shall mean, with respect to the Seller, if the Seller has experienced a change in facts or circumstances related to development or operation of the Facility that materially and adversely impact Seller’s ability to fulfill its obligations under this Agreement.

1.38 “**Maximum Facility Delivery Rate**” means the maximum instantaneous rate (kW) at which the Facility is capable of delivering Net Output at the Point of Delivery, as specified in **Exhibit A**, and in compliance with the Generation Interconnection Agreement.

1.39 “**Maximum GIA Delivery Rate**” means the maximum rate (kW) at which the Generator Interconnection Agreement allows the Facility to deliver energy to the Point of Delivery and is set forth in **Exhibit A**.

1.40 “**Nameplate Capacity Rating**” means the maximum instantaneous generating capacity of any qualifying small power or cogeneration generating unit supplying all or part of the energy sold by the Facility, expressed in MW or kW, when operated consistent with the manufacturer’s recommended power factor and operating parameters, as set forth in a notice from Seller to PacifiCorp delivered before the Commercial Operation Date and, if applicable, updated in the As-built Supplement.

1.41 “**NERC**” means the North American Electric Reliability Corporation.

1.42 “**Net Energy**” means the energy component, in kWh, of Net Output. Net Energy does not include Inadvertent Energy.

1.43 “**Net Output**” means all energy and capacity produced by the Facility, less station use and less transformation and transmission losses and other adjustments, if any. For purposes of calculating payment under this Agreement, Net Output of energy shall be calculated as set forth in **Addendum L**. Net Output does not include Inadvertent Energy.

1.44 “**Network Resource**” shall have the meaning set forth in the Tariff.

1.45 “**Network Service Provider**” means PacifiCorp Transmission, as a provider of network service to PacifiCorp under the Tariff.

1.46 “**Non-Conforming Energy**” means Net Output produced by the Facility prior to the Commercial Operation Date.

1.47 “**Non-Conforming Energy Purchase Price**” means the applicable price for Non-Conforming Energy and capacity, specified in Section 5.1.

1.48 “**Off-Peak Hours**” means all hours of the week that are not On-Peak Hours.

1.49 “**On-Peak Hours**” means hours from 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time, Monday through Saturday, excluding Western Electricity Coordinating Council (WECC) and North American Electric Reliability Corporation (NERC) holidays.

1.50 “**Output Shortfall**” and “**Output Shortfall Damages**” shall have the meanings set forth in Section 4.5 of this Agreement.

1.51 “**PacifiCorp**” is defined in the first paragraph of this Agreement, and excludes PacifiCorp Transmission.

1.52 “**PacifiCorp Transmission**” means PacifiCorp, an Oregon corporation, acting in its interconnection and transmission function capacity.

1.53 “**Planned Outage**” means an outage of predetermined duration that is scheduled in Seller’s Energy Delivery Schedule. Boiler overhauls, turbine overhauls or inspections are typical planned outages. Maintenance Outages and Forced Outages are not Planned Outages.

1.54 “**Point of Delivery**” means the point of interconnection between the Facility and the System, as specified in the Generation Interconnection Agreement and in **Exhibit B**.

1.55 “**Premises**” means the real property on which the Facility is or will be located, as more fully described on **Exhibit A**.

1.56 “**Prime Rate**” means the rate per annum equal to the publicly announced prime rate or reference rate for commercial loans to large businesses in effect from time to time quoted by JPMorgan Chase & Co. If a JPMorgan Chase & Co. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.57 **“Production Tax Credits”** means production tax credits under Section 45 of the Internal Revenue Code as in effect from time to time during the term hereof or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from wind resources and any correlative state tax credit determined by reference to renewable electric energy produced from wind resources for which the Facility is eligible. Production Tax Credits do not include any tax credit determined by reference to investment.

1.58 **“Prudent Electrical Practices”** means any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry or any of the practices, methods or acts, which, in the exercise of reasonable judgment in the light of the facts known at the time a decision is made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Electrical Practices is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts.

1.59 **“QF”** means **“Qualifying Facility”**, as that term is defined in the version of FERC Regulations (codified at 18 CFR Part 292) in effect on the date of this Agreement.

1.60 **“Required Facility Documents”** means all deeds, titles, leases (including Wind Leases), licenses, permits, authorizations, and agreements demonstrating that Seller controls the necessary property rights and government authorizations to construct, operate, and maintain the Facility, including without limitation those set forth in **Exhibit C**.

1.61 **“Requirements of Law”** means any applicable and mandatory (but not merely advisory) federal, state and local law, statute, regulation, rule, code or ordinance enacted, adopted, issued or promulgated by any federal, state, local or other Governmental Authority or regulatory body (including those pertaining to electrical, building, zoning, environmental and occupational safety and health requirements).

1.62 **“Scheduled Commercial Operation Date”** means December 31, 2012, as such date shall be extended from time to time as a result of Force Majeure; provided, that the Scheduled Commercial Operation Date shall not be extended beyond September 30, 2013.

1.63 **“Scheduled Monthly Energy Delivery”** means the Net Energy scheduled to be delivered during a given calendar month, as specified by Seller in the Energy Delivery Schedule.

1.64 **“Shared Interconnection Facilities”** means that portion of the Interconnection Facilities used by the Facility and one or more other Qualifying Facilities as further described in **Exhibit B**.

1.65 **“Seller’s Forecast-Cost Share”** and **“Seller’s Capped Forecast-Cost Share”** shall have the meanings set forth in Sections 8.2 and 8.3 respectively.

1.66 **“Subsequent Energy Delivery Schedule”** shall have the meaning set forth in Section 4.3.3.

1.67 **“System”** means the electric transmission substation and transmission or distribution facilities owned, operated or maintained by Transmission Provider, which shall

include, after construction and installation of the Facility, the circuit reinforcements, extensions, and associated terminal facility reinforcements or additions required to interconnect the Facility, all as set forth in the Generation Interconnection Agreement.

1.68 “**Tariff**” means the PacifiCorp Transmission FERC Electric Tariff Seventh Revised Volume No. 11 Pro Forma Open Access Transmission Tariff or the Transmission Provider’s corresponding FERC tariff or both, as revised from time to time.

1.69 “**Transmission Provider**” means PacifiCorp Transmission or a successor, including any regional transmission organization (“**RTO**”).

1.70 “**Wind Leases**” means the memoranda of wind lease and redacted wind leases recorded in the county in which the Facility is located in connection with the development of the Facility, as the same may be supplemented, amended, extended, restated, or replaced from time to time.

1.71 “**Wind Turbine**” means the type of wind turbine specified and more fully described in **Exhibit A** as such **Exhibit A** may be updated pursuant to Section 2.2.6.

1.72 “**WREGIS**” means the Western Renewable Energy Generation Information System.

1.73 “**WREGIS Certificate**” means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.

1.74 “**WREGIS Operating Rules**” means the operating rules and requirements adopted by WREGIS.

SECTION 2. TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties and after approval by the Commission pursuant to a final and non-appealable order (“**Effective Date**”), that the prices to be paid for energy and capacity are just and reasonable, in the public interest, and that the costs incurred by PacifiCorp for purchases of capacity and energy from Seller are legitimate expenses, all of which the Commission will allow PacifiCorp to recover in rates in Idaho in the event other jurisdictions deny recovery of their proportionate share of said expenses. Unless earlier terminated as provided herein, this Agreement shall remain in effect until the twentieth (20th) anniversary of the earlier of the Commercial Operation Date or the Scheduled Commercial Operation Date (“**Expiration Date**”).

2.2 Time is of the essence of this Agreement, and Seller’s ability to meet certain requirements prior to the Commercial Operation Date and to achieve Commercial Operation by the Scheduled Commercial Operation Date is critically important. Therefore,

2.2.1 By the date that is four (4) months prior to the Scheduled Commercial Operation Date, Seller shall obtain and provide to PacifiCorp copies of all governmental permits and authorizations listed in **Exhibit C**.

2.2.2 By the date that is thirty (30) days after the Effective Date, Seller shall provide one hundred percent (100%) of the Delay Security required under Section 11.1.1, as applicable.

2.2.3 By December 31, 2011, Seller: (i) has provided all information and paid all fees the Transmission Provider requires to designate the Facility as a Network Resource in accordance with the Tariff (OATT); and (ii) has provided all information reasonably required by PacifiCorp to submit a transmission service request for the Facility to the Transmission Provider pursuant to the Tariff.

2.2.4 PacifiCorp, within ten (10) days of receiving from Seller the information identified in Section 2.2.3, shall (i) withdraw the request with respect to the facility (as defined in the Original PPA) and (ii) request designation of the Facility as a Network Resource for the purposes of serving Network Load.

2.2.5 At least ten (10) business days prior to delivery of any energy from the Facility to PacifiCorp, Seller shall provide PacifiCorp with an executed Generation Interconnection Agreement.

2.2.6 Within one hundred eighty (180) days prior to the Scheduled Commercial Operation Date, Seller shall provide PacifiCorp with amended **Exhibits**, which may include the designation of alternative Wind Turbines for the Facility, and such other updates to the information contained therein.

2.2.7 Prior to the Commercial Operation Date, Seller shall provide Default Security required under Section 11.2, if applicable.

2.2.8 Prior to the Commercial Operation Date, Seller shall provide PacifiCorp with an As-built Supplement reasonably acceptable to PacifiCorp.

2.2.9 Seller shall use commercially reasonable efforts to achieve Commercial Operation by 00:00 PPT December 31, 2012.

2.3 Beginning on January 6, 2012 and on the fifth (5th) business day of each month thereafter until the Commercial Operation Date, Seller shall provide PacifiCorp with a one-page monthly update by e-mail on the progress of financing and/or construction of the Project and status of completion of the milestones in Section 2.2.

2.4 Establishing Commercial Operation. Seller shall provide written notice to PacifiCorp stating when Seller believes that the Facility has achieved Commercial Operation. PacifiCorp shall have ten (10) business days after receipt either to confirm to Seller that all of the conditions to Commercial Operation have been satisfied or have occurred, or to state with specificity what PacifiCorp reasonably believes has not been satisfied. If, within such ten (10) business day period, PacifiCorp either does not respond or else confirms that the Facility has achieved Commercial Operation, the original date of receipt of Seller's notice shall be the Commercial Operation Date. If PacifiCorp notifies Seller within such ten (10) business day period that PacifiCorp reasonably believes the Facility has not achieved Commercial Operation, Seller may, if it has a good faith belief that Commercial Operation has been achieved, submit a Technical Dispute Notice, or else Seller shall address the concerns stated in PacifiCorp's notice to

the mutual satisfaction of both Parties. If Seller submits a Technical Dispute Notice and the Technical Expert determines that Commercial Operation has been achieved, then the Commercial Operation Date shall be the date, as determined by the Technical Expert, that the Facility first met all the requirements of Commercial Operation; otherwise the date upon which Seller has addressed the concerns stated in PacifiCorp's notice to PacifiCorp's reasonable satisfaction, as specified in a notice from PacifiCorp to Seller, shall be the Commercial Operation Date. If Commercial Operation is achieved at less than one hundred percent (100%) of the expected Facility Capacity Rating and Seller informs PacifiCorp that Seller intends to bring the Facility to one hundred percent (100%) of the expected Facility Capacity Rating, Seller shall provide PacifiCorp with a list of all items to be completed in order to achieve the expected Facility Capacity Rating.

2.4.1 Technical Expert. If, and only if, a dispute regards (i) whether or not Commercial Operation has been achieved, and/or (ii) the date when Commercial Operation was achieved, the Parties may have such dispute, and only such dispute, resolved pursuant to this Section 2.4.1. Any such dispute will be determined by an independent technical expert, who shall be a mutually acceptable third party with training and experience in the disciplines relevant to the matters with respect to which such person is called upon to provide a certification, evaluation or opinion (the "**Technical Expert**"), which determination shall be (X) made (subject to the terms in this Section 2.4) in accordance with the Construction Industry Arbitration Rules and Mediation Procedures (Including Procedures for Large, Complex Construction Disputes) of the AAA, as amended and effective on October 1, 2009 (the "**Technical Dispute Procedures**"), notwithstanding any dollar amounts or dollar limitations contained therein, and (Y) binding upon the Parties.

(a) Either Party may commence the dispute process as to the matters set forth in paragraph 2.4.1, above, with the American Arbitration Association ("**AAA**") by notifying AAA and the other Party in writing ("**Technical Dispute Notice**") of such Party's desire that the dispute be resolved through a determination by a Technical Expert.

(b) The determination shall be conducted by a sole Technical Expert. The Parties may select any mutually acceptable Technical Expert. If the Parties cannot agree on a Technical Expert within five (5) days after the date of the Technical Dispute Notice, then the AAA's Arbitration Administrator shall send a list and resumes of three (3) available technical experts meeting the qualifications set forth in Section 2.4.1 to the Parties, each of whom shall strike one name, and the remaining person shall be appointed as the Technical Expert. If more than one name remains, either because one or both Parties have failed to respond to the AAA's Arbitration Administrator within five (5) days after receiving the list or because one or both Parties have failed to strike a name from the list or because both Parties strike the same name, the AAA's Arbitration Administrator will choose the Technical Expert from the remaining names. If the designated Technical Expert shall die, become incapable or, unwilling to, or unable to serve or proceed with the determination, a substitute Technical Expert shall be appointed in accordance with the selection procedure described above, and such substitute Technical Expert shall have all such powers as if he or she has been originally appointed herein.

(c) Within thirty (30) days of the appointment of the Technical Expert pursuant to the foregoing sub-section, each Party shall submit to the Technical Expert (and copy the other Party) a written report containing its position with respect to the dispute, and arguments therefor together with supporting documentation and calculations. Discovery shall be limited to

Facility documentation relating to the disputed matter. Within sixty (60) days from receipt of such submissions, the Technical Expert shall select one or the other Party's position with respect to the disputed, arbitratable issues set forth in Section 2.4.1 above, whereupon such selection shall be a binding determination upon the Parties for all purposes hereof. The costs of the Technical Expert, including his or her fees and expenses, shall be borne by the Party whose position was not selected by the Technical Expert; each Party shall otherwise bear its own expenses. If the Technical Expert fails to render a decision within ninety (90) days from receipt of each Party's submissions, either Party may, prior to the Technical Expert's final decision, initiate litigation, in which case the Technical Expert's final decision shall not be binding on the Parties unless otherwise agreed.

2.4.2 All verbal and written communications between the Parties and issued or prepared in connection with this Section 2.4.1 shall be deemed prepared and communicated in furtherance, and in the context, of dispute settlement, and shall be exempt from discovery and production, and shall not be admissible in evidence (whether as admission or otherwise) in any litigation or other proceedings for the resolution of the dispute.

2.4.3 All deadlines specified in this Section 2.4 may be extended by mutual agreement of the Parties.

2.5 Delay Damages. Seller shall cause the Facility to achieve Commercial Operation on or before the Scheduled Commercial Operation Date. If Commercial Operation occurs after the Scheduled Commercial Operation Date, Seller shall be liable to pay PacifiCorp delay damages for the number of days ("**Delay Period**") that the Commercial Operation Date occurs after October 1, 2013, until the earlier of occurrence of the Commercial Operation Date or the termination of this Agreement ("**Delay Liquidated Damages**"); *provided that* Seller shall not accrue any Delay Liquidated Damages after: (i) Seller has timely achieved the milestone in Section 2.2.3; and (ii) Seller has satisfied all requirements of Commercial Operation except for one or more requirements in Section 1.5.6. Billings and payments for Delay Liquidated Damages shall be made in accordance with Section 11.1.

2.5.1 Delay Liquidated Damages. Delay Liquidated Damages equals the sum of: for each day in the Delay Period, the greater of (1) the Delay Daily Minimum or (2) the Delay Price times the Delay Volume,

Where:

"**Delay Daily Minimum**" equals (a) for the first forty-five (45) calendar days following the Scheduled Commercial Operation Date: one-ninetieth (1/90th) of forty-five dollars (\$45) multiplied by the Maximum Facility Delivery Rate with the Maximum Facility Delivery Rate being measured in kW; (b) after the forty-fifth (45th) calendar day following the Scheduled Commercial Operation Date: the Delay Price times the Delay Volume.

"**Delay Price**" equals the positive difference, if any, of the Index Price minus the weighted average of the On-Peak and Off-Peak monthly Conforming Energy Purchase Prices; and

"**Delay Volume**" equals the applicable Scheduled Monthly Energy Delivery divided by the number of days in that month.

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

SECTION 3. REPRESENTATIONS AND WARRANTIES

3.1 PacifiCorp represents, covenants, and warrants to Seller that:

3.1.1 PacifiCorp is duly organized and validly existing under the laws of the State of Oregon.

3.1.2 PacifiCorp has the requisite corporate power and authority to enter into this Agreement and to perform according to the terms of this Agreement.

3.1.3 PacifiCorp has taken all corporate actions required to be taken by it to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.1.4 Subject to Commission approval, the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on PacifiCorp or any valid order of any court, or any regulatory agency or other body having authority to which PacifiCorp is subject.

3.1.5 Subject to Commission approval, this Agreement is a valid and legally binding obligation of PacifiCorp, enforceable against PacifiCorp in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2 Seller represents, covenants, and warrants to PacifiCorp that:

3.2.1 Seller is a limited liability company duly organized and validly existing under the laws of Delaware.

3.2.2 Seller has the requisite power and authority to enter into this Agreement and has, or will have at the date of Commercial Operation of the Facility, all requisite power and authority to perform according to the terms hereof, including all required regulatory authority to make wholesale sales from the Facility.

3.2.3 Seller's shareholders, directors, and officers have taken all actions required to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.2.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.2.5 This Agreement is a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2.6 The Facility is and shall for the term of this Agreement continue to be a QF. Within thirty (30) days after the Effective Date, Seller shall provide the appropriate QF certification, which may include a Federal Energy Regulatory Commission self-certification to PacifiCorp. At any time thereafter that PacifiCorp has reason to believe during the term of this Agreement that Seller's status as a QF is in question, PacifiCorp may require Seller to provide PacifiCorp with a written legal opinion from an attorney in good standing in the state of Idaho and who has no economic relationship, association or nexus with the Seller or the Facility (other than in a capacity as counsel providing such requested legal opinion), stating that the Facility is a QF and providing sufficient proof (including copies of all documents and data as PacifiCorp may request) demonstrating that Seller has maintained the Facility as a QF.

3.2.7 Neither the Seller nor any of its principal equity owners is or has within the past two (2) years been the debtor in any bankruptcy proceeding, is unable to pay its bills in the ordinary course of its business, or is the subject of any legal or regulatory action, the result of which could reasonably be expected to impair Seller's ability to own and operate the Facility in accordance with the terms of this Agreement.

3.2.8 Seller has not at any time defaulted in any of its payment obligations for electricity purchased from PacifiCorp.

3.2.9 Seller is not in default under any of its other material agreements that would result in Seller's failure to perform its material obligations hereunder.

3.2.10 Seller owns all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances created by or through Seller related to third-party financing of the Facility, and Seller (or its successor in interest) will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility.

3.2.11 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 PacifiCorp in connection with the transactions contemplated by this Agreement.

3.2.12 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.

3.2.13 All leases of real property required for the operation of the Facility or the performance of any obligations of Seller hereunder are set forth and accurately described in **Exhibit C**. Upon request by PacifiCorp, Seller shall provide copies of the Wind Leases to PacifiCorp.

3.2.14 All information about the Facility set forth in **Exhibit A**, **Exhibit B**, and **Exhibit C** has been verified by Seller and is accurate to the best of its knowledge.

3.3 Notice. If at any time during this Agreement, any Party obtains actual knowledge of any event or information which would have caused any of the representations and warranties in this Section 3 to have been materially untrue or misleading when made, such Party shall provide the other Party with written notice of the event or information, the representations and warranties affected, and the action, if any, which such Party intends to take to make the representations and warranties true and correct. The notice required pursuant to this Section shall be given as soon as practicable after the occurrence of each such event.

SECTION 4. DELIVERY OF POWER; AVAILABILITY GUARANTY

4.1 Delivery and Acceptance of Net Output. Except for any curtailment specified in Section 6.3, unless otherwise provided herein, PacifiCorp will purchase and Seller will sell all Net Output from the Facility.

4.2 No Sales to Third Parties. During the term of this Agreement, Seller shall not sell any Net Output from the Facility to any entity other than PacifiCorp.

4.3 Energy Delivery Schedule. Seller shall prepare and provide to PacifiCorp, on an ongoing basis, a written schedule of Net Energy expected to be delivered by the Facility ("**Energy Delivery Schedule**"), in accordance with the following:

4.3.1 During the first twelve full calendar months following the Commercial Operation Date, Seller predicts that the Facility will produce and deliver the following monthly amounts ("**Initial Year Energy Delivery Schedule**"):

<u>Month</u>	<u>Energy Delivery (kWh)</u>	<u>Average kW</u>
January	21,405,435	28,728
February	17,789,164	26,494
March	24,579,189	33,037
April	19,941,059	27,691
May	22,123,757	29,686
June	17,864,218	24,738
July	16,469,162	22,105
August	18,120,502	24,339

September	16,867,192	23,461
October	18,958,152	25,536
November	22,001,634	30,563
December	22,364,385	30,085
TOTAL:	238,483,850	27,205

4.3.2 Seller may revise the Initial Year Energy Delivery Schedule any time prior to the Commercial Operation Date.

4.3.3 Beginning at the end of the ninth full calendar month of operation, and at the end of every third month thereafter, Seller shall supplement the Energy Delivery Schedule with three additional months of forward estimates (which shall be appended to this Agreement using the format specified in **Exhibit D**) (“**Subsequent Energy Delivery Schedule**”), such that the Energy Delivery Schedule will provide at least three months of scheduled energy estimates at all times. Seller shall provide Subsequent Energy Delivery Schedules no later than 5:00 pm PPT of the 5th day after the due date. If Seller does not provide a Subsequent Energy Delivery Schedule by the above deadline, scheduled energy for the omitted period shall equal the amounts scheduled by Seller for the same three-month period during the previous year.

4.3.4 Upon and after the Commercial Operation Date, Seller may no longer revise the Energy Delivery Schedule for the first six full calendar months of Commercial Operation. After 5:00 p.m. PPT of the fifth business day following the end of the third full calendar month of Commercial Operation and the end of each third calendar month thereafter, Seller may no longer revise the Energy Delivery Schedule for the six calendar months immediately following such third month. Subject to the foregoing restrictions in this Section 4.3.4, Seller may revise the Energy Delivery Schedule for any unrestricted month by providing written notice to PacifiCorp. Failure to provide timely written notice of changed amounts will be deemed to be an election of no change.

4.4 Minimum Availability Obligation. Seller shall cause the Facility to achieve an Availability of at least 85% during each month (“**Guaranteed Availability**”).

4.5 Liquidated Damages for Output Shortfall. If the Availability in any given month falls below the Guaranteed Availability, the resulting shortfall shall be expressed in kWh as the “**Output Shortfall.**” The Output Shortfall shall be calculated in accordance with the following formula:

$$\text{Output Shortfall} = \frac{(\text{Guaranteed Availability} - \text{Availability}) *}{\text{Scheduled Monthly Energy Delivery}}$$

Seller shall pay PacifiCorp for any Output Shortfall at the lower of (1) the positive difference, if any, of the Index Price minus the weighted average of the On-Peak and Off-Peak monthly Conforming Energy Purchase Prices; or (2) the weighted average of the On-Peak and Off-Peak monthly Conforming Energy Purchase Prices (“**Output Shortfall Damages**”).

$$\text{Output Shortfall Damages} = \text{Output Shortfall} * \text{Output Shortfall Price}$$

Where:

$$\text{Output Shortfall Price} = (\text{Index Price} - \text{Weighted Average CEPP}), \text{ except}$$

that if Output Shortfall Price < 0, then Output Shortfall Price = 0, and except that if Output Shortfall Price > Weighted Average CEPP, then Output Shortfall Price = Weighted Average CEPP

Weighted Average CEPP = the Weighted Average On-Peak and Off-Peak Conforming Energy Purchase Prices for the month of Output Shortfall

If an Output Shortfall occurs in any given month, Seller may owe PacifiCorp liquidated damages. Each Party agrees and acknowledges that (a) the damages that PacifiCorp would incur due to the Facility's failure to achieve the Guaranteed Availability would be difficult or impossible to predict with certainty, and (b) the liquidated damages contemplated in this Section 4.5 are a fair and reasonable calculation of such damages.

4.6 Audit Rights. In addition to data provided under Sections 9.3 and 9.4, PacifiCorp shall have the right, but not the obligation, to audit the Facility's compliance with its Guaranteed Availability using any reasonable methods. Seller agrees to retain all performance related data for the Facility for a minimum of three years, and to cooperate with PacifiCorp in the event PacifiCorp decides to audit such data.

4.7 For a period of ten (10) years from the Commercial Operation Date, Seller shall have title to the Green Tags immediately upon the generation of the Output at the Facility that gives rise to such Green Tags. On the tenth (10th) anniversary of the Commercial Operation Date through and including the Expiration Date, PacifiCorp shall have title to the Green Tags immediately upon the generation of the Output at the Facility that gives rise to such Green Tags. Each Party shall execute all additional documents and instruments reasonably requested by the other Party in order to further document the ownership of the Green Tags during the respective Party's ownership. Without limiting the generality of the foregoing, Seller shall, on or before the 10th day of each month during which PacifiCorp has ownership rights to the Green Tags, deliver to PacifiCorp a Green Tags Attestation and Bill of Sale (in the form attached as **Exhibit 4.7(A)**) for all Green Tags delivered to PacifiCorp hereunder in the preceding month, along with any verification that is in conformance with the then-current Center for Resource Solution's Green-e program, or any successor program. The Party having ownership of the Green Tags at the time (the "**Green Tag Owner**"), at its own cost and expense, shall register with, pay all fees required by, and comply with, all reporting and other requirements of WREGIS relating to the Facility or Green Tags. The Seller shall ensure that the Facility will participate in and comply with, during the Term, all aspects of WREGIS. The Green Tag Owner shall be responsible for any costs charged by the qualified reporting entity for the Facility to participate in and comply with, during the Term, all aspects of WREGIS. The Green Tag Owner shall, at its sole expense, use WREGIS as required pursuant to the WREGIS Operating Rules, including but not limited to those rules related to effectuating the transfer of WREGIS Certificates and transferring such WREGIS Certificates in accordance with WREGIS reporting protocols and WREGIS Operating Rules and as required under this Agreement. Seller may either elect to enter into a Qualified Reporting Entity Services Agreement with PacifiCorp in a form similar to that in **Exhibit 4.7(B)** or elect to act as its own WREGIS-defined Qualified Reporting

Entity. Seller shall upon written request from PacifiCorp provide copies of all documentation submitted to WREGIS in connection with the Facility. Further, upon notification by WREGIS or CAMD that any transfers of Green Tags contemplated by this Agreement have not been recorded, the Parties shall promptly cooperate in taking all reasonable actions necessary so that such transfers can be recorded. Seller shall at its expense cause the Facility to maintain its registration in good standing with the Center for Resource Solution's Green-e program, or any successor program, throughout the Term; provided, however that each Party shall (a) not take any action (other than the provision of truthful information) to impair the Facility's good standing with such program and (b) shall provide such information as is reasonably requested to maintain such registration. The Parties shall reasonably cooperate in any registration of the Facility in the renewable portfolio standard or equivalent program in all such further states and programs in which the Parties may wish to register or maintained registered the Facility by providing copies of all such information as reasonably required for such registration. Neither Party represents or warrants that the Green Tags can be used for any purpose. The Parties acknowledge that the Green Tags may be subject to action by Governmental Authority and neither Party is liable to the other Party for action taken by a Governmental Authority in connection with the Green Tags that is not a result of a breach of this Agreement.

SECTION 5. PURCHASE PRICES

5.1 Energy Purchase Price. Except as provided in Section 5.3, PacifiCorp will pay Seller Conforming Energy Purchase Prices or Non-Conforming Energy Purchase Prices, as applicable, for Net Output adjusted for the month and On-Peak Hours or Off-Peak Hours and the wind integration cost using the following formulae:

$$\text{Conforming Energy Purchase Price} = (AR_{ce} * MPM) - WIC$$

$$\text{Non-Conforming Energy Purchase Price} = (A_{nce} * MPM) - WIC$$

Where:

AR_{ce} = Conforming Energy annual rate from Table 1, below, for the year of the Net Output.

AR_{nce} = *the lower of*
 85% of the Conforming Energy annual rate from Table 1 below, for the year of Net Output
or
 85% of average of the daily Index Price for each day of the month, or portion of month, of Net Output.

MPM = monthly On-Peak or Off-Peak multiplier from Table 2 below, that corresponds to the month of the Net Output and whether the Net Output occurred during On-Peak Hours or Off-Peak Hours.

WIC = \$6.50/MWh, the wind integration cost prescribed in Commission Order No. 31021.

Example calculations are provided in **Exhibit G**.

Table 1: Conforming Energy Annual Rates

Year	Conforming Energy Annual Rate (AR ²) S/MWh
2012	63.97
2013	67.51
2014	71.32
2015	75.40
2016	77.76
2017	80.07
2018	82.58
2019	85.05
2020	87.61
2021	90.63
2022	93.78
2023	97.05
2024	100.44
2025	103.98
2026	106.98
2027	110.07
2028	113.26
2029	116.56
2030	119.95
2031	124.51
2032	128.50
2033	132.64
2034	136.92

Table 2: Monthly On-Peak/Off-Peak Multipliers

Month	On-Peak Hours	Off-Peak Hours
January	103%	94%
February	105%	97%
March	95%	80%
April	95%	76%
May	92%	63%
June	94%	65%
July	121%	92%
August	121%	106%
September	109%	99%
October	115%	105%
November	110%	96%
December	129%	120%

5.2 Payment.

For each Billing Period in each Contract Year, PacifiCorp shall pay Seller as follows:

For delivery of Conforming Energy:

$$\text{Payment} = (\text{CEnergy}_{\text{On-Peak}} * \text{CEPPrice}_{\text{on-peak}} / 1000) + (\text{CEnergy}_{\text{Off-Peak}} * \text{CEPPrice}_{\text{off-peak}} / 1000)$$

For delivery of Non-Conforming Energy:

$$\text{Payment} = (\text{NCEnergy}_{\text{On-Peak}} * \text{NCEPPrice}_{\text{on-peak}} / 1000) + (\text{NCEnergy}_{\text{Off-Peak}} * \text{NCEPPrice}_{\text{off-peak}} / 1000)$$

Where:

- CEnergy = Conforming Energy in kWh
- CEPPrice = Conforming Energy Purchase Price in \$/MWh
- NCEnergy = Non-Conforming Energy Purchase Price in kWh
- NCEPPrice = Non-Conforming Energy Purchase Price in \$/MWh
- On-Peak = the corresponding value for On-Peak Hours
- Off-Peak = the corresponding value for Off-Peak Hours

5.3 Inadvertent Energy. So long as acceptance of Inadvertent Energy does not cause PacifiCorp to violate the terms of its Network Transmission Service and is consistent with Prudent Electrical Practices, PacifiCorp will accept Inadvertent Energy, but will not purchase or pay for Inadvertent Energy.

5.4 Additional Compensation. Seller shall not be entitled to any compensation over and above the Conforming Energy Purchase Prices or Non-Conforming Energy Purchase Prices, as the case may be, for the Green Tags associated therewith.

SECTION 6. OPERATION AND CONTROL

6.1 As-Built Supplement. Upon completion of any construction affecting the Facility, Seller shall provide PacifiCorp an As-built Supplement bearing the stamp of a Licensed Professional Engineer that accurately depicts the Facility as built. The As-built Supplement must be reviewed and approved by PacifiCorp, which approval shall not unreasonably be withheld, conditioned or delayed.

6.2 Operation. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time. PacifiCorp shall have no obligation to purchase Net Output from the Facility to the extent the interconnection between the Facility and PacifiCorp's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's non-compliance with the Generation Interconnection Agreement. PacifiCorp shall have the right to inspect the Facility to confirm that

Seller is operating the Facility in accordance with the provisions of this Section 6 upon reasonable notice to Seller. Seller is solely responsible for the operation and maintenance of the Facility. PacifiCorp shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

6.3 Curtailment. PacifiCorp shall not be obligated to purchase, receive, pay for, or pay any damages associated with, Net Output (or associated Production Tax Credits or Environmental Attributes) if such Net Output (or associated Production Tax Credits or Environmental Attributes) is not delivered to the System or Point of Delivery due to any of the following: (a) the interconnection between the Facility and the System is disconnected, suspended or interrupted, in whole or in part, consistent with the terms of the Generation Interconnection Agreement, (b) the Transmission Provider or Network Service Provider directs a general curtailment, reduction, or redispatch of generation in the area (which would include the Net Output) for any reason, even if such curtailment or redispatch directive is carried out by PacifiCorp, which may fulfill such directive by acting in its sole discretion; or if PacifiCorp curtails or otherwise reduces the Net Output in order to meet its obligations to the Transmission Provider or Network Service Provider to operate within system limitations, (c) the Facility's Output is not received because the Facility is not fully integrated or synchronized with the System, or (d) an event of Force Majeure prevents either Party from delivering or receiving Net Output. Seller shall reasonably determine the MWh amount of Net Output curtailed pursuant to this Section 6.3 after the fact based on the amount of energy that could have been generated at the Facility and delivered to PacifiCorp as Net Output but that was not generated and delivered because of the curtailment. Seller shall determine the quantity of such curtailed energy based on (x) the time and duration of the curtailment period and (y) wind conditions recorded at the Facility during the period of curtailment and the power curve specified for the Wind Turbines as shown in **Exhibit A**. Seller shall promptly provide PacifiCorp with access to such information and data as PacifiCorp may reasonably require to confirm to its reasonable satisfaction the amount of energy that was not generated or delivered because of a curtailment described in this Section 6.3.

6.4 PacifiCorp as Merchant. Seller acknowledges that PacifiCorp, acting in its merchant capacity function as purchaser under this Agreement, has no responsibility for or control over PacifiCorp Transmission or any successor Transmission Provider.

6.5 Outages.

6.5.1 Planned Outages. Except as otherwise provided herein, Seller shall not schedule Planned Outage during any portion of the months of November, December, January, February, June, July, and August, except to the extent a Planned Outage is reasonably required to enable a vendor to satisfy a guarantee requirement in a situation in which the vendor is not otherwise able to perform the guarantee work at a time other than during one of the months specified above or to the extent such Planned Outage is required in accordance with Prudent Electrical Practices. Seller shall, in **Exhibit D**, provide PacifiCorp with an annual forecast of Planned Outages for each Contract Year at least one (1) month, but no more than three (3) months, before the first day of that Contract Year, and shall promptly update such schedule, or otherwise change it only, to the extent that Seller is reasonably required to change it in order to comply with Prudent Electrical Practices. Seller shall not schedule more than one hundred fifty (150) hours of Planned Outages for each calendar year. Seller shall notify PacifiCorp of any deviation to the annual Planned

Outage schedule, above, on the Monday preceding the scheduling week in which the sooner of the following will occur: (a) the outage as predicted in the Planned Outage schedule; or (b) the outage per Seller's revised plans. Such notice shall consist of a Monday-Sunday, hourly spreadsheet showing the revised total Facility curtailment (MW) for that scheduling week. Seller shall not schedule any maintenance of Shared Interconnection Facilities during November, December, January, February, June, July, or August, without the prior written approval of PacifiCorp, which approval may be reasonably withheld by PacifiCorp.

6.5.2 Maintenance Outages. If Seller reasonably determines that it is necessary to schedule a Maintenance Outage, Seller shall notify PacifiCorp of the proposed Maintenance Outage as soon as practicable but in any event at least five (5) days before the outage begins (or such shorter period to which PacifiCorp may reasonably consent in light of then existing wind conditions). Upon such notice, the Parties shall plan the Maintenance Outage to mutually accommodate the reasonable requirements of Seller and the service obligations of PacifiCorp. Seller shall take all reasonable measures and use commercially reasonable efforts consistent with Prudent Electrical Practices to not schedule any Maintenance Outage during the following periods: June 15 through June 30, July, August, and September 1 through September 15. Seller shall include in such notice of a proposed Maintenance Outage the expected start date and time of the outage, the amount of generation capacity of the Facility that will not be available, and the expected completion date and time of the outage. Seller may provide notices under this Section 6.5.2 orally. Seller shall confirm any such oral notification in writing as soon as practicable. PacifiCorp shall promptly respond to such notice and may request reasonable modifications in the schedule for the outage. Seller shall use all reasonable efforts to comply with PacifiCorp's request to modify the schedule for a Maintenance Outage if such modification has no substantial impact on Seller. Seller shall notify PacifiCorp of any subsequent changes in generation capacity of the Facility during such Maintenance Outage and any changes in the Maintenance Outage completion date and time. Seller shall take all reasonable measures and exercise its commercially reasonable efforts consistent with Prudent Electrical Practices to minimize the frequency and duration of Maintenance Outages.

6.5.3 Forced Outages. Seller shall promptly provide to PacifiCorp an oral report, via telephone to a number specified by PacifiCorp, of any Forced Outage of the Facility. Such report shall include the amount of generation capacity of the Facility that will not be available because of the Forced Outage and the expected return date and time of such generation capacity. Seller shall promptly update the report as necessary to advise PacifiCorp of changed circumstances. If the Forced Outage resulted in more than 15% of the Facility Capacity Rating of the Facility being unavailable, Seller shall confirm the oral report in writing as soon as practicable. Seller shall take all reasonable measures and exercise its commercially reasonable efforts consistent with Prudent Electrical Practices to avoid Forced Outages and to minimize their duration.

6.5.4 Notice of Deratings and Outages. Without limiting other notice requirements, Seller shall notify PacifiCorp, via telephone or via electronic mail, to a number or email address specified by PacifiCorp, of any limitation, restriction, derating or outage known to Seller that affects the generation capacity of the Facility in an amount greater than five percent (5%) of the Facility Capacity Rating for the following day. Seller shall promptly update such notice to reflect any material changes to the information in such notice.

6.5.5 Effect of Outages on Estimated Output. Seller shall factor Planned Outages and Maintenance Outages that Seller reasonably expects to encounter in the ordinary

course of operating the Facility into the Scheduled Monthly Energy Delivery amounts in the Energy Delivery Schedule set forth in **Exhibit D**.

6.6 Scheduling.

6.6.1 Cooperation and Standards. With respect to any and all scheduling requirements in this Agreement, (a) Seller shall cooperate with PacifiCorp with respect to scheduling Net Output, and (b) each Party shall designate authorized representatives to communicate with regard to scheduling and related matters arising hereunder.

6.6.2 Schedule Coordination. If, as a result of this Agreement, PacifiCorp is deemed by an RTO to be financially responsible for Seller's performance under the Generation Interconnection Agreement due to Seller's lack of standing as a "scheduling coordinator" or other RTO recognized designation, qualification or otherwise, then (a) Seller shall acquire such RTO recognized standing (or shall contract with a third party who has such RTO recognized standing) such that PacifiCorp is no longer responsible for Seller's performance under the Generation Interconnection Agreement, and (b) Seller shall defend, indemnify and hold PacifiCorp harmless against any liability arising due to Seller's performance or failure to perform under the Generation Interconnection Agreement or RTO requirement.

6.7 Delivery Exceeding the Maximum GIA Delivery Rate. Seller shall not deliver energy from the Facility to the Point of Delivery at a rate that exceeds the Maximum GIA Delivery Rate. Seller's failure to limit such deliveries to the Maximum GIA Delivery Rate shall be a breach of a material obligation subject to Section 12.1.8.

6.8 Access Rights. Upon reasonable prior notice and subject to the prudent safety requirements of Seller, and Requirements of Law relating to workplace health and safety, Seller shall provide PacifiCorp and its authorized agents, employees and inspectors ("**PacifiCorp Representatives**") with reasonable access to the Facility: (a) for the purpose of reading or testing metering equipment, (b) as necessary to witness any acceptance tests, (c) for purposes of implementing Section 4.6, and (d) for other reasonable purposes at the reasonable request of PacifiCorp. PacifiCorp shall release Seller against and from any and all any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal resulting from actions or omissions by any of the PacifiCorp Representatives in connection with their access to the Facility, except to the extent that such damages are caused or by the intentional or grossly negligent act or omission of Seller.

SECTION 7. MOTIVE FORCE

Prior to the execution of this Agreement, Seller provided to PacifiCorp Wind Leases and a motive force plan including an hourly wind profile acceptable to PacifiCorp in its reasonable discretion and attached hereto as **Exhibit F-1**. Within three (3) months after the Effective Date, Seller will provide a wind report from any of GL Garrad Hassan, AWS Truepower, LLC, or DNV Global Energy Concepts, Inc. certifying that the implementation of the fuel or motive force plan can reasonably be expected to provide fuel or motive force to the Facility for the duration of this Agreement adequate to generate power and energy in quantities necessary to deliver the Average Annual Net Output. Seller will provide an updated estimate of Average Annual Net Output at the time it provides an amended **Exhibit A** pursuant to Section 2.2.6 if Seller has selected different Wind Turbines.

SECTION 8. GENERATION FORECASTING COSTS

8.1 Forecast Service Election. PacifiCorp may, in its discretion, add forecasting services for Seller's Facility to PacifiCorp's existing contract with a qualified wind-energy-production forecasting vendor, which contract and vendor may change during the term of this Agreement.

8.2 Seller's Forecast-Cost Share. Pursuant to Commission Order No. 30497, Seller shall be responsible for 50% of PacifiCorp's cost of adding such forecasting services ("**Seller's Forecast-Cost Share**") up to Seller's Capped Forecast-Cost Share.

8.3 Cap on Seller's Forecast-Cost Share. Seller's Forecast-Cost Share for a given Contract Year is capped at 0.1% of total payments made by PacifiCorp to Seller for Net Output during the previous Contract Year ("**Seller's Capped Forecast-Cost Share**"). If the last Contract Year of this Agreement is shorter than a full calendar year, the cap will be prorated for that shortened year. For the year(s) prior to the second Contract Year of this agreement that equals a full calendar year, Seller's Forecast-Cost Share is capped at 0.1% of estimated payments for Net Output based on the Energy Delivery Schedule.

8.4 Payment. Seller shall pay to PacifiCorp Seller's Forecast-Cost Share uncapped by Section 8.3 for each Contract Year in equal payments for each month of such year except the last month of such year. (For example, in a Contract Year equaling a full calendar year, Seller would pay 1/11th of Seller's Forecast-Cost Share during each of the first 11 months.) In the last month of each Contract Year, PacifiCorp shall refund to Seller the amount paid by Seller under this Section in excess, if any, of Seller's Capped Forecast-Cost Share. For a Contract Year encompassed by just one calendar month, Seller's payment to PacifiCorp and PacifiCorp's refund to Seller shall be calculated and paid simultaneously. To the extent practicable, payments and refunds under this Section shall be included in monthly payments and invoices under Section 10.

SECTION 9. METERING: REPORTS AND RECORDS

9.1 Metering Adjustment. Metering will be performed at the location specified in **Exhibit B** and in the manner specified in the Generator Interconnection Agreement. All quantities of energy purchased hereunder shall be adjusted in accordance with **Addendum L**, so that the purchased amount reflects the net amount of power flowing into the System at the Point of Delivery.¹¹

9.2 Metering Errors. If any inspections or tests made pursuant to the Generator Interconnection Agreement discloses an error exceeding two percent (2%), either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three Billing Periods, in the amount the

¹¹ If station service is supplied via separate facilities, PacifiCorp will deduct station service from the metered facility output to calculate Net Output.

metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered.

9.3 Telemetering. In accordance with the Generation Interconnection Agreement, Seller shall provide telemetering equipment and facilities capable of transmitting to Transmission Provider (who will share it with PacifiCorp as authorized by **Exhibit H**, “Seller Authorization to Release Generation Data to PacifiCorp”) the following information concerning the Facility on a real-time basis, and will operate such equipment when requested by PacifiCorp to indicate:

- (a) instantaneous M W output at the Point of Delivery;
- (b) Net Output;
- (c) the Facility’s total instantaneous generation capacity; and
- (d) wind velocity at turbine hub height.

Seller shall also transmit to PacifiCorp any other data from the Facility that Seller receives on a real-time basis, including meteorological data, wind speed data, wind direction data and gross output data. Seller shall provide such real-time data to PacifiCorp in the same detail that Seller receives the data (e.g., if Seller receives the data in four second intervals, PacifiCorp shall also receive the data in four second intervals). PacifiCorp shall have the right from time to time to require Seller to provide additional telemetering equipment and facilities to the extent necessary and reasonable.

9.4 Monthly Reports and Logs and Other Information.

9.4.1 Reports. Within thirty (30) calendar days after the end of each Billing Period, Seller shall provide to PacifiCorp a report in electronic format, which report shall include (a) summaries of the Facility’s wind and output data for the Billing Period in intervals not to exceed one hour (or such shorter period as is reasonably possible with commercially available technology), including information from the Facility’s computer monitoring system; (b) summaries of any other significant events related to the construction or operation of the Facility for the Billing Period; (c) details of Availability of the Facility for the Billing Period sufficient to calculate Availability and including hourly average wind velocity measured at turbine hub height and ambient air temperature; and (d) any supporting information that PacifiCorp may from time to time reasonably request (including historical wind data for the Facility).

9.4.2 Electronic Fault Log. Seller shall maintain an electronic fault log of operations of the Facility during each hour of the term of this Agreement commencing on the Commercial Operation Date. Seller shall provide PacifiCorp with a copy of the electronic fault log within thirty (30) calendar days after the end of the Billing Period to which the fault log applies.

9.4.3 Upon the request of PacifiCorp, Seller shall provide PacifiCorp the manufacturers’ guidelines and recommendations for maintenance of the Facility equipment.

9.4.4 By each January 10 following the Commercial Operation Date, Seller shall provide to PacifiCorp written certification that Seller has completed all the manufacturers' guidelines and recommendations for maintenance of the Facility equipment applicable to the previous calendar year.

9.4.5 At any time from the Effective Date, one (1) year's advance notice of the termination or expiration of any agreement, including Wind Leases, pursuant to which the Facility or any equipment relating thereto is upon the Facility site; provided that the foregoing does not authorize any early termination of any land lease.

9.4.6 As soon as it is known to Seller, Seller shall disclose to PacifiCorp, the extent of any material violation of any environmental laws or regulations arising out of the construction or operation of the Facility, or the presence of Environmental Contamination at the Facility or on the Premises, alleged to exist by any Governmental Authority having jurisdiction over the Premises, or the present existence of, or the occurrence during Seller's occupancy of the Premises of, any enforcement, legal, or regulatory action or proceeding relating to such alleged violation or alleged presence of Environmental Contamination presently occurring or having occurred during the period of time that Seller has occupied the Premises.

9.5 Maintenance of Metering Equipment. To the extent not otherwise provided in the Generator Interconnection Agreement, PacifiCorp shall inspect, test, repair and replace the metering equipment periodically, or at the request of Seller if Seller has reason to believe metering may be off and requests an inspection in writing. To the extent not otherwise provided in the Generator Interconnection Agreement, all PacifiCorp's costs relating to designing, installing, maintaining, and repairing metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

9.6 WREGIS Metering. Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility.

SECTION 10. BILLINGS. COMPUTATIONS AND PAYMENTS

10.1 Payment for Net Output. On or before the thirtieth (30th) day following the end of each Billing Period, PacifiCorp shall send to Seller payment for Seller's deliveries of Net Output to PacifiCorp, together with computations supporting such payment. PacifiCorp may offset any such payment to reflect amounts owing from Seller to PacifiCorp pursuant to this Agreement or the Generation Interconnection Agreement. Any such offsets shall be separately itemized on the statement accompanying each payment to Seller.

10.2 Annual Invoicing for Output Shortfall. Thirty calendar days after the end of each Contract Year, PacifiCorp shall deliver to Seller an invoice showing PacifiCorp's computation of Output Shortfall, if any, for all Billing Periods in the prior Contract Year and Output Shortfall Damages, if any. In preparing such invoices, PacifiCorp shall utilize the meter data provided to PacifiCorp for the Contract Year in question, but may also rely on historical averages and such other information as may be available to PacifiCorp at the time of invoice preparation if the meter data for such Contract Year is then incomplete or otherwise not available. To the extent required, PacifiCorp shall prepare any such invoice as promptly as practicable following

its receipt of actual results for the relevant Contract Year. Seller shall pay to PacifiCorp, by wire transfer of immediately available funds to an account specified in writing by PacifiCorp or by any other means agreed to by the Parties in writing from time to time, the amount set forth as due in such invoice, and shall within thirty (30) days after receiving the invoice raise any objections regarding any disputed portion of the invoice. Objections not made by Seller within the thirty-day period shall be deemed waived.

10.3 Interest on Overdue Amounts. Any amounts owing after the due date thereof shall bear interest at the Prime Rate on the date the amount became due, plus two percent (2%), from the date due until paid; *provided, however*, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

10.4 Disputed Amounts. If either Party, in good faith, disputes any amount due pursuant to an invoice rendered hereunder, such Party shall notify the other Party of the specific basis for the dispute and, if the invoice shows an amount due, shall pay that portion of the statement that is undisputed, on or before the due date. Any such notice shall be provided within two (2) years of the date of the invoice in which the error first occurred. If any amount disputed by such Party is determined to be due to the other Party, or if the Parties resolve the payment dispute, the amount due shall be paid within five (5) days after such determination or resolution, along with interest in accordance with Section 10.3.

SECTION 11. SECURITY

11.1 Delay Security:

11.1.1 Duty to Post Security. By the date provided in Section 2.2.2, Seller shall post a Letter of Credit, cash or a parental guaranty, each in a form acceptable to PacifiCorp, in the amount calculated pursuant to Section 11.1.2 (“**Delay Security**”). To the extent PacifiCorp makes a drawing under the Delay Security, Seller shall, within fifteen (15) calendar days, restore the Delay Security as if no such deduction had occurred.

11.1.2 Calculation of Delay Security. The dollar value of Delay Security shall equal the greater of: (1) forty-five dollars (\$45) multiplied by the Maximum Facility Delivery Rate with the Maximum Facility Delivery Rate being measured in kW; or (2) the sum of the products, for each of the first three calendar months after the Delay Period Commencement Date, of:

the energy in the Initial Year Energy Delivery Schedule for the month (kWh)
multiplied by the monthly weighted average On-Peak and Off-Peak
Conforming Energy Purchase Price for the months (\$/MWh) divided by 1000.

Such amount shall be fixed upon execution of this Agreement.

11.1.3 Right to Draw on Security. PacifiCorp shall have the right to draw on the Delay Security to collect Delay Liquidated Damages. Commencing on or about first of each month, PacifiCorp will invoice Seller for Delay Liquidated Damages incurred, if any, during the preceding month. If insufficient Delay Security is available, Seller shall pay PacifiCorp for invoiced Delay Liquidated Damages no later than five business days after receiving such invoice. The Parties will make billings and payments for Delay Liquidated Damages in accordance with Section 10.

11.1.4 Partial Release of Delay Security. Provided that Seller has maintained Delay Security in accordance with Section 11.1.1, PacifiCorp shall release one-third of the original amount of Delay Security stated in Section 11.1.1 each time Seller accomplishes a milestone (a) or (b), below:

(a) Seller has (i) executed the Generation Interconnection Agreement with Transmission Provider; and (ii) paid in full any interconnection and/or system upgrade costs Seller is obligated to pay in advance of interconnection construction.

(b) Seller has poured the concrete foundation at each of its planned individual Wind Turbine locations.

PacifiCorp shall make the partial refund of Delay Security required above within ten business days of the date Seller provides PacifiCorp written notice (along with satisfactory documentation thereof) that it has accomplished milestone (a) or (b) above.

11.1.5 Full Release of Delay Security. Unless PacifiCorp disputes whether Seller has paid all Delay Liquidated Damages, PacifiCorp shall release all remaining Delay Security upon the earlier of the 30th calendar day following commencement of Commercial Operation or the 60th calendar day following PacifiCorp's termination of this Agreement.

11.1.6 Default. Seller's failure to post and maintain Delay Security in accordance with Section 11.1 will constitute an event of default, unless cured in accordance with Section 12.1.1 of this Agreement.

11.2 Default Security (Levelized Pricing Only). (Reserved)

SECTION 12. DEFAULTS AND REMEDIES

12.1 The following events shall constitute defaults under this Agreement:

12.1.1 Non-Payment. A Party's failure to make a payment when due under this Agreement or post and maintain security in conformance with the requirements of Section 11 or maintain insurance in conformance with the requirements of Section 14 of this Agreement, if the failure is not cured within ten (10) business days after the non-defaulting Party gives the defaulting Party a notice of the default.

12.1.2 Breach of Representation. Breach by a Party of a representation or warranty set forth in this Agreement, if such failure or breach is not cured within thirty (30) days following written notice.

12.1.3 Default on Other Agreements. Seller's failure to cure any default under the Generation Interconnection Agreement or any other agreement between the parties related to this Agreement, the Generation Interconnection Agreement, or the Facility within the time allowed for a cure under such agreement or instrument.

12.1.4 Insolvency. A Party (a) makes an assignment for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the

protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (c) becomes insolvent; or (d) is unable to pay its debts when due.

12.1.5 Material Adverse Change. A Material Adverse Change has occurred with respect to Seller and Seller fails to provide such performance assurances as are reasonably requested by PacifiCorp, within thirty (30) days from the date of such request.

12.1.6 Sale to Third-Party. Seller's sale of Net Output to an entity other than PacifiCorp, as prohibited by Section 4.2.

12.1.7 Non-Delivery. Unless excused by an event of Force Majeure (including PacifiCorp's breach of its obligations under this Agreement), Seller's failure to deliver any Net Energy for three consecutive calendar months.

12.1.8 A Party otherwise fails to perform any material obligation (including but not limited to failure by Seller to meet any deadline set forth in Section 2.2.1 through 2.2.9, but excluding Sections 4.7 and 9.6) imposed upon that Party by this Agreement if the failure is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party notice of the default. For the avoidance of doubt, the failure of Seller to achieve the Commercial Operation Date by December 31, 2012 shall not give rise to an Event of Default pursuant to this Section 12.1.8 and the failure to achieve Commercial Operation Date shall be exclusively governed by Section 12.1.9.

12.1.9 Seller fails to achieve the Commercial Operation Date by the 91st day following the Delay Period Commencement Date, *provided, however*, that, upon written notice from the defaulting Party delivered prior to the ninety-first (91st) day of delay, this ninety (90) day period shall be extended by an additional one hundred and fifty (150) days if (a) Seller has poured the concrete foundation at each of its planned individual wind turbine locations; and (b) Seller replenishes Delay Default Security in accordance with Section 11.1.1. Seller shall continue to accrue Delay Liquidated Damages in accordance with Section 2.5 (Delay Price times the Delay Value) until the Project achieves Commercial Operation or this Agreement is terminated.

12.2 In the event of any default hereunder, the non-defaulting Party must notify the defaulting Party in writing of the circumstances indicating the default and outlining the requirements to cure the default. If the default has not been cured within the prescribed time, above, the non-defaulting Party may terminate this Agreement at its sole discretion by delivering written notice to the other Party and may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement. The rights provided in this Section 12 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

12.3 In the event this Agreement is terminated because of Seller's default and Seller wishes to again sell Net Output from the Facility using the same motive force to PacifiCorp following such termination, PacifiCorp in its sole discretion may require that Seller do so subject to the terms of this Agreement, including but not limited to the purchase prices as set forth in (Section 5), until the Expiration Date (as set forth in Section 2.1). At such time Seller and PacifiCorp agree to execute a written document ratifying the terms of this Agreement.

12.4 If this Agreement is terminated as a result of Seller's default, in addition to and not in limitation of any other right or remedy under this Agreement or applicable law (including

any right to set-off, counterclaim, or otherwise withhold payment), Seller shall pay PacifiCorp Output Shortfall Damages for a period of eighteen (18) months from the date of termination plus the estimated administrative cost to acquire the replacement power. The Parties agree that the damages PacifiCorp would incur due to termination resulting from Seller's default would be difficult or impossible to predict with certainty, and that the damages in this Section 12.4 are an appropriate approximation of such damages.

12.5 Recoupment of Damages.

(a) Default Security Available. If Seller has posted Default Security, PacifiCorp may draw upon that security to satisfy any damages, above.

(b) Default Security Unavailable. If Seller has not posted Default Security, or if PacifiCorp has exhausted the Default Security, PacifiCorp may collect any remaining amount owing by partially withholding future payments to Seller over a reasonable period of time. PacifiCorp and Seller shall work together in good faith to establish the period, and monthly amounts, of such withholding so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

12.6 Upon an event of default or termination event resulting from default under this Agreement, in addition to and not in limitation of any other right or remedy under this Agreement or applicable law (including any right to set-off, counterclaim, or otherwise withhold payment), the non-defaulting Party may at its option set-off, against any amounts owed to the defaulting Party, any amounts owed by the defaulting Party under any contract(s) or agreement(s) between the Parties. The obligations of the Parties shall be deemed satisfied and discharged to the extent of any such set-off. The non-defaulting Party shall give the defaulting Party written notice of any set-off, but failure to give such notice shall not affect the validity of the set-off.

12.7 Amounts owed by Seller pursuant to this Section 12 shall be due within five (5) business days after any invoice from PacifiCorp for the same.

SECTION 13. INDEMNIFICATION: LIABILITY

13.1 Indemnities.

13.1.1 Indemnity by Seller. Seller shall release, indemnify and hold harmless PacifiCorp, its directors, officers, agents, and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with (a) the energy delivered by Seller under this Agreement to and at the Point of Delivery, (b) any facilities on Seller's side of the Point of Delivery, (c) Seller's operation and/or maintenance of the Facility, or (d) arising from Seller's breach of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PacifiCorp, Seller or others, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of PacifiCorp, its directors, officers, employees, agents or representatives.

13.1.2 Indemnity by PacifiCorp. PacifiCorp shall release, indemnify and hold harmless Seller, its directors, officers, agents, lenders and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with the energy delivered by Seller under this Agreement after the Point of Delivery, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of Seller, its directors, officers, employees, agents, lenders or representatives.

13.2 No Dedication. 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, nor affect the status of PacifiCorp as an independent public utility corporation or Seller as an independent individual or entity.

13.3 No Warranty. Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by PacifiCorp and PacifiCorp 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.

13.4 CONSEQUENTIAL DAMAGES. EXCEPT TO THE EXTENT SUCH DAMAGES ARE INCLUDED IN THE LIQUIDATED DAMAGES, DELAY DAMAGES, OR OTHER SPECIFIED MEASURE OF DAMAGES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE.

SECTION 14. INSURANCE

14.1 Certificates. Prior to connection of the Facility to the System, Seller shall secure and continuously carry insurance in compliance with the requirements of this Section. Seller shall provide PacifiCorp insurance certificate(s) (of "ACORD Form" or the equivalent) certifying Seller's compliance with the insurance requirements hereunder. Commercial General Liability coverage written on a "claims-made" basis, if any, shall be specifically identified on the certificate. If requested by PacifiCorp, a copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company, shall be furnished to PacifiCorp.

14.2 Required Policies and Coverages. Without limiting any liabilities or any other obligations of Seller under this Agreement, Seller shall secure and continuously carry with an insurance company or companies rated not lower than "A-VII" by the A.M. Insurance Reports the insurance coverage specified below:

14.2.1 Commercial General Liability insurance, to include contractual liability, with a minimum single limit of \$1,000,000 per occurrence to protect against and from all loss

by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement.

14.2.2 All Risk Property insurance providing coverage in an amount at least equal to 80% of the replacement value of the Facility against “all risks” of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The Property policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities.

14.3 The Commercial General Liability policy required herein shall include (i) provisions or endorsements naming PacifiCorp, its Board of Directors, Officers and employees as additional insureds, and (ii) cross liability coverage so that the insurance applies separately to each insured against whom claim is made or suit is brought, even in instances where one insured claims against or sues another insured.

14.4 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interests of PacifiCorp and that any other insurance maintained by PacifiCorp is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without (i) ten (10) business days prior written notice to PacifiCorp if canceled for nonpayment of premium, or (ii) thirty (30) business days prior written notice to PacifiCorp if canceled for any other reason.

14.5 Commercial General Liability insurance coverage provided on a “claims-made” basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such other length of time necessary to cover liabilities arising out of the activities under this Agreement.

SECTION 15. FORCE MAJEURE

15.1 As used in this Agreement, “**Force Majeure**” or “**an event of Force Majeure**” means any cause beyond the reasonable control of the Seller or of PacifiCorp which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which is in each case (i) beyond the reasonable control of such Party, (ii) by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and (iii) by the exercise of due diligence, such Party shall be unable to prevent or overcome. Force Majeure, however, specifically excludes the cost or availability of fuel or motive force to operate the Facility or changes in market conditions that affect the price of energy or transmission. If either Party is rendered wholly or in part unable to perform its obligation 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:

15.1.1 the non-performing Party, shall, as soon as practicable but no later than within two (2) weeks after the occurrence of the Force Majeure, give the other Party written notice

describing the particulars of the occurrence, including the start date of the Force Majeure, the cause of Force Majeure, whether the Facility remains partially operational and the expected end date of the Force Majeure;

15.1.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure;

15.1.3 the non-performing Party uses its best efforts to remedy its inability to perform; and

15.1.4 the non-performing Party shall provide prompt written notice to the other Party at the end of the Force Majeure event detailing the end date, cause thereof, damage caused there by and any repairs that were required as a result of the Force Majeure event, and the end date of the Force Majeure.

15.2 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

15.3 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 16. SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 17. CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Idaho, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 18. PARTIAL INVALIDITY

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

SECTION 19. WAIVER

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 must be in

writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 20. GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

PacifiCorp's compliance with the terms of this Agreement is conditioned on Seller's submission to PacifiCorp prior to the Commercial Operation Date of copies of all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility. Failure to maintain such lawful status after the Commercial Operation Date shall be an event of default, subject to Section 12.

SECTION 21. SUCCESSORS AND ASSIGNS

21.1 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; provided that the Parties agree that commercially reasonable written amendments to the Exhibits to this Agreement and such other written updates to the information contained therein related to the Facility may be made in the event of any assignment of this Agreement pursuant to the terms of this Section 21.1. Notwithstanding the first sentence of this Section, (a) any entity with which PacifiCorp 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 PacifiCorp's rights, obligations, and interests under this Agreement and (b) Seller shall have the right to assign this Agreement, subject to PacifiCorp's written consent, which consent shall not be unreasonably withheld or delayed, for collateral security purposes to one or more financing entities (or a collateral agent acting on their behalf) providing financing to Seller for the Facility, in which event PacifiCorp agrees to provide a written consent in favor of Seller's financing entities in form and substance similar to consents executed by PacifiCorp in connection with non-recourse project financings. 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. PacifiCorp shall have the right to be notified by the financing entity that it is exercising such rights or remedies and all such other rights as provided in the written consent.

21.2 Notwithstanding Section 21.1, if, as of December 31, 2012, Seller has not achieved Commercial Operation, then Seller shall have the right to terminate this Agreement by providing written notice of termination to PacifiCorp on or before January 5, 2013. Upon PacifiCorp's receipt of written notice of termination from Seller, the Original PPA shall automatically be deemed to be reinstated and in full force and effect. Upon such termination, PacifiCorp shall return the Delay Security to Seller and Seller shall have no further liability or obligations of any kind under this Agreement.

21.3 Seller and all successors and assigns acknowledge that this Agreement is in part the result of a settlement stipulation between PacifiCorp, CCW and the Staff of the Idaho Public Utilities Commission that was approved by the Idaho Public Utilities Commission is Case Nos. PAC-E-11 -01 through PAC-E-11-05 (the "**Stipulation**"). This Agreement is subject to, and incorporates, the terms of the Stipulation.

SECTION 22. ENTIRE AGREEMENT

22.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PacifiCorp's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

22.2 By executing this Agreement, each Party releases the other from any claims, known or unknown, that may have arisen prior to the execution date of this Agreement with respect to the Facility and any predecessor facility proposed to have been constructed on the site of the Facility.

SECTION 23. NOTICES

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested.

Notices	PacifiCorp	Seller
All Notices	PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Phone:(503)813-5380 Facsimile: (503) 813- 6291 E-mail: Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	Meadow Creek Project Company LLC 83 S. King Street, Suite 200 Seattle, WA 98104 Attn: Joan Hutchinson Phone: 206-462-4846 Facsimile: 503-296-5450 E-mail: jhutchinson@rl-en.com Duns: [TBD] Federal Tax ID Number: 80-0326448

Notices	PacifiCorp	Seller
All Invoices:	Attn: Back Office, Suite 700 Phone:(503)813-5578 Facsimile: (503) 813 -5580	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com
Scheduling:	Attn: Resource Planning, Suite 600 Phone: (503) 813 - 6090 Facsimile: (503) 813-6265	Attn: Joan Hutchinson SVP – Origination & Marketing Phone: 206-462-4846 jhutchinson@rl-en.com

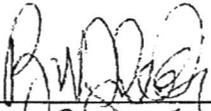
Payments:	Attn: Back Office, Suite 700 Phone:(503)813-5578 Facsimile: (503) 813-5580	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com
Wire Transfer:	Bank One N.A. To be provided in separate letter from PacifiCorp to Seller	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com
Credit and Collections :	Attn: Credit Manager, Suite 700 Phone:(503)813-5684 Facsimile: (503) 813-5609	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com
With Additional Notices of an Event of Default or Potential Event of Default to:	Attn: PacifiCorp General Counsel Phone:(503)813-5029 Facsimile: (503) 813-6761	Attn: Legal Department Email: <u>legal@rl-en.com</u> Phone: 425-455-9014

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section.

In WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first above written:

PACIFICORP,
an Oregon corporation

**MEADOW CREEK PROJECT
COMPANY LLC**
a Delaware limited liability company

By:  
Name: BRUCE GRISWOLD
Title: Director, Short term
origination

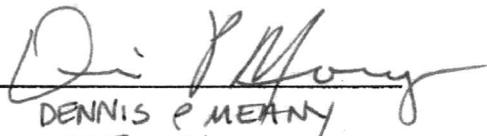
By: 
Name: DENNIS P MEANY
Title: PRESIDENT

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

Seller's Facility consists of 38 wind turbine generator(s) manufactured by Suzlon. More specifically, each generator at the Facility is described as:

Type (synchronous or inductive): Asynchronous with Inverter

Model: Suzlon S97-2.1

Number of Phases: Three

Rated Output (kW): 2,100 **Rated Output (kVA):** 2,234 kVA

Rated Voltage (line to line): Line side converter: 600V, machine side converter: 600V

Rated Current Line(A): Line side converter: 500A, machine side converter: 435 A

Maximum kW Output: 2100 kW **Maximum kVA Output:** 2,234 kVA

Minimum kW Output: -60 kW

Manufacturer's Published Cut-in Wind Speed: 3.5 meters/second

Facility Capacity Rating: 79,800 kW at or above rated wind speed and below cut-out Speed

Maximum Facility Delivery Rate: 79,800 kW at PacifiCorp Goshen Substation at 161 kV

Maximum GIA Delivery Rate 119,700 kW [combined with the other Ridgeline Projects described in Addendum L]

Identify the maximum output of the generator(s) and describe any differences between that output and the Nameplate Capacity Rating: Maximum generator output is 2100 kW (same as Nameplate Capacity Rating)

Station service requirements, and other loads served by the Facility, if any, are described as follows: Station service requirements consist of Ridgeline Energy Operations and Maintenance building loads, turbine standby loads, and turbine cutout loads. Average turbine standby load for North Point is approximately 45-60 kW. Cutout loads would be infrequent and not concurrent with standby loads.

Location of the Facility: The Facility is located in Bonneville County, Idaho. The location is more particularly described as follows: 43° 33.895' Latitude, 111° 48.313' Longitude WGS84. Locations of each turbine tower relative to other qualifying facilities owned by the same entity showing compliance with the spacing requirements in 18 C.F.R. § 292.204 are attached hereto.

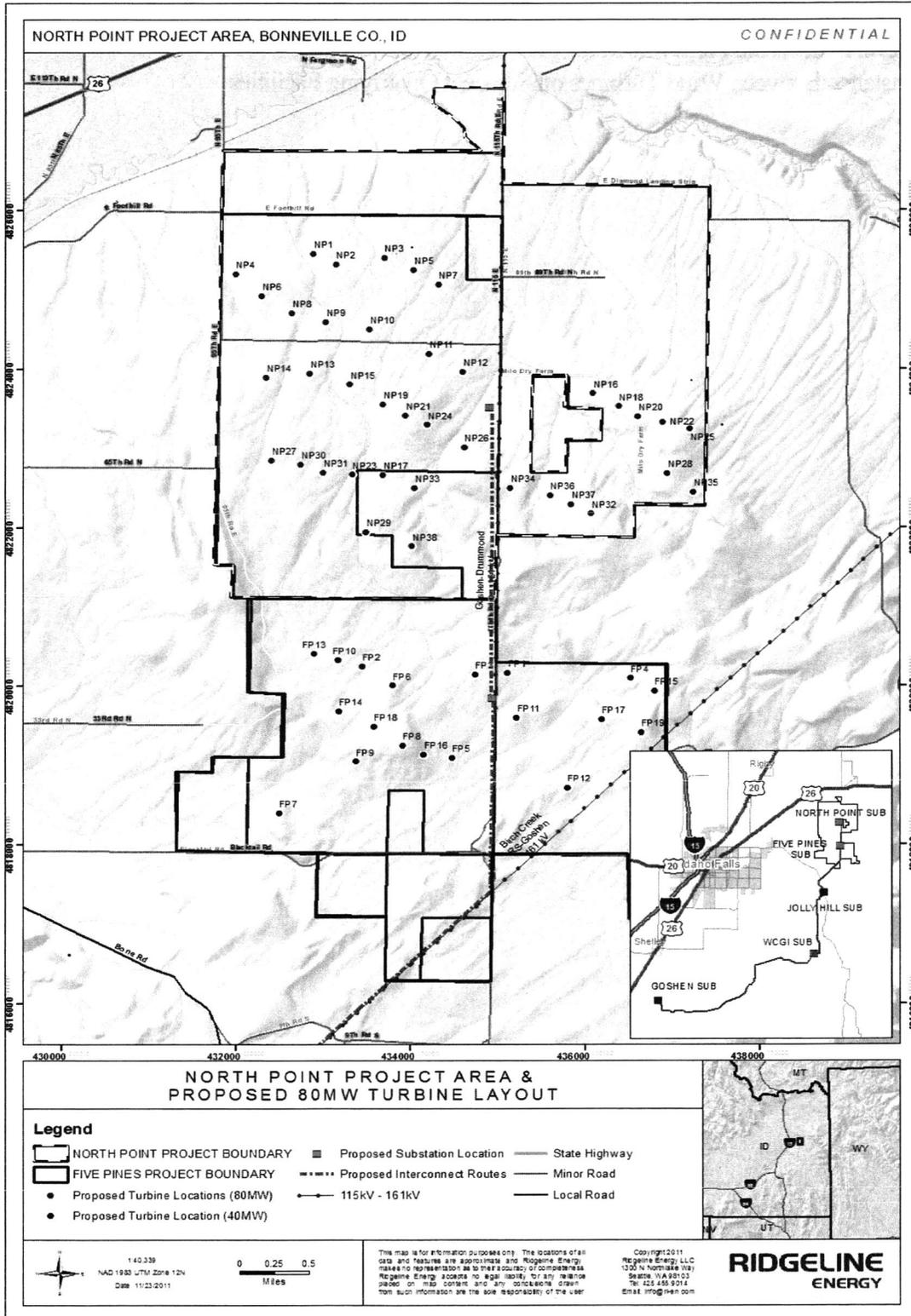
Power factor requirements:

Rated Power Factor (PF) or reactive load (WAR): 0.94 Leading to 0.94 Lagging

Seller has provided a copy of manufacturer's Power Curve for the Suzlon S97-2.1. PacifiCorp maintains the power curve in its files pursuant to a Non-Disclosure Agreement between PacifiCorp and Seller

EXHIBIT A - Attachments

1. North Point Wind Farm Site Map
2. Distance Between Wind Turbines of Adjacent Qualifying Facilities



The table below lists the distance between turbines in separate Qualifying Facilities.

NORTH POINT / FIVE PINE*		
North Point TURBINE #	Five Pine TURBINE #	DISTANCE (FT)
29	2	5620
29	3	7238
29	10	5558
29	13	5522
38	2	5350
38	3	5832
38	10	5467
38	13	5770
* Distances measured from two closest turbines in North Point project area to closest turbines in Five Pine project area.		

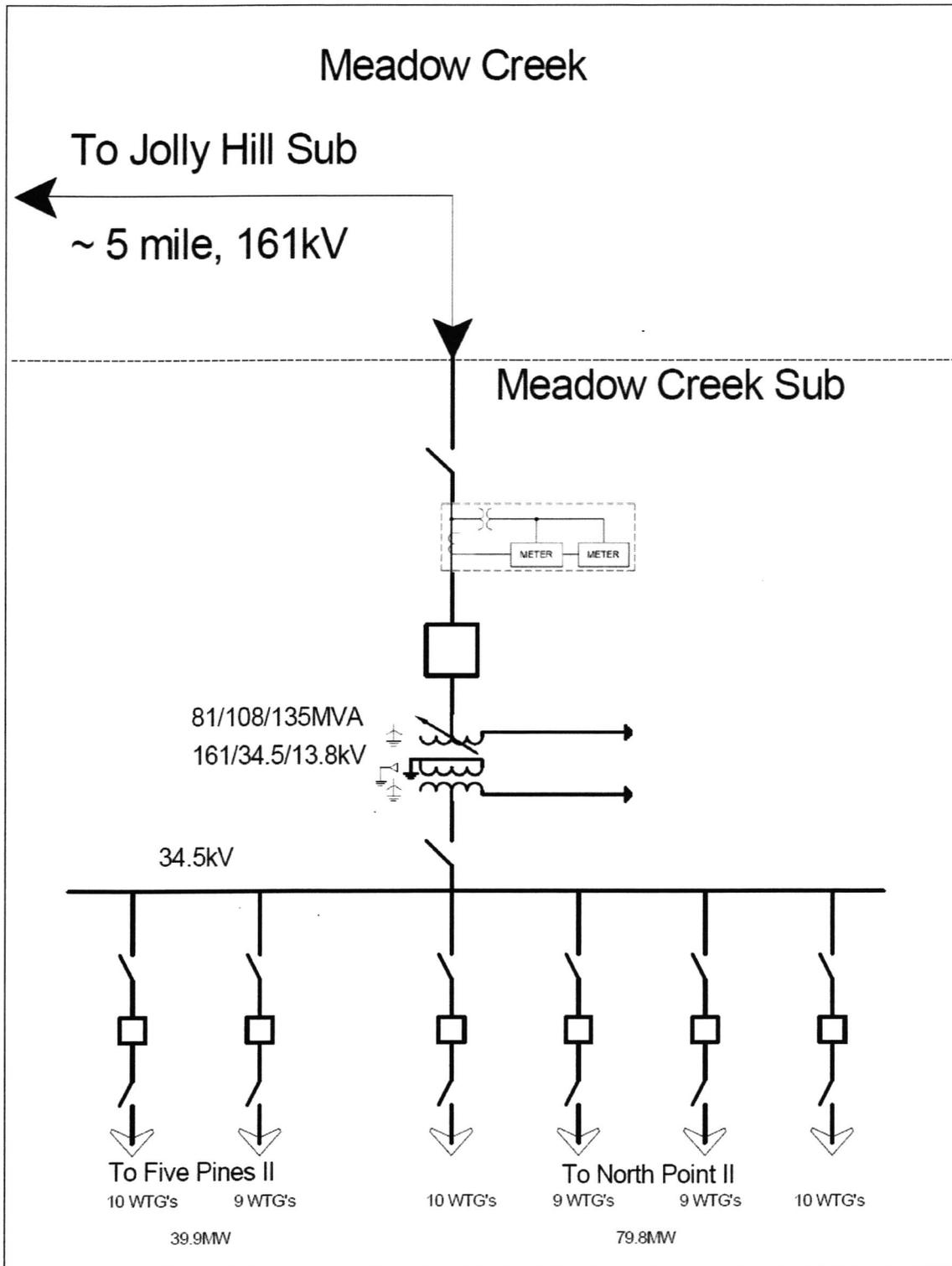
EXHIBIT B

POINT OF DELIVERY / PARTIES' INTERCONNECTION FACILITIES

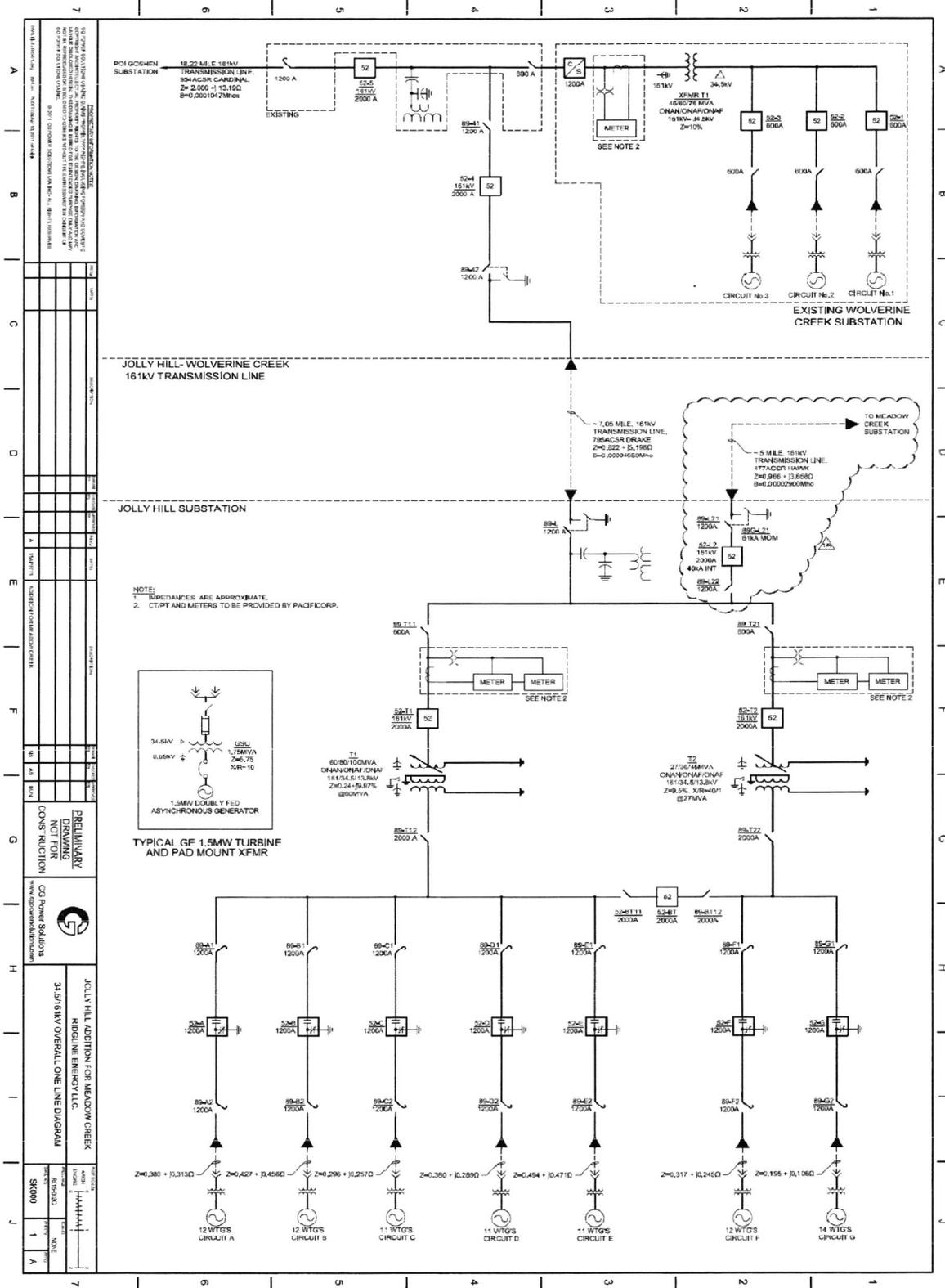
[Seller has provided the following single line drawing of the Facility interconnection facilities including metering points used to calculate Net Output and any transmission facilities on Seller's side of the Point of Delivery.]

The Point of Delivery is the PacifiCorp 161kV bus at the Goshen substation. The Metering Point is the high side of the 34.5-161kV step up transformer at Meadow Creek substation. The meters will be compensated for losses to the Point of Delivery.

North Point and Five Pine will share the Meadow Creek 34.5kV-161kV collector substation. Each project will have 34.5kV breakers that will connect to a common 34.5kV bus. The bus will connect to a single 34.5-161kV Power Transformer, 161kV breaker, metering equipment, line disconnect switch and a 5 mile 161kV transmission line to the Jolly Hill Substation.



November 27, 2011



7	6	5	4	3	2	1
A	B	C	D	E	F	G
H	I	J	A	B	C	D
E	F	G	H	I	J	A

PRELIMINARY DRAWING NOT FOR CONSTRUCTION
CC POWER SOLUTIONS
31.918 MW OVERALL ONE LINE DIAGRAM
SHEET NO. 1

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

Qualifying Facility Number to be obtained from FERC

The following Documents are required prior to delivery of any output from the Facility:

Generation Interconnection Agreement

Agreement permitting Seller access to shared interconnection facilities

Property rights required to maintain and operate the Project in accordance with this Agreement (site leases, transmission easements, etc).

The following Permits are required on or before the milestone date specified in Section 2.2.1.

Federal Aviation Administration Determination of No Hazard Bonneville County

Special Use Permit Crossing agreements with parties other than PacifiCorp Transmission

EXHIBIT D

SUBSEQUENT ENERGY DELIVERY SCHEDULE

North Point Wind Project		
	Scheduled Monthly Energy Delivery Ave kW/mo	
January	21,405,435	28,728
February	17,789,164	26,494
March	24,579,189	33,037
April	19,941,059	27,691
May	22,123,757	29,686
June	17,864,218	24,738
July	16,469,162	22,105
August	18,120,502	24,339
September	16,867,192	23,461
October	18,958,152	25,536
November	22,001,634	30,563
December	22,364,385	30,085
TOTAL:	238,483,850	27,205

Planned Outages. Seller will provide a Planned Outage schedule annually not to exceed 150 hours per year.

EXHIBIT E

START-UP TESTING

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to:

1. Test of mechanical and electrical equipment;
2. Calibration of all monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Point-to-point continuity tests;
6. Bench tests of protective devices; and
7. Tests required by manufacturer(s) and designer(s) of equipment.

Required start-up tests are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PacifiCorp's electrical system, which may include but are not limited to:

1. Turbine/generator mechanical runs and functionality;
2. System operation tests;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Excitation and voltage regulation operation tests;
7. Auto stop/start sequence;
8. Completion of any state and federal environmental testing requirements; and
9. Tests required by manufacturer(s) and designer(s) of equipment.

For wind projects only, the following Wind Turbine Generator Installation Checklists are required documents to be signed off by Manufacturer or Subcontract Category Commissioning Personnel as part of the Commissioning and startup testing:

Turbine Installation

Foundation Inspection (by Owner's independent inspector)

Controller Assembly

Power Cables

Cable Installation Checklists including:

Controller
Top Deck / Yaw Deck Tower
Top Section / Saddle Mid
Section Cables or buss bars
Base Section
Tower Base Section
Tower Lights and Outlets
Tower Mid Section
Tower Top Section
Nacelle & Rotor

EXHIBIT F-1

MOTIVE FORCE PLAN

WIND SPEED DATA SUMMARIES & HOURLY WIND PROFILE

Fl-1

North Point - Optimized Turbine Layout (Version 1)
 North Point
 Turbine: Suzlon S97-2.1

90 meters

Average of Wind Speed (m/s) Local Hour (GMT -8)	Month												Grand Total
	1	2	3	4	5	6	7	8	9	10	11	12	
0	6.92	6.63	8.80	9.11	8.54	8.67	8.88	8.16	8.11	8.30	8.20	7.84	8.18
1	6.66	6.74	8.56	8.84	8.21	8.92	8.98	8.18	7.88	7.87	8.41	8.06	8.11
2	6.96	6.66	9.01	9.12	8.19	8.92	8.75	7.99	7.89	7.91	8.45	8.18	8.17
3	7.10	6.93	9.40	9.15	8.08	8.87	8.68	7.76	8.15	8.01	8.68	8.11	8.24
4	7.18	7.10	9.51	9.15	8.03	8.79	8.30	8.03	8.01	7.87	8.85	8.22	8.25
5	6.95	7.13	9.33	9.19	7.87	8.48	8.29	8.43	7.99	7.83	8.83	7.98	8.19
6	7.06	7.00	9.05	9.24	7.84	8.13	8.35	8.42	8.45	7.79	8.61	7.79	8.14
7	6.82	6.92	8.96	8.56	7.33	7.68	7.19	7.37	8.30	7.64	8.68	8.10	7.80
8	7.04	7.48	8.84	8.06	7.17	7.38	6.49	5.94	6.75	7.31	8.64	8.54	7.47
9	7.35	7.08	8.36	8.24	7.15	7.22	6.07	5.16	5.74	6.63	7.95	7.89	7.07
10	7.36	7.05	8.05	8.26	7.10	7.09	6.06	4.99	5.33	6.24	7.42	7.36	6.86
11	7.11	6.59	7.83	8.29	7.27	7.35	6.39	5.36	5.64	6.64	7.33	6.75	6.88
12	6.26	6.06	7.80	8.63	7.74	7.73	6.54	5.89	6.13	6.97	7.29	6.71	6.98
13	5.95	5.81	7.78	8.83	7.94	8.04	7.00	6.11	6.27	7.04	7.21	6.70	7.06
14	6.11	5.50	7.46	9.06	7.76	8.26	7.42	6.35	6.44	7.17	7.27	6.67	7.12
15	5.92	5.72	7.43	9.08	7.84	8.38	7.68	6.54	6.83	7.09	7.02	6.75	7.19
16	5.88	5.70	7.38	9.24	8.24	8.35	7.32	6.69	6.81	6.78	6.90	7.01	7.19
17	6.05	5.48	7.49	9.06	8.21	7.91	7.48	6.58	6.39	6.69	7.11	7.30	7.15
18	6.45	5.77	7.61	8.82	8.18	7.46	7.37	6.73	5.87	7.15	7.29	7.79	7.21
19	6.76	5.92	7.96	8.55	8.45	7.45	7.38	7.02	6.23	7.61	7.76	8.06	7.43
20	6.99	6.01	8.37	9.40	8.21	7.91	7.44	7.49	6.72	8.03	8.20	8.34	7.76
21	7.22	6.05	8.79	9.39	8.20	8.49	7.78	7.77	7.40	8.30	8.03	8.14	7.96
22	7.25	6.21	8.93	9.48	8.43	8.53	8.13	8.28	7.92	8.34	7.90	8.10	8.12
23	6.95	6.51	8.86	9.36	8.45	8.49	8.35	8.43	7.93	8.52	7.97	8.15	8.16
Grand Total	6.76	6.42	8.40	8.92	7.94	8.10	7.60	7.07	7.05	7.49	7.92	7.69	7.61

North Point - Optimized Turbine Layout (Version 1)
 North Point
 Turbine: Suzlon S97-2.1

90 meters

Average of Net Capacity Factor (%) Local Hour (GMT-8)	Month												Grand Total
	1	2	3	4	5	6	7	8	9	10	11	12	
0	38.8%	35.4%	44.5%	39.0%	40.5%	40.8%	35.2%	38.7%	35.4%	38.4%	41.1%	40.9%	39.1%
1	37.5%	37.6%	45.8%	40.9%	39.0%	39.3%	33.1%	36.1%	34.6%	37.6%	41.2%	39.2%	38.5%
2	37.9%	35.6%	46.1%	39.0%	39.9%	35.4%	33.4%	36.5%	37.0%	36.3%	41.2%	39.1%	38.1%
3	38.0%	36.7%	43.7%	38.8%	41.6%	35.1%	31.6%	37.4%	34.3%	36.0%	40.9%	39.3%	37.8%
4	39.2%	37.2%	41.9%	38.2%	40.4%	34.6%	32.3%	36.7%	34.1%	35.2%	42.8%	40.5%	37.8%
5	38.5%	36.1%	40.7%	37.3%	36.5%	30.7%	29.3%	37.3%	36.2%	36.8%	43.0%	38.8%	36.8%
6	38.7%	36.5%	40.4%	32.1%	31.3%	24.8%	21.0%	29.2%	31.8%	36.7%	40.0%	39.5%	33.5%
7	38.0%	36.3%	39.0%	27.9%	28.6%	22.4%	16.4%	23.1%	22.9%	30.5%	39.7%	41.1%	30.5%
8	37.9%	38.6%	36.2%	29.0%	28.1%	20.1%	13.4%	18.5%	19.7%	26.3%	38.1%	40.6%	28.9%
9	38.4%	36.3%	37.8%	28.1%	27.8%	19.1%	13.5%	16.0%	17.8%	24.1%	34.9%	38.1%	27.6%
10	37.7%	32.1%	37.7%	30.5%	32.0%	20.9%	16.4%	18.0%	19.0%	23.5%	31.7%	35.4%	27.9%
11	34.3%	30.7%	38.6%	30.5%	35.9%	24.5%	18.3%	20.8%	21.9%	24.3%	32.7%	33.1%	28.8%
12	30.0%	28.9%	38.4%	30.4%	38.1%	26.2%	22.2%	23.8%	23.9%	26.0%	33.0%	31.4%	29.4%
13	31.0%	24.6%	37.9%	32.1%	38.3%	28.2%	26.0%	26.4%	25.5%	27.0%	31.9%	31.7%	30.0%
14	31.3%	25.2%	38.9%	32.3%	38.4%	29.5%	28.3%	29.2%	26.8%	26.9%	33.1%	31.2%	30.9%
15	30.8%	27.7%	39.3%	32.3%	40.9%	30.5%	28.6%	30.0%	26.8%	25.6%	32.0%	34.0%	31.5%
16	32.6%	29.4%	40.7%	32.5%	40.1%	30.3%	30.9%	30.3%	23.8%	26.4%	33.4%	36.1%	32.2%
17	33.1%	28.5%	40.4%	31.5%	38.2%	31.7%	28.7%	29.4%	23.9%	29.5%	37.6%	38.0%	32.6%
18	32.7%	28.9%	40.9%	33.5%	38.1%	31.6%	29.3%	29.0%	30.2%	32.2%	40.6%	38.1%	33.7%
19	33.1%	32.1%	40.4%	37.5%	38.5%	35.8%	33.2%	32.7%	33.4%	34.8%	42.3%	38.6%	36.0%
20	37.5%	35.3%	44.4%	39.4%	39.9%	38.1%	34.2%	36.1%	36.4%	37.9%	42.5%	39.5%	38.4%
21	38.6%	33.4%	47.3%	41.5%	40.6%	37.5%	35.2%	38.0%	37.3%	38.3%	41.8%	38.6%	39.0%
22	40.6%	35.3%	47.0%	40.1%	40.2%	38.5%	37.0%	39.6%	36.5%	38.8%	41.2%	40.3%	39.6%
23	37.8%	37.4%	45.3%	38.6%	40.4%	39.4%	37.6%	38.7%	36.7%	38.7%	42.0%	40.5%	39.4%
Grand Total	36.0%	33.2%	41.4%	34.7%	37.2%	31.0%	27.7%	30.5%	29.4%	32.0%	38.3%	37.7%	34.1%

Exhibit F 2

Deleted

EXHIBIT G**SAMPLE ENERGY PURCHASE PRICE CALCULATIONS**

The following are samples of calculations of energy purchase prices using the formula and tables in Section 5.1.

The calculation for the non-levelized purchase price during an On-Peak Hour in May of 2012 equals \$60.24/MWh (the 2012 annual rate for Conforming Energy) multiplied by 92% (0.92) (the May On-Peak Hour multiplier) minus \$6.50/MWh (the wind integration cost), which equals \$48.92/MWh.

Table 1: Sample calculations for non-levelized On-Peak Conforming Energy in 2012: Purchase Price = (annual rate * monthly On-Peak multiplier) - wind integration cost.

Month	Conforming Energy Annual Rate for 2012 (per MWh)	On-Peak Hour Multiplier	Wind Integration Cost	Calculated Purchase Price for 2012 On-Peak Conforming Energy (per MWh)
January	\$60.24	103%	\$6.50	\$55.55
February	\$60.24	105%	\$6.50	\$56.75
March	\$60.24	95%	\$6.50	\$50.73
April	\$60.24	95%	\$6.50	\$50.73
May	\$60.24	92%	\$6.50	\$48.92
June	\$60.24	94%	\$6.50	\$50.13
July	\$60.24	121%	\$6.50	\$66.39
August	\$60.24	121%	\$6.50	\$66.39
September	\$60.24	109%	\$6.50	\$59.16
October	\$60.24	115%	\$6.50	\$62.78
November	\$60.24	110%	\$6.50	\$59.76
December	\$60.24	129%	\$6.50	\$71.21

Table 2: Sample calculations for non-levelized Off-Peak Conforming Energy in 2012: Purchase Price = (annual rate * monthly Off-Peak multiplier) - wind integration cost.

Month	Conforming Energy Annual Rate for 2012 (per MWh)	Off-Peak Hour Multiplier	Wind Integration Cost	Calculated Purchase Price for 2012 Off-Peak Conforming Energy (per MWh)
January	\$60.24	94%	\$6.50	\$50.13
February	\$60.24	97%	\$6.50	\$51.93
March	\$60.24	80%	\$6.50	\$41.69

Month	Conforming Energy Annual Rate for 2012 (per MWh)	Off-Peak Hour Multiplier	Wind Integration Cost	Calculated Purchase Price for 2012 Off-Peak Conforming Energy (per MWh)
April	\$60.24	76%	\$6.50	\$39.28
May	\$60.24	63%	\$6.50	\$31.45
June	\$60.24	65%	\$6.50	\$32.66
July	\$60.24	92%	\$6.50	\$48.92
August	\$60.24	106%	\$6.50	\$57.35
September	\$60.24	99%	\$6.50	\$53.14
October	\$60.24	105%	\$6.50	\$56.75
November	\$60.24	96%	\$6.50	\$51.33
December	\$60.24	120%	\$6.50	\$65.79

EXHIBIT H

Seller Authorization to Release Generation Data to PacifiCorp

Ridgeline Energy LLC
1300 N Northlake Way
Seattle, WA 98103

Director, Transmission Services
PacifiCorp
825 NE Multnomah, Suite 1600
Portland, OR 97232

29 November, 2011

To Whom it May Concern:

Ridgeline Energy LLC, on behalf of Meadow Creek Project, ("Seller") hereby voluntarily authorizes PacifiCorp's Transmission business unit to share Seller's interconnection information with Marketing Affiliate employees of PacifiCorp Energy, including but not limited to those in the Commercial and Trading group. Seller acknowledges that PacifiCorp did not provide it any preferences, either operational or rate-related, in exchange for this voluntary consent.



Joan Hutchinson
SVP
Ridgeline Energy LLC

EXHIBIT 902
CASE NO. IPCE-13-22
D. NELSON, MEADOW CREEK PROJECT
COMPANY LLC

AMENDED AND RESTATED POWER PURCHASE AGREEMENT

BETWEEN

MEADOW CREEK PROJECT COMPANY LLC

AND

PACIFICORP

Relating to Five Pine Project, an up to 40 MW Wind Turbine Generation Project

a non-fueled, on-system, Intermittent Resource with Mechanical Availability Guarantee,

Idaho Qualifying Facility

Table of Contents

SECTION 1.	DEFINITIONS	2
SECTION 2.	TERM; COMMERCIAL OPERATION DATE.....	9
SECTION 3.	REPRESENTATIONS AND WARRANTIES	13
SECTION 4.	DELIVERY OF POWER; AVAILABILITY GUARANTY	15
SECTION 5.	PURCHASE PRICES	18
SECTION 6.	OPERATION AND CONTROL	20
SECTION 7.	MOTIVE FORCE	23
SECTION 8.	GENERATION FORECASTING COSTS.....	23
SECTION 9.	METERING: REPORTS AND RECORDS	24
SECTION 10.	BILLINGS. COMPUTATIONS AND PAYMENTS.....	26
SECTION 11.	SECURITY	27
SECTION 12.	DEFAULTS AND REMEDIES	28
SECTION 13.	INDEMNIFICATION: LIABILITY	30
SECTION 14.	INSURANCE.....	31
SECTION 15.	FORCE MAJEURE	32
SECTION 16.	SEVERAL OBLIGATIONS.....	33
SECTION 17.	CHOICE OF LAW	33
SECTION 18.	PARTIAL INVALIDITY	33
SECTION 19.	WAIVER	33
SECTION 20.	GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS	33
SECTION 21.	SUCCESSORS AND ASSIGNS	33
SECTION 22.	ENTIRE AGREEMENT.....	34
SECTION 23.	NOTICES.....	35

AMENDED AND RESTATED POWER PURCHASE AGREEMENT

THIS AMENDED AND RESTATED POWER PURCHASE AGREEMENT, relating to FIVE PINE, an up to 40 MW wind turbine generation project, entered into this 4th day of January, 2012, is between Meadow Creek Project Company LLC, a Delaware limited liability company (the “**Seller**”) and PacifiCorp, an Oregon corporation acting in its merchant function capacity (“**PacifiCorp**”). Seller and PacifiCorp are referred to collectively as the “**Parties**” and individually as a “**Party**”.

RECITALS

A. Cedar Creek Wind, LLC (“**CCW**”) and PacifiCorp entered into that certain Power Purchase Agreement dated as of December 14, 2011 (the “**Original PPA**”), pursuant to which CCW has been granted the right to assign the Original PPA to an affiliate of Ridgeline Energy, LLC.

B. CCW has elected to exercise its right to assign the Original PPA to Seller, an affiliate of Ridgeline Energy, LLC, and pursuant to the terms of the Original PPA, effective upon such assignment, the Original PPA is to be amended and restated on the terms set forth in this Agreement.

C. Seller intends to construct, own, operate and maintain a wind facility, including Seller’s Interconnection Facilities, for the generation of electric power located in Idaho, with an expected Facility Capacity Rating of up to 40 megawatts as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

D. Seller has secured rights to deliver output from its Facility to PacifiCorp across the interconnection and other facilities as further described in **Addendum L**.

E. Seller intends to operate the Facility as a Qualifying Facility, as such term is defined in Section 1.59 below, and to sell Net Output to PacifiCorp in Idaho.

F. Seller estimates that the average annual Net Output (based on the maximum capacity of 40 megawatts) to be delivered by the Facility to PacifiCorp is 109,011,621 kilowatt hours (kWh) (“**Average Annual Net Output**”) pursuant to the Initial Year Energy Delivery Schedule in Section 4.3.1, which amount of energy PacifiCorp will include in its resource planning.

G. Seller intends to sell and PacifiCorp intends to purchase all the Net Output from the Facility in accordance with the terms and conditions of this Agreement.

H. PacifiCorp intends to designate Seller’s Facility as a Network Resource for the purposes of serving Network Load.

I. This Agreement is a “New QF Contract” under the PacifiCorp Inter-Jurisdictional Cost Allocation Revised Protocol.

J. Seller has authorized Transmission Provider to release generation data to PacifiCorp. If yes, the authorization is attached as **Exhibit H**.

NOW, THEREFORE, the Parties mutually agree to amend and restated the Original PPA to read in its entirety as follows:

SECTION 1. DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1 “**As-built Supplement**” shall be a supplement to **Exhibit A**, provided by Seller following completion of construction of the Facility, accurately describing the completed Facility.

1.2 “**Availability**” means, for any Billing Period, the ratio, expressed as a percentage, of (x) the aggregate sum of the turbine-minutes in which each of the Wind Turbines at the Facility was available to generate at the Maximum Facility Delivery Rate during the Billing Period over (y) the product of the number of Wind Turbines that comprise the Facility Capacity Rating as of Commercial Operation multiplied by the number of minutes in such Billing Period. A Wind Turbine shall be deemed not available to operate during minutes in which it is (a) in an emergency, stop, service mode or pause state; (b) in “run” status and faulted; or (c) otherwise not operational or capable of delivering at the Maximum Facility Delivery Rate to the Point of Delivery; unless if unavailable due solely to (i) a default by PacifiCorp; (ii) to the extent not caused by Seller’s actions, a curtailment in accordance with Section 6.3 or (iii) insufficient wind (including the normal amount of time required by the generating equipment to resume operations following a period when wind speed is below the Cut-In Wind Speed).

1.3 “**Billing Period**” means the time period between PacifiCorp’s reading of its power purchase meter at the Facility, which for this Agreement shall coincide with calendar months.

1.4 “**CAMD**” means the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any state or federal entity given jurisdiction over a program involving Green Tags or any attribute thereof.

1.5 “**Commercial Operation**” means that not less than the 90% of the expected Facility Capacity Rating is fully operational and reliable and the Facility is fully interconnected, fully integrated, and synchronized with the System, all of which shall be Seller’s responsibility to receive or obtain, and which occurs when all of the following events (i) have occurred, and (ii) remain simultaneously true and accurate as of the date and moment on which Seller gives PacifiCorp notice that Commercial Operation has occurred:

1.5.1 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer (a) stating the Facility Capacity Rating of the Facility at the anticipated time of Commercial Operation and (b) stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement.

1.5.2 Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**.

1.5.3 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer, an attorney in good standing in Idaho, or a letter from Transmission Provider, stating that, in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed, all required

interconnection tests have been completed and the Facility is physically interconnected with the System in conformance with the Generation Interconnection Agreement and able to deliver energy consistent with the terms of this Agreement, and the Facility is fully integrated and synchronized with the System.

1.5.4 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer, or an attorney in good standing in Idaho, stating that Seller has obtained all Required Facility Documents and, if requested by PacifiCorp in writing, Seller shall have provided copies of any or all such requested Required Facility Documents.

1.5.5 Seller has complied with the security requirements of Section 11.

1.5.6 Network Resource Designation and Transmission Service Request, (i) PacifiCorp has received confirmation from the Transmission Provider that the Facility has been designated as a Network Resource and (ii) PacifiCorp has received confirmation from the Transmission Provider that the transmission service request has been granted in sufficient capacity to meet or exceed the Maximum Facility Delivery Rate and the Seller has paid all costs associated with any requirements of the transmission service request.

1.6 “**Commercial Operation Date**” means the date, as designated by PacifiCorp pursuant to Section 2.4, the Facility first achieves Commercial Operation.

1.7 “**Commission**” means the Idaho Public Utilities Commission.

1.8 “**Conforming Energy**” means all Net Energy except Non-Conforming Energy.

1.9 “**Conforming Energy Purchase Price**” means the applicable price for Conforming Energy and capacity, specified in Section 5.1.

1.10 “**Contract Year**” means a twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending on 24:00 hours PPT on December 31; provided, however, that the first Contract Year shall commence on the Scheduled Commercial Operation Date and end on the next succeeding December 31, and the last Contract Year shall end on the Expiration Date, unless earlier terminated as provided herein.

1.11 “**Cut-in Wind Speed**” means the wind speed at which a stationary wind turbine begins producing Net Energy, as specified by the turbine manufacturer and set forth in **Exhibit A**.

1.12 “**Default Security**” shall have the meaning set forth in Section 11.2 of this Agreement.

1.13 “**Delay Liquidated Damages**”, “**Delay Daily Minimum**”, “**Delay Period**”, “**Delay Price**” and “**Delay Volume**” shall have the meanings set forth in Section 2.5 of this Agreement.

1.14 “**Delay Period Commencement Date**” means October 1, 2013.

1.15 “**Delay Security**” shall have the meaning set forth in Section 11.1.1 of this Agreement.

1.16 “**Effective Date**” shall have the meaning set forth in Section 2.1 of this Agreement.

1.17 “**Energy Delivery Schedule**” shall have the meaning set forth in Section 4.3 of this Agreement.

1.18 “**Environmental Attributes**” means any and all claims, credits, emissions reductions, offsets, and allowances, howsoever entitled, associated with the generation of Output from the Facility or the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water, that is capable of being measured, verified, or calculated. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere; and, (3) all WREGIS Certificates. Environmental Attributes do not include (i) Production Tax Credits or certain other tax incentives existing now or in the future associated with the construction, ownership or operation of the Facility, or (ii) adverse wildlife or environmental impacts.

1.19 “**Environmental Contamination**” means the introduction or presence of Hazardous Materials at such levels, quantities or location, or of such form or character, as to constitute a violation of federal, state or local laws or regulations, and present a material risk under federal, state or local laws and regulations that the Premises will not be available or usable for the purposes contemplated by this Agreement.

1.20 “**Expected Facility Capacity Rating**” shall be between 10 and 40 MW but shall not exceed 40 MW in any event, nor shall the sum of the Facility Capacity Rating of this Agreement, the facility capacity rating under the amended and restated power purchase agreement between PacifiCorp and Ridgeline relating to North Point, and the facility capacity rating under the power purchase agreement between PacifiCorp and CCW relating to Coyote Hill exceed 133.4 MW.

1.21 “**Expiration Date**” shall have the meaning set forth in Section 2.1 of this Agreement.

1.22 “**Facility**” is defined in Recital A of this Agreement.

1.23 “**Facility Capacity Rating**” means the sum of the Nameplate Capacity Ratings for all Wind Turbine generators comprising the Facility.

1.24 “**Force Majeure**” has the meaning set forth in Section 15.1.

1.25 “**Forced Outage**” means an outage that requires removal of one or more Wind Turbines from service, another outage state or a reserve shutdown state before the end of the next weekend. Maintenance Outages and Planned Outages are not Forced Outages.

1.26 “**Generation Interconnection Agreement**” means the generation interconnection agreement entered into separately between Seller and Transmission Provider, as applicable, specifying the Point of Delivery and providing for the construction and operation of the Interconnection Facilities.

1.27 “**Green Tags**” means (a) the Environmental Attributes associated with all Output, together with (b) the Green Tag Reporting Rights associated with such energy and Environmental Attributes, however commercially transferred or traded under any or other product names, such as “Renewable Energy Credits,” “Green-e Certified,” or otherwise. One Green Tag represents the Environmental Attributes made available by the generation of one MWh of energy from the Facility.

1.28 “**Green Tag Reporting Rights**” means the exclusive right of a purchaser of Environmental Attributes to report ownership of Environmental Attributes in compliance with federal or state law, if applicable, and to federal or state agencies or other parties at such purchaser’s discretion, and include reporting under Section 1605(b) of the Energy Policy Act of 1992, or under any present or future domestic, international, or foreign emissions trading program or renewable portfolio standard.

1.29 “**Governmental Authority**” means any supranational, federal, state or other political subdivision thereof, having jurisdiction over Seller, PacifiCorp or this Agreement, including any municipality, township or county, and any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any corporation or other entity owned or controlled by any of the foregoing.

1.30 “**Hazardous Materials**” means any waste or other substance that is listed, defined, designated or classified as or determined to be hazardous under or pursuant to any environmental law or regulation.

1.31 “**Inadvertent Energy**” means energy delivered to the Point of Delivery at a rate exceeding the Maximum Facility Delivery Rate on an hour-averaged basis. Inadvertent Energy is not included in Net Energy.

1.32 “**Index Price**”, for each day, shall mean the weighted average of the average Peak and Off-Peak firm energy market prices, as published in the *Intercontinental Exchange (ICE) Day Ahead Power Price Report* for the Palo Verde Hub for such day. For Sunday and NERC holidays, the 24-Hour Index Price shall be used, unless ICE shall publish a Firm On-Peak and Firm Off-Peak Price for such days for Palo Verde, in which event such indices shall be utilized for such days. If the ICE index or any replacement of that index ceases to be published during the term of this Agreement, PacifiCorp shall select as a replacement a substantially equivalent index that, after any appropriate or necessary adjustments, provides the most reasonable substitute for the index in question. PacifiCorp’s selection shall be subject to Seller’s consent, which Seller shall not unreasonably withhold, condition or delay.

1.33 “**Initial Year Energy Delivery Schedule**” shall have the meaning set forth in Section 4.3.1.

1.34 “**Interconnection Facilities**” means all the facilities and ancillary equipment used to interconnect the Facility to the System, as defined in the Generation Interconnection Agreement.

1.35 “**Letter of Credit**” means an irrevocable standby letter of credit in a form reasonably acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests thereunder. Such letter of credit shall be provided by an institution that is a United States office of a commercial bank or trust company organized under the laws of the United States of America or a political subdivision thereof, with a credit rating on its long-term senior unsecured debt of at least “A” from Standard & Poor’s and “A2” from Moody’s Investor Services, and (unless otherwise agreed) having assets of at least \$10,000,000,000 (net of reserves).

1.36 “**Licensed Professional Engineer**” means a person acceptable to PacifiCorp in its reasonable judgment who is licensed to practice engineering in the state of Idaho, who has training and experience in the engineering discipline(s) relevant to the matters with respect to which such person is called to provide a certification, evaluation and/or opinion, who has no economic relationship, association, or nexus with Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made. The engagement and payment of a Licensed Professional Engineer solely to provide the certifications, evaluations and opinions required by this Agreement shall not constitute a prohibited economic relationship, association or nexus with Seller, so long as such engineer has no other economic relationship, association or nexus with the Seller.

1.37 “**Maintenance Outage**” means any outage of one or more Wind Turbines that is not a Forced Outage or a Planned Outage. A Maintenance Outage is an outage that can be deferred until after the end of the next weekend, but that requires that the Wind Turbine(s) be removed from service before the next Planned Outage. A Maintenance Outage may occur any time during the year and must have a flexible start date.

1.38 “**Material Adverse Change**” shall mean, with respect to the Seller, if the Seller has experienced a change in facts or circumstances related to development or operation of the Facility that materially and adversely impact Seller’s ability to fulfill its obligations under this Agreement.

1.39 “**Maximum Facility Delivery Rate**” means the maximum instantaneous rate (kW) at which the Facility is capable of delivering Net Output at the Point of Delivery, as specified in **Exhibit A**, and in compliance with the Generation Interconnection Agreement.

1.40 “**Maximum GIA Delivery Rate**” means the maximum rate (kW) at which the Generator Interconnection Agreement allows the Facility to deliver energy to the Point of Delivery and is set forth in **Exhibit A**.

1.41 “**Nameplate Capacity Rating**” means the maximum instantaneous generating capacity of any qualifying small power or cogeneration generating unit supplying all or part of the energy sold by the Facility, expressed in MW or kW, when operated consistent with the manufacturer’s recommended power factor and operating parameters, as set forth in a notice from Seller to PacifiCorp delivered before the Commercial Operation Date and, if applicable, updated in the As-built Supplement.

1.42 “**NERC**” means the North American Electric Reliability Corporation.

1.43 “**Net Energy**” means the energy component, in kWh, of Net Output. Net Energy does not include Inadvertent Energy.

1.44 “**Net Output**” means all energy and capacity produced by the Facility, less station use and less transformation and transmission losses and other adjustments, if any. For purposes of calculating payment under this Agreement, Net Output of energy shall be calculated as set forth in **Addendum L**. Net Output does not include Inadvertent Energy.

1.45 “**Network Resource**” shall have the meaning set forth in the Tariff.

1.46 “**Network Service Provider**” means PacifiCorp Transmission, as a provider of network service to PacifiCorp under the Tariff.

1.47 “**Non-Conforming Energy**” means Net Output produced by the Facility prior to the Commercial Operation Date.

1.48 “**Non-Conforming Energy Purchase Price**” means the applicable price for Non-Conforming Energy and capacity, specified in Section 5.1.

1.49 “**Off-Peak Hours**” means all hours of the week that are not On-Peak Hours.

1.50 “**On-Peak Hours**” means hours from 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time, Monday through Saturday, excluding Western Electricity Coordinating Council (WECC) and North American Electric Reliability Corporation (NERC) holidays.

1.51 “**Output Shortfall**” and “**Output Shortfall Damages**” shall have the meanings set forth in Section 4.5 of this Agreement.

1.52 “**PacifiCorp**” is defined in the first paragraph of this Agreement, and excludes PacifiCorp Transmission.

1.53 “**PacifiCorp Transmission**” means PacifiCorp, an Oregon corporation, acting in its interconnection and transmission function capacity.

1.54 “**Planned Outage**” means an outage of predetermined duration that is scheduled in Seller’s Energy Delivery Schedule. Boiler overhauls, turbine overhauls or inspections are typical planned outages. Maintenance Outages and Forced Outages are not Planned Outages.

1.55 “**Point of Delivery**” means the point of interconnection between the Facility and the System, as specified in the Generation Interconnection Agreement and in **Exhibit B**.

1.56 “**Premises**” means the real property on which the Facility is or will be located, as more fully described on **Exhibit A**.

1.57 “**Prime Rate**” means the rate per annum equal to the publicly announced prime rate or reference rate for commercial loans to large businesses in effect from time to time quoted by JPMorgan Chase & Co. If a JPMorgan Chase & Co. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans

in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.58 **“Production Tax Credits”** means production tax credits under Section 45 of the Internal Revenue Code as in effect from time to time during the term hereof or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from wind resources and any correlative state tax credit determined by reference to renewable electric energy produced from wind resources for which the Facility is eligible. Production Tax Credits do not include any tax credit determined by reference to investment.

1.59 **“Prudent Electrical Practices”** means any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry or any of the practices, methods or acts, which, in the exercise of reasonable judgment in the light of the facts known at the time a decision is made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Electrical Practices is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts.

1.60 **“QF” means “Qualifying Facility”**, as that term is defined in the version of FERC Regulations (codified at 18 CFR Part 292) in effect on the date of this Agreement.

1.61 **“Required Facility Documents”** means all deeds, titles, leases (including Wind Leases), licenses, permits, authorizations, and agreements demonstrating that Seller controls the necessary property rights and government authorizations to construct, operate, and maintain the Facility, including without limitation those set forth in **Exhibit C**.

1.62 **“Requirements of Law”** means any applicable and mandatory (but not merely advisory) federal, state and local law, statute, regulation, rule, code or ordinance enacted, adopted, issued or promulgated by any federal, state, local or other Governmental Authority or regulatory body (including those pertaining to electrical, building, zoning, environmental and occupational safety and health requirements).

1.63 **“Scheduled Commercial Operation Date”** means December 31, 2012, as such date shall be extended from time to time as a result of Force Majeure; provided, that the Scheduled Commercial Operation Date shall not be extended beyond September 30, 2013.

1.64 **“Scheduled Monthly Energy Delivery”** means the Net Energy scheduled to be delivered during a given calendar month, as specified by Seller in the Energy Delivery Schedule.

1.65 **“Shared Interconnection Facilities”** means that portion of the Interconnection Facilities used by the Facility and one or more other Qualifying Facilities as further described in **Exhibit B**.

1.66 **“Seller’s Forecast-Cost Share”** and **“Seller’s Capped Forecast-Cost Share”** shall have the meanings set forth in Sections 8.2 and 8.3 respectively.

1.67 **“Subsequent Energy Delivery Schedule”** shall have the meaning set forth in Section 4.3.3.

1.68 “**System**” means the electric transmission substation and transmission or distribution facilities owned, operated or maintained by Transmission Provider, which shall include, after construction and installation of the Facility, the circuit reinforcements, extensions, and associated terminal facility reinforcements or additions required to interconnect the Facility, all as set forth in the Generation Interconnection Agreement.

1.69 “**Tariff**” means the PacifiCorp Transmission FERC Electric Tariff Seventh Revised Volume No. 11 Pro Forma Open Access Transmission Tariff or the Transmission Provider’s corresponding FERC tariff or both, as revised from time to time.

1.70 “**Transmission Provider**” means PacifiCorp Transmission or a successor, including any regional transmission organization (“**RTO**”).

“**Wind Leases**” means the memoranda of wind lease and redacted wind leases recorded in the county in which the Facility is located in connection with the development of the Facility, as the same may be supplemented, amended, extended, restated, or replaced from time to time.

1.71 “**Wind Turbine**” means the type of wind turbine specified and more fully described in **Exhibit A** as such **Exhibit A** may be updated pursuant to Section 2.2.7.

1.72 “**WREGIS**” means the Western Renewable Energy Generation Information System.

1.73 “**WREGIS Certificate**” means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.

1.74 “**WREGIS Operating Rules**” means the operating rules and requirements adopted by WREGIS.

SECTION 2. TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties and after approval by the Commission pursuant to a final and non-appealable order (“**Effective Date**”), that the prices to be paid for energy and capacity are just and reasonable, in the public interest, and that the costs incurred by PacifiCorp for purchases of capacity and energy from Seller are legitimate expenses, all of which the Commission will allow PacifiCorp to recover in rates in Idaho in the event other jurisdictions deny recovery of their proportionate share of said expenses. Unless earlier terminated as provided herein, this Agreement shall remain in effect until the twentieth (20th) anniversary of the earlier of the Commercial Operation Date or the Scheduled Commercial Operation Date (“**Expiration Date**”).

2.2 Time is of the essence of this Agreement, and Seller’s ability to meet certain requirements prior to the Commercial Operation Date and to achieve Commercial Operation by the Scheduled Commercial Operation Date is critically important. Therefore,

2.2.1 By the date that is four (4) months prior to the Scheduled Commercial Operation Date, Seller shall obtain and provide to PacifiCorp copies of all governmental permits and authorizations listed in **Exhibit C**.

2.2.2 By the date that is thirty (30) days after the Effective Date, Seller shall provide one hundred percent (100%) of the Delay Security required under Section 11.1.1, as applicable.

2.2.3 By December 31, 2011, Seller: (i) has provided all information and paid all fees the Transmission Provider requires to designate the Facility as a Network Resource in accordance with the Tariff (OATT); and (ii) has provided all information reasonably required by PacifiCorp to submit a transmission service request for the Facility to the Transmission Provider pursuant to the Tariff.

2.2.4 PacifiCorp, within ten (10) days of receiving from Seller the information identified in Section 2.2.3, shall (i) withdraw the request with respect to the facility (as defined in the Original PPA) and (ii) request designation of the Facility as a Network Resource for the purposes of serving Network Load.

2.2.5 Seller shall provide written confirmation of the expected Facility Capacity Rating for the Facility on or before January 31, 2012. This notice shall definitively establish a single Capacity Rating for the Facility within the range contemplated in the Expected Facility Capacity Rating.

2.2.6 At least ten (10) business days prior to delivery of any energy from the Facility to PacifiCorp, Seller shall provide PacifiCorp with an executed Generation Interconnection Agreement.

2.2.7 Within one hundred eighty (180) days prior to the Scheduled Commercial Operation Date, Seller shall provide PacifiCorp with amended **Exhibits**, which may include the designation of alternative Wind Turbines for the Facility, and such other updates to the information contained therein.

2.2.8 Prior to the Commercial Operation Date, Seller shall provide Default Security required under Section 11.2, if applicable.

2.2.9 Prior to the Commercial Operation Date, Seller shall provide PacifiCorp with an As-built Supplement reasonably acceptable to PacifiCorp.

2.2.10 Seller shall use commercially reasonable efforts to achieve Commercial Operation by 00:00 PPT December 31, 2012.

2.3 Beginning on January 6, 2012 and on the fifth (5th) business day of each month thereafter until the Commercial Operation Date, Seller shall provide PacifiCorp with a one-page monthly update by e-mail on the progress of financing and/or construction of the Project and status of completion of the milestones in Section 2.2.

2.4 Establishing Commercial Operation. Seller shall provide written notice to PacifiCorp stating when Seller believes that the Facility has achieved Commercial Operation. PacifiCorp shall have ten (10) business days after receipt either to confirm to Seller that all of the conditions to Commercial Operation have been satisfied or have occurred, or to state with specificity what PacifiCorp reasonably believes has not been satisfied. If, within such ten (10) business day period, PacifiCorp either does not respond or else confirms that the Facility has achieved Commercial Operation, the original date of receipt of Seller's notice shall be the

Commercial Operation Date. If PacifiCorp notifies Seller within such ten (10) business day period that PacifiCorp reasonably believes the Facility has not achieved Commercial Operation, Seller may, if it has a good faith belief that Commercial Operation has been achieved, submit a Technical Dispute Notice, or else Seller shall address the concerns stated in PacifiCorp's notice to the mutual satisfaction of both Parties. If Seller submits a Technical Dispute Notice and the Technical Expert determines that Commercial Operation has been achieved, then the Commercial Operation Date shall be the date, as determined by the Technical Expert, that the Facility first met all the requirements of Commercial Operation; otherwise the date upon which Seller has addressed the concerns stated in PacifiCorp's notice to PacifiCorp's reasonable satisfaction, as specified in a notice from PacifiCorp to Seller, shall be the Commercial Operation Date. If Commercial Operation is achieved at less than one hundred percent (100%) of the expected Facility Capacity Rating and Seller informs PacifiCorp that Seller intends to bring the Facility to one hundred percent (100%) of the expected Facility Capacity Rating, Seller shall provide PacifiCorp with a list of all items to be completed in order to achieve the expected Facility Capacity Rating.

2.4.1 **Technical Expert.** If, and only if, a dispute regards (i) whether or not Commercial Operation has been achieved, and/or (ii) the date when Commercial Operation was achieved, the Parties may have such dispute, and only such dispute, resolved pursuant to this Section 2.4.1. Any such dispute will be determined by an independent technical expert, who shall be a mutually acceptable third party with training and experience in the disciplines relevant to the matters with respect to which such person is called upon to provide a certification, evaluation or opinion (the "**Technical Expert**"), which determination shall be (X) made (subject to the terms in this Section 2.4) in accordance with the Construction Industry Arbitration Rules and Mediation Procedures (Including Procedures for Large, Complex Construction Disputes) of the AAA, as amended and effective on October 1, 2009 (the "**Technical Dispute Procedures**"), notwithstanding any dollar amounts or dollar limitations contained therein, and (Y) binding upon the Parties.

(a) Either Party may commence the dispute process as to the matters set forth in paragraph 2.4.1, above, with the American Arbitration Association ("**AAA**") by notifying AAA and the other Party in writing ("**Technical Dispute Notice**") of such Party's desire that the dispute be resolved through a determination by a Technical Expert.

(b) The determination shall be conducted by a sole Technical Expert. The Parties may select any mutually acceptable Technical Expert. If the Parties cannot agree on a Technical Expert within five (5) days after the date of the Technical Dispute Notice, then the AAA's Arbitration Administrator shall send a list and resumes of three (3) available technical experts meeting the qualifications set forth in Section 2.4.1 to the Parties, each of whom shall strike one name, and the remaining person shall be appointed as the Technical Expert. If more than one name remains, either because one or both Parties have failed to respond to the AAA's Arbitration Administrator within five (5) days after receiving the list or because one or both Parties have failed to strike a name from the list or because both Parties strike the same name, the AAA's Arbitration Administrator will choose the Technical Expert from the remaining names. If the designated Technical Expert shall die, become incapable or, unwilling to, or unable to serve or proceed with the determination, a substitute Technical Expert shall be appointed in accordance with the selection procedure described above, and such substitute Technical Expert shall have all such powers as if he or she has been originally appointed herein.

(c) Within thirty (30) days of the appointment of the Technical Expert pursuant to the foregoing sub-section, each Party shall submit to the Technical Expert (and copy the other Party) a written report containing its position with respect to the dispute, and arguments therefor together with supporting documentation and calculations. Discovery shall be limited to Facility documentation relating to the disputed matter. Within sixty (60) days from receipt of such submissions, the Technical Expert shall select one or the other Party's position with respect to the disputed, arbitratable issues set forth in Section 2.4.1 above, whereupon such selection shall be a binding determination upon the Parties for all purposes hereof. The costs of the Technical Expert, including his or her fees and expenses, shall be borne by the Party whose position was not selected by the Technical Expert; each Party shall otherwise bear its own expenses. If the Technical Expert fails to render a decision within ninety (90) days from receipt of each Party's submissions, either Party may, prior to the Technical Expert's final decision, initiate litigation, in which case the Technical Expert's final decision shall not be binding on the Parties unless otherwise agreed.

2.4.2 All verbal and written communications between the Parties and issued or prepared in connection with this Section 2.4.1 shall be deemed prepared and communicated in furtherance, and in the context, of dispute settlement, and shall be exempt from discovery and production, and shall not be admissible in evidence (whether as admission or otherwise) in any litigation or other proceedings for the resolution of the dispute.

2.4.3 All deadlines specified in this Section 2.4 may be extended by mutual agreement of the Parties.

2.5 Delay Damages. Seller shall cause the Facility to achieve Commercial Operation on or before the Scheduled Commercial Operation Date. If Commercial Operation occurs after the Scheduled Commercial Operation Date, Seller shall be liable to pay PacifiCorp delay damages for the number of days ("**Delay Period**") that the Commercial Operation Date occurs after October 1, 2013, until the earlier of occurrence of the Commercial Operation Date or the termination of this Agreement ("**Delay Liquidated Damages**"); *provided that* Seller shall not accrue any Delay Liquidated Damages after: (i) Seller has timely achieved the milestone in Section 2.2.3; and (ii) Seller has satisfied all requirements of Commercial Operation except for one or more requirements in Section 1.5.6. Billings and payments for Delay Liquidated Damages shall be made in accordance with Section 11.1.

2.5.1 Delay Liquidated Damages. Delay Liquidated Damages equals the sum of: for each day in the Delay Period, the greater of (1) the Delay Daily Minimum or (2) the Delay Price times the Delay Volume,

Where:

"**Delay Daily Minimum**" equals (a) for the first forty-five (45) calendar days following the Scheduled Commercial Operation Date: one-ninetieth (1 /90th) of forty-five dollars (\$45) multiplied by the Maximum Facility Delivery Rate with the Maximum Facility Delivery Rate being measured in kW; (b) after the forty-fifth (45th) calendar day following the Scheduled Commercial Operation Date: the Delay Price times the Delay Volume.

"**Delay Price**" equals the positive difference, if any, of the Index Price minus the weighted average of the On-Peak and Off-Peak monthly Conforming Energy Purchase Prices; and

“**Delay Volume**” equals the applicable Scheduled Monthly Energy Delivery divided by the number of days in that month.

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

SECTION 3. REPRESENTATIONS AND WARRANTIES

3.1 PacifiCorp represents, covenants, and warrants to Seller that:

3.1.1 PacifiCorp is duly organized and validly existing under the laws of the State of Oregon.

3.1.2 PacifiCorp has the requisite corporate power and authority to enter into this Agreement and to perform according to the terms of this Agreement.

3.1.3 PacifiCorp has taken all corporate actions required to be taken by it to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.1.4 Subject to Commission approval, the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on PacifiCorp or any valid order of any court, or any regulatory agency or other body having authority to which PacifiCorp is subject.

3.1.5 Subject to Commission approval, this Agreement is a valid and legally binding obligation of PacifiCorp, enforceable against PacifiCorp in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2 Seller represents, covenants, and warrants to PacifiCorp that:

3.2.1 Seller is a limited liability company duly organized and validly existing under the laws of Delaware.

3.2.2 Seller has the requisite power and authority to enter into this Agreement and has, or will have at the date of Commercial Operation of the Facility, all requisite power and authority to perform according to the terms hereof, including all required regulatory authority to make wholesale sales from the Facility.

3.2.3 Seller's shareholders, directors, and officers have taken all actions required to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.2.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.2.5 This Agreement is a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2.6 The Facility is and shall for the term of this Agreement continue to be a QF. Within thirty (30) days after the Effective Date, Seller shall provide the appropriate QF certification, which may include a Federal Energy Regulatory Commission self-certification to PacifiCorp. At any time thereafter that PacifiCorp has reason to believe during the term of this Agreement that Seller's status as a QF is in question, PacifiCorp may require Seller to provide PacifiCorp with a written legal opinion from an attorney in good standing in the state of Idaho and who has no economic relationship, association or nexus with the Seller or the Facility (other than in a capacity as counsel providing such requested legal opinion), stating that the Facility is a QF and providing sufficient proof (including copies of all documents and data as PacifiCorp may request) demonstrating that Seller has maintained the Facility as a QF.

3.2.7 Neither the Seller nor any of its principal equity owners is or has within the past two (2) years been the debtor in any bankruptcy proceeding, is unable to pay its bills in the ordinary course of its business, or is the subject of any legal or regulatory action, the result of which could reasonably be expected to impair Seller's ability to own and operate the Facility in accordance with the terms of this Agreement.

3.2.8 Seller has not at any time defaulted in any of its payment obligations for electricity purchased from PacifiCorp.

3.2.9 Seller is not in default under any of its other material agreements that would result in Seller's failure to perform its material obligations hereunder.

3.2.10 Seller owns all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances created by or through Seller related to third-party financing of the Facility, and Seller (or its successor in interest) will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility.

3.2.11 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 PacifiCorp in connection with the transactions contemplated by this Agreement.

3.2.12 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.

3.2.13 All leases of real property required for the operation of the Facility or the performance of any obligations of Seller hereunder are set forth and accurately described in **Exhibit C**. Upon request by PacifiCorp, Seller shall provide copies of the Wind Leases to PacifiCorp.

3.2.14 All information about the Facility set forth in **Exhibit A, Exhibit B, and Exhibit C** has been verified by Seller and is accurate to the best of its knowledge.

3.3 Notice. If at any time during this Agreement, any Party obtains actual knowledge of any event or information which would have caused any of the representations and warranties in this Section 3 to have been materially untrue or misleading when made, such Party shall provide the other Party with written notice of the event or information, the representations and warranties affected, and the action, if any, which such Party intends to take to make the representations and warranties true and correct. The notice required pursuant to this Section shall be given as soon as practicable after the occurrence of each such event.

SECTION 4. DELIVERY OF POWER; AVAILABILITY GUARANTY

4.1 Delivery and Acceptance of Net Output. Except for any curtailment specified in Section 6.3, unless otherwise provided herein, PacifiCorp will purchase and Seller will sell all Net Output from the Facility.

4.2 No Sales to Third Parties. During the term of this Agreement, Seller shall not sell any Net Output from the Facility to any entity other than PacifiCorp.

4.3 Energy Delivery Schedule. Seller shall prepare and provide to PacifiCorp, on an ongoing basis, a written schedule of Net Energy expected to be delivered by the Facility ("**Energy Delivery Schedule**"), in accordance with the following:

4.3.1 During the first twelve full calendar months following the Commercial Operation Date, Seller predicts that the Facility will produce and deliver the following monthly amounts ("**Initial Year Energy Delivery Schedule**"):

<u>Month</u>	<u>Energy Delivery (kWh)</u>	<u>Average kW</u>
January	9,881,887	13,247
February	8,191,635	12,170
March	11,360,594	15,282
April	9,085,733	12,608
May	10,185,738	13,686
June	8,069,166	11,212
July	7,384,339	9,935
August	8,155,779	10,933
September	7,590,732	10,574
October	8,615,123	11,611
November	10,166,694	14,125
December	10,324,201	13,885

TOTAL: 109,011,621 12,439

4.3.2 Seller may revise the Initial Year Energy Delivery Schedule any time prior to the Commercial Operation Date.

4.3.3 Beginning at the end of the ninth full calendar month of operation, and at the end of every third month thereafter, Seller shall supplement the Energy Delivery Schedule with three additional months of forward estimates (which shall be appended to this Agreement using the format specified in **Exhibit D**) (“**Subsequent Energy Delivery Schedule**”), such that the Energy Delivery Schedule will provide at least three months of scheduled energy estimates at all times. Seller shall provide Subsequent Energy Delivery Schedules no later than 5:00 pm PPT of the 5th day after the due date. If Seller does not provide a Subsequent Energy Delivery Schedule by the above deadline, scheduled energy for the omitted period shall equal the amounts scheduled by Seller for the same three-month period during the previous year.

4.3.4 Upon and after the Commercial Operation Date, Seller may no longer revise the Energy Delivery Schedule for the first six full calendar months of Commercial Operation. After 5:00 p.m. PPT of the fifth business day following the end of the third full calendar month of Commercial Operation and the end of each third calendar month thereafter, Seller may no longer revise the Energy Delivery Schedule for the six calendar months immediately following such third month. Subject to the foregoing restrictions in this Section 4.3.4, Seller may revise the Energy Delivery Schedule for any unrestricted month by providing written notice to PacifiCorp. Failure to provide timely written notice of changed amounts will be deemed to be an election of no change.

4.4 Minimum Availability Obligation. Seller shall cause the Facility to achieve an Availability of at least 85% during each month (“**Guaranteed Availability**”).

4.5 Liquidated Damages for Output Shortfall. If the Availability in any given month falls below the Guaranteed Availability, the resulting shortfall shall be expressed in kWh as the “**Output Shortfall.**” The Output Shortfall shall be calculated in accordance with the following formula:

$$\text{Output Shortfall} = \frac{(\text{Guaranteed Availability} - \text{Availability}) * \text{Scheduled Monthly Energy Delivery}}{\text{Scheduled Monthly Energy Delivery}}$$

Seller shall pay PacifiCorp for any Output Shortfall at the lower of (1) the positive difference, if any, of the Index Price minus the weighted average of the On-Peak and Off-Peak monthly Conforming Energy Purchase Prices; or (2) the weighted average of the On-Peak and Off-Peak monthly Conforming Energy Purchase Prices (“**Output Shortfall Damages**”).

$$\text{Output Shortfall Damages} = \text{Output Shortfall} * \text{Output Shortfall Price}$$

Where:

$$\text{Output Shortfall Price} = \begin{cases} (\text{Index Price} - \text{Weighted Average CEPP}), & \text{except that if Output Shortfall Price} < 0, \text{ then Output Shortfall Price} = 0, \text{ and except that if Output Shortfall Price} > \text{Weighted Average CEPP, then} \\ \text{Output Shortfall Price} = \text{Weighted Average CEPP} \end{cases}$$

Weighted Average CEPP = the Weighted Average On-Peak and Off-Peak
Conforming Energy Purchase Prices for the
month of Output Shortfall

If an Output Shortfall occurs in any given month, Seller may owe PacifiCorp liquidated damages. Each Party agrees and acknowledges that (a) the damages that PacifiCorp would incur due to the Facility's failure to achieve the Guaranteed Availability would be difficult or impossible to predict with certainty, and (b) the liquidated damages contemplated in this Section 4.5 are a fair and reasonable calculation of such damages.

4.6 Audit Rights. In addition to data provided under Sections 9.3 and 9.4, PacifiCorp shall have the right, but not the obligation, to audit the Facility's compliance with its Guaranteed Availability using any reasonable methods. Seller agrees to retain all performance related data for the Facility for a minimum of three years, and to cooperate with PacifiCorp in the event PacifiCorp decides to audit such data.

4.7 For a period of ten (10) years from the Commercial Operation Date, Seller shall have title to the Green Tags immediately upon the generation of the Output at the Facility that gives rise to such Green Tags. On the tenth (10th) anniversary of the Commercial Operation Date through and including the Expiration Date, PacifiCorp shall have title to the Green Tags immediately upon the generation of the Output at the Facility that gives rise to such Green Tags. Each Party shall execute all additional documents and instruments reasonably requested by the other Party in order to further document the ownership of the Green Tags during the respective Party's ownership. Without limiting the generality of the foregoing, Seller shall, on or before the 10th day of each month during which PacifiCorp has ownership rights to the Green Tags, deliver to PacifiCorp a Green Tags Attestation and Bill of Sale (in the form attached as **Exhibit 4.7(A)**) for all Green Tags delivered to PacifiCorp hereunder in the preceding month, along with any verification that is in conformance with the then-current Center for Resource Solution's Green-e program, or any successor program. The Party having ownership of the Green Tags at the time (the "**Green Tag Owner**"), at its own cost and expense, shall register with, pay all fees required by, and comply with, all reporting and other requirements of WREGIS relating to the Facility or Green Tags. The Seller shall ensure that the Facility will participate in and comply with, during the Term, all aspects of WREGIS. The Green Tag Owner shall be responsible for any costs charged by the qualified reporting entity for the Facility to participate in and comply with, during the Term, all aspects of WREGIS. The Green Tag Owner shall, at its sole expense, use WREGIS as required pursuant to the WREGIS Operating Rules, including but not limited to those rules related to effectuating the transfer of WREGIS Certificates and transferring such WREGIS Certificates in accordance with WREGIS reporting protocols and WREGIS Operating Rules and as required under this Agreement. Seller may either elect to enter into a Qualified Reporting Entity Services Agreement with PacifiCorp in a form similar to that in **Exhibit 4.7(B)** or elect to act as its own WREGIS-defined Qualified Reporting Entity. Seller shall upon written request from PacifiCorp provide copies of all documentation submitted to WREGIS in connection with the Facility. Further, upon notification by WREGIS or CAMD that any transfers of Green Tags contemplated by this Agreement have not been recorded, the Parties shall promptly cooperate in taking all reasonable actions necessary so that such transfers can be recorded. Seller shall at its expense cause the Facility to maintain its registration in good standing with the Center for Resource Solution's Green-e program, or any successor program, throughout the Term;

provided, however that each Party shall (a) not take any action (other than the provision of truthful information) to impair the Facility’s good standing with such program and (b) shall provide such information as is reasonably requested to maintain such registration. The Parties shall reasonably cooperate in any registration of the Facility in the renewable portfolio standard or equivalent program in all such further states and programs in which the Parties may wish to register or maintained registered the Facility by providing copies of all such information as reasonably required for such registration. Neither Party represents or warrants that the Green Tags can be used for any purpose. The Parties acknowledge that the Green Tags may be subject to action by Governmental Authority and neither Party is liable to the other Party for action taken by a Governmental Authority in connection with the Green Tags that is not a result of a breach of this Agreement.

SECTION 5. PURCHASE PRICES

5.1 Energy Purchase Price. Except as provided in Section 5.3, PacifiCorp will pay Seller Conforming Energy Purchase Prices or Non-Conforming Energy Purchase Prices, as applicable, for Net Output adjusted for the month and On-Peak Hours or Off-Peak Hours and the wind integration cost using the following formulae:

$$\text{Conforming Energy Purchase Price} = (AR_{ce} * MPM) - WIC$$

$$\text{Non-Conforming Energy Purchase Price} = (A_{nce} * MPM) - WIC$$

Where:

AR_{ce} = Conforming Energy annual rate from Table 1, below, for the year of the Net Output.

AR_{nce} = *the lower of*
 85% of the Conforming Energy annual rate from Table 1 below, for the year of Net Output
or
 85% of average of the daily Index Price for each day of the month, or portion of month, of Net Output.

MPM = monthly On-Peak or Off-Peak multiplier from Table 2 below, that corresponds to the month of the Net Output and whether the Net Output occurred during On-Peak Hours or Off-Peak Hours.

WIC = \$6.50/MWh, the wind integration cost prescribed in Commission Order No. 31021.

Example calculations are provided in **Exhibit G**.

Table 1: Conforming Energy Annual Rates

Year	Conforming Energy Annual Rate (AR ²) S/MWh
2012	63.97
2013	67.51
2014	71.32
2015	75.40
2016	77.76
2017	80.07
2018	82.58
2019	85.05
2020	87.61
2021	90.63
2022	93.78
2023	97.05
2024	100.44
2025	103.98
2026	106.98
2027	110.07
2028	113.26
2029	116.56
2030	119.95
2031	124.51
2032	128.50
2033	132.64
2034	136.92

Table 2: Monthly On-Peak/Off-Peak Multipliers

Month	On-Peak Hours	Off-Peak Hours
January	103%	94%
February	105%	97%
March	95%	80%
April	95%	76%
May	92%	63%
June	94%	65%
July	121%	92%
August	121%	106%
September	109%	99%
October	115%	105%
November	110%	96%
December	129%	120%

5.2 Payment.

For each Billing Period in each Contract Year, PacifiCorp shall pay Seller as follows:

For delivery of Conforming Energy:

$$\text{Payment} = (\text{CEnergy}_{\text{On-Peak}} * \text{CEPrice}_{\text{on-peak}} / 1000) +$$

$$(C_{Energy_{Off-Peak}} * CE_{Price_{Off-Peak}} / 1000)$$

For delivery of Non-Conforming Energy:

$$\text{Payment} = (NCE_{Energy_{On-Peak}} * NCE_{Price_{On-Peak}} / 1000) + (NCE_{Energy_{Off-Peak}} * NCE_{Price_{Off-Peak}} / 1000)$$

Where:

C_{Energy}	=	Conforming Energy in kWh
CE_{Price}	=	Conforming Energy Purchase Price in \$/MWh
NCE_{Energy}	=	Non-Conforming Energy Purchase Price in kWh
NCE_{Price}	=	Non-Conforming Energy Purchase Price in \$/MWh
On-Peak	=	the corresponding value for On-Peak Hours
Off-Peak	=	the corresponding value for Off-Peak Hours

5.3 Inadvertent Energy. So long as acceptance of Inadvertent Energy does not cause PacifiCorp to violate the terms of its Network Transmission Service and is consistent with Prudent Electrical Practices, PacifiCorp will accept Inadvertent Energy, but will not purchase or pay for Inadvertent Energy.

5.4 Additional Compensation. Seller shall not be entitled to any compensation over and above the Conforming Energy Purchase Prices or Non-Conforming Energy Purchase Prices, as the case may be, for the Green Tags associated therewith.

SECTION 6. OPERATION AND CONTROL

6.1 As-Built Supplement. Upon completion of any construction affecting the Facility, Seller shall provide PacifiCorp an As-built Supplement bearing the stamp of a Licensed Professional Engineer that accurately depicts the Facility as built. The As-built Supplement must be reviewed and approved by PacifiCorp, which approval shall not unreasonably be withheld, conditioned or delayed.

6.2 Operation. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time. PacifiCorp shall have no obligation to purchase Net Output from the Facility to the extent the interconnection between the Facility and PacifiCorp's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's non-compliance with the Generation Interconnection Agreement. PacifiCorp shall have the right to inspect the Facility to confirm that Seller is operating the Facility in accordance with the provisions of this Section 6 upon reasonable notice to Seller. Seller is solely responsible for the operation and maintenance of the Facility. PacifiCorp shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

6.3 Curtailment. PacifiCorp shall not be obligated to purchase, receive, pay for, or pay any damages associated with, Net Output (or associated Production Tax Credits or

Environmental Attributes) if such Net Output (or associated Production Tax Credits or Environmental Attributes) is not delivered to the System or Point of Delivery due to any of the following: (a) the interconnection between the Facility and the System is disconnected, suspended or interrupted, in whole or in part, consistent with the terms of the Generation Interconnection Agreement, (b) the Transmission Provider or Network Service Provider directs a general curtailment, reduction, or redispatch of generation in the area (which would include the Net Output) for any reason, even if such curtailment or redispatch directive is carried out by PacifiCorp, which may fulfill such directive by acting in its sole discretion; or if PacifiCorp curtails or otherwise reduces the Net Output in order to meet its obligations to the Transmission Provider or Network Service Provider to operate within system limitations, (c) the Facility's Output is not received because the Facility is not fully integrated or synchronized with the System, or (d) an event of Force Majeure prevents either Party from delivering or receiving Net Output. Seller shall reasonably determine the MWh amount of Net Output curtailed pursuant to this Section 6.3 after the fact based on the amount of energy that could have been generated at the Facility and delivered to PacifiCorp as Net Output but that was not generated and delivered because of the curtailment. Seller shall determine the quantity of such curtailed energy based on (x) the time and duration of the curtailment period and (y) wind conditions recorded at the Facility during the period of curtailment and the power curve specified for the Wind Turbines as shown in **Exhibit A**. Seller shall promptly provide PacifiCorp with access to such information and data as PacifiCorp may reasonably require to confirm to its reasonable satisfaction the amount of energy that was not generated or delivered because of a curtailment described in this Section 6.3.

6.4 PacifiCorp as Merchant. Seller acknowledges that PacifiCorp, acting in its merchant capacity function as purchaser under this Agreement, has no responsibility for or control over PacifiCorp Transmission or any successor Transmission Provider.

6.5 Outages.

6.5.1 Planned Outages. Except as otherwise provided herein, Seller shall not schedule Planned Outage during any portion of the months of November, December, January, February, June, July, and August, except to the extent a Planned Outage is reasonably required to enable a vendor to satisfy a guarantee requirement in a situation in which the vendor is not otherwise able to perform the guarantee work at a time other than during one of the months specified above or to the extent such Planned Outage is required in accordance with Prudent Electrical Practices. Seller shall, in **Exhibit D**, provide PacifiCorp with an annual forecast of Planned Outages for each Contract Year at least one (1) month, but no more than three (3) months, before the first day of that Contract Year, and shall promptly update such schedule, or otherwise change it only, to the extent that Seller is reasonably required to change it in order to comply with Prudent Electrical Practices. Seller shall not schedule more than one hundred fifty (150) hours of Planned Outages for each calendar year. Seller shall notify PacifiCorp of any deviation to the annual Planned Outage schedule, above, on the Monday preceding the scheduling week in which the sooner of the following will occur: (a) the outage as predicted in the Planned Outage schedule; or (b) the outage per Seller's revised plans. Such notice shall consist of a Monday-Sunday, hourly spreadsheet showing the revised total Facility curtailment (MW) for that scheduling week. Seller shall not schedule any maintenance of Shared Interconnection Facilities during November, December, January, February, June, July, or August, without the prior written approval of PacifiCorp, which approval may be reasonably withheld by PacifiCorp.

6.5.2 Maintenance Outages. If Seller reasonably determines that it is necessary to schedule a Maintenance Outage, Seller shall notify PacifiCorp of the proposed Maintenance Outage as soon as practicable but in any event at least five (5) days before the outage begins (or such shorter period to which PacifiCorp may reasonably consent in light of then existing wind conditions). Upon such notice, the Parties shall plan the Maintenance Outage to mutually accommodate the reasonable requirements of Seller and the service obligations of PacifiCorp. Seller shall take all reasonable measures and use commercially reasonable efforts consistent with Prudent Electrical Practices to not schedule any Maintenance Outage during the following periods: June 15 through June 30, July, August, and September 1 through September 15. Seller shall include in such notice of a proposed Maintenance Outage the expected start date and time of the outage, the amount of generation capacity of the Facility that will not be available, and the expected completion date and time of the outage. Seller may provide notices under this Section 6.5.2 orally. Seller shall confirm any such oral notification in writing as soon as practicable. PacifiCorp shall promptly respond to such notice and may request reasonable modifications in the schedule for the outage. Seller shall use all reasonable efforts to comply with PacifiCorp's request to modify the schedule for a Maintenance Outage if such modification has no substantial impact on Seller. Seller shall notify PacifiCorp of any subsequent changes in generation capacity of the Facility during such Maintenance Outage and any changes in the Maintenance Outage completion date and time. Seller shall take all reasonable measures and exercise its commercially reasonable efforts consistent with Prudent Electrical Practices to minimize the frequency and duration of Maintenance Outages.

6.5.3 Forced Outages. Seller shall promptly provide to PacifiCorp an oral report, via telephone to a number specified by PacifiCorp, of any Forced Outage of the Facility. Such report shall include the amount of generation capacity of the Facility that will not be available because of the Forced Outage and the expected return date and time of such generation capacity. Seller shall promptly update the report as necessary to advise PacifiCorp of changed circumstances. If the Forced Outage resulted in more than 15% of the Facility Capacity Rating of the Facility being unavailable, Seller shall confirm the oral report in writing as soon as practicable. Seller shall take all reasonable measures and exercise its commercially reasonable efforts consistent with Prudent Electrical Practices to avoid Forced Outages and to minimize their duration.

6.5.4 Notice of Deratings and Outages. Without limiting other notice requirements, Seller shall notify PacifiCorp, via telephone or via electronic mail, to a number or email address specified by PacifiCorp, of any limitation, restriction, derating or outage known to Seller that affects the generation capacity of the Facility in an amount greater than five percent (5%) of the Facility Capacity Rating for the following day. Seller shall promptly update such notice to reflect any material changes to the information in such notice.

6.5.5 Effect of Outages on Estimated Output. Seller shall factor Planned Outages and Maintenance Outages that Seller reasonably expects to encounter in the ordinary course of operating the Facility into the Scheduled Monthly Energy Delivery amounts in the Energy Delivery Schedule set forth in **Exhibit D**.

6.6 Scheduling.

6.6.1 Cooperation and Standards. With respect to any and all scheduling requirements in this Agreement, (a) Seller shall cooperate with PacifiCorp with respect to scheduling Net Output, and (b) each Party shall designate authorized representatives to communicate with regard to scheduling and related matters arising hereunder.

6.6.2 Schedule Coordination. If, as a result of this Agreement, PacifiCorp is deemed by an RTO to be financially responsible for Seller's performance under the Generation Interconnection Agreement due to Seller's lack of standing as a "scheduling coordinator" or other RTO recognized designation, qualification or otherwise, then (a) Seller shall acquire such RTO recognized standing (or shall contract with a third party who has such RTO recognized standing) such that PacifiCorp is no longer responsible for Seller's performance under the Generation Interconnection Agreement, and (b) Seller shall defend, indemnify and hold PacifiCorp harmless against any liability arising due to Seller's performance or failure to perform under the Generation Interconnection Agreement or RTO requirement.

6.7 Delivery Exceeding the Maximum GIA Delivery Rate. Seller shall not deliver energy from the Facility to the Point of Delivery at a rate that exceeds the Maximum GIA Delivery Rate. Seller's failure to limit such deliveries to the Maximum GIA Delivery Rate shall be a breach of a material obligation subject to Section 12.1.8.

6.8 Access Rights. Upon reasonable prior notice and subject to the prudent safety requirements of Seller, and Requirements of Law relating to workplace health and safety, Seller shall provide PacifiCorp and its authorized agents, employees and inspectors ("**PacifiCorp Representatives**") with reasonable access to the Facility: (a) for the purpose of reading or testing metering equipment, (b) as necessary to witness any acceptance tests, (c) for purposes of implementing Section 4.6, and (d) for other reasonable purposes at the reasonable request of PacifiCorp. PacifiCorp shall release Seller against and from any and all any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal resulting from actions or omissions by any of the PacifiCorp Representatives in connection with their access to the Facility, except to the extent that such damages are caused or by the intentional or grossly negligent act or omission of Seller.

SECTION 7. MOTIVE FORCE

Prior to the execution of this Agreement, Seller provided to PacifiCorp Wind Leases and a motive force plan including an hourly wind profile acceptable to PacifiCorp in its reasonable discretion and attached hereto as **Exhibit F-1**. Within three (3) months after the Effective Date, Seller will provide a wind report from any of GL Garrad Hassan, AWS Truepower, LLC, or DNV Global Energy Concepts, Inc. certifying that the implementation of the fuel or motive force plan can reasonably be expected to provide fuel or motive force to the Facility for the duration of this Agreement adequate to generate power and energy in quantities necessary to deliver the Average Annual Net Output. Seller will provide an updated estimate of Average Annual Net Output at the time it provides an amended **Exhibit A** pursuant to Section 2.2.7 if Seller has selected different Wind Turbines.

SECTION 8. GENERATION FORECASTING COSTS

8.1 Forecast Service Election. PacifiCorp may, in its discretion, add forecasting services for Seller's Facility to PacifiCorp's existing contract with a qualified wind-energy-production forecasting vendor, which contract and vendor may change during the term of this Agreement.

8.2 Seller's Forecast-Cost Share. Pursuant to Commission Order No. 30497, Seller shall be responsible for 50% of PacifiCorp's cost of adding such forecasting services ("**Seller's Forecast-Cost Share**") up to Seller's Capped Forecast-Cost Share.

8.3 Cap on Seller's Forecast-Cost Share. Seller's Forecast-Cost Share for a given Contract Year is capped at 0.1% of total payments made by PacifiCorp to Seller for Net Output during the previous Contract Year ("**Seller's Capped Forecast-Cost Share**"). If the last Contract Year of this Agreement is shorter than a full calendar year, the cap will be prorated for that shortened year. For the year(s) prior to the second Contract Year of this agreement that equals a full calendar year, Seller's Forecast-Cost Share is capped at 0.1% of estimated payments for Net Output based on the Energy Delivery Schedule.

8.4 Payment. Seller shall pay to PacifiCorp Seller's Forecast-Cost Share uncapped by Section 8.3 for each Contract Year in equal payments for each month of such year except the last month of such year. (For example, in a Contract Year equaling a full calendar year, Seller would pay 1/11th of Seller's Forecast-Cost Share during each of the first 11 months.) In the last month of each Contract Year, PacifiCorp shall refund to Seller the amount paid by Seller under this Section in excess, if any, of Seller's Capped Forecast-Cost Share. For a Contract Year encompassed by just one calendar month, Seller's payment to PacifiCorp and PacifiCorp's refund to Seller shall be calculated and paid simultaneously. To the extent practicable, payments and refunds under this Section shall be included in monthly payments and invoices under Section 10.

SECTION 9. METERING: REPORTS AND RECORDS

9.1 Metering Adjustment. Metering will be performed at the location specified in **Exhibit B** and in the manner specified in the Generator Interconnection Agreement. All quantities of energy purchased hereunder shall be adjusted in accordance with **Addendum L**, so that the purchased amount reflects the net amount of power flowing into the System at the Point of Delivery.¹¹

9.2 Metering Errors. If any inspections or tests made pursuant to the Generator Interconnection Agreement discloses an error exceeding two percent (2%), either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three Billing Periods, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered.

9.3 Telemetering. In accordance with the Generation Interconnection Agreement, Seller shall provide telemetering equipment and facilities capable of transmitting to Transmission Provider (who will share it with PacifiCorp as authorized by **Exhibit H**, "Seller Authorization to Release Generation Data to PacifiCorp") the following information concerning the

¹ If station service is supplied via separate facilities, PacifiCorp will deduct station service from the metered facility output to calculate Net Output.

Facility on a real-time basis, and will operate such equipment when requested by PacifiCorp to indicate:

- (a) instantaneous M W output at the Point of Delivery;
- (b) Net Output;
- (c) the Facility's total instantaneous generation capacity; and
- (d) wind velocity at turbine hub height.

Seller shall also transmit to PacifiCorp any other data from the Facility that Seller receives on a real-time basis, including meteorological data, wind speed data, wind direction data and gross output data. Seller shall provide such real-time data to PacifiCorp in the same detail that Seller receives the data (e.g., if Seller receives the data in four second intervals, PacifiCorp shall also receive the data in four second intervals). PacifiCorp shall have the right from time to time to require Seller to provide additional telemetering equipment and facilities to the extent necessary and reasonable.

9.4 Monthly Reports and Logs and Other Information.

9.4.1 Reports. Within thirty (30) calendar days after the end of each Billing Period, Seller shall provide to PacifiCorp a report in electronic format, which report shall include (a) summaries of the Facility's wind and output data for the Billing Period in intervals not to exceed one hour (or such shorter period as is reasonably possible with commercially available technology), including information from the Facility's computer monitoring system; (b) summaries of any other significant events related to the construction or operation of the Facility for the Billing Period; (c) details of Availability of the Facility for the Billing Period sufficient to calculate Availability and including hourly average wind velocity measured at turbine hub height and ambient air temperature; and (d) any supporting information that PacifiCorp may from time to time reasonably request (including historical wind data for the Facility).

9.4.2 Electronic Fault Log. Seller shall maintain an electronic fault log of operations of the Facility during each hour of the term of this Agreement commencing on the Commercial Operation Date. Seller shall provide PacifiCorp with a copy of the electronic fault log within thirty (30) calendar days after the end of the Billing Period to which the fault log applies.

9.4.3 Upon the request of PacifiCorp, Seller shall provide PacifiCorp the manufacturers' guidelines and recommendations for maintenance of the Facility equipment.

9.4.4 By each January 10 following the Commercial Operation Date, Seller shall provide to PacifiCorp written certification that Seller has completed all the manufacturers' guidelines and recommendations for maintenance of the Facility equipment applicable to the previous calendar year.

9.4.5 At any time from the Effective Date, one (1) year's advance notice of the termination or expiration of any agreement, including Wind Leases, pursuant to which the Facility or any equipment relating thereto is upon the Facility site; provided that the foregoing does not authorize any early termination of any land lease.

9.4.6 As soon as it is known to Seller, Seller shall disclose to PacifiCorp, the extent of any material violation of any environmental laws or regulations arising out of the construction or operation of the Facility, or the presence of Environmental Contamination at the Facility or on the Premises, alleged to exist by any Governmental Authority having jurisdiction over the Premises, or the present existence of, or the occurrence during Seller's occupancy of the Premises of, any enforcement, legal, or regulatory action or proceeding relating to such alleged violation or alleged presence of Environmental Contamination presently occurring or having occurred during the period of time that Seller has occupied the Premises.

9.5 Maintenance of Metering Equipment. To the extent not otherwise provided in the Generator Interconnection Agreement, PacifiCorp shall inspect, test, repair and replace the metering equipment periodically, or at the request of Seller if Seller has reason to believe metering may be off and requests an inspection in writing. To the extent not otherwise provided in the Generator Interconnection Agreement, all PacifiCorp's costs relating to designing, installing, maintaining, and repairing metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

9.6 WREGIS Metering. Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility.

SECTION 10. BILLINGS. COMPUTATIONS AND PAYMENTS

10.1 Payment for Net Output. On or before the thirtieth (30th) day following the end of each Billing Period, PacifiCorp shall send to Seller payment for Seller's deliveries of Net Output to PacifiCorp, together with computations supporting such payment. PacifiCorp may offset any such payment to reflect amounts owing from Seller to PacifiCorp pursuant to this Agreement or the Generation Interconnection Agreement. Any such offsets shall be separately itemized on the statement accompanying each payment to Seller.

10.2 Annual Invoicing for Output Shortfall. Thirty calendar days after the end of each Contract Year, PacifiCorp shall deliver to Seller an invoice showing PacifiCorp's computation of Output Shortfall, if any, for all Billing Periods in the prior Contract Year and Output Shortfall Damages, if any. In preparing such invoices, PacifiCorp shall utilize the meter data provided to PacifiCorp for the Contract Year in question, but may also rely on historical averages and such other information as may be available to PacifiCorp at the time of invoice preparation if the meter data for such Contract Year is then incomplete or otherwise not available. To the extent required, PacifiCorp shall prepare any such invoice as promptly as practicable following its receipt of actual results for the relevant Contract Year. Seller shall pay to PacifiCorp, by wire transfer of immediately available funds to an account specified in writing by PacifiCorp or by any other means agreed to by the Parties in writing from time to time, the amount set forth as due in such invoice, and shall within thirty (30) days after receiving the invoice raise any objections regarding any disputed portion of the invoice. Objections not made by Seller within the thirty-day period shall be deemed waived.

10.3 Interest on Overdue Amounts. Any amounts owing after the due date thereof shall bear interest at the Prime Rate on the date the amount became due, plus two percent

(2%), from the date due until paid; *provided, however*, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

10.4 Disputed Amounts. If either Party, in good faith, disputes any amount due pursuant to an invoice rendered hereunder, such Party shall notify the other Party of the specific basis for the dispute and, if the invoice shows an amount due, shall pay that portion of the statement that is undisputed, on or before the due date. Any such notice shall be provided within two (2) years of the date of the invoice in which the error first occurred. If any amount disputed by such Party is determined to be due to the other Party, or if the Parties resolve the payment dispute, the amount due shall be paid within five (5) days after such determination or resolution, along with interest in accordance with Section 10.3.

SECTION 11. SECURITY

11.1 Delay Security:

11.1.1 Duty to Post Security. By the date provided in Section 2.2.2, Seller shall post a Letter of Credit, cash or a parental guaranty, each in a form acceptable to PacifiCorp, in the amount calculated pursuant to Section 11.1.2 (“**Delay Security**”). To the extent PacifiCorp makes a drawing under the Delay Security, Seller shall, within fifteen (15) calendar days, restore the Delay Security as if no such deduction had occurred.

11.1.2 Calculation of Delay Security. The dollar value of Delay Security shall equal the greater of: (1) forty-five dollars (\$45) multiplied by the Maximum Facility Delivery Rate with the Maximum Facility Delivery Rate being measured in kW (based on the final Facility Capacity Rating determined by January 31, 2012); or (2) the sum of the products, for each of the first three calendar months after the Delay Period Commencement Date, of:

the energy in the Initial Year Energy Delivery Schedule for the month (kWh) multiplied by the monthly weighted average On-Peak and Off-Peak Conforming Energy Purchase Price for the months (\$/MWh) divided by 1000.

Such amount shall be fixed upon execution of this Agreement.

11.1.3 Right to Draw on Security. PacifiCorp shall have the right to draw on the Delay Security to collect Delay Liquidated Damages. Commencing on or about first of each month, PacifiCorp will invoice Seller for Delay Liquidated Damages incurred, if any, during the preceding month. If insufficient Delay Security is available, Seller shall pay PacifiCorp for invoiced Delay Liquidated Damages no later than five business days after receiving such invoice. The Parties will make billings and payments for Delay Liquidated Damages in accordance with Section 10.

11.1.4 Partial Release of Delay Security. Provided that Seller has maintained Delay Security in accordance with Section 11.1.1, PacifiCorp shall release one-third of the original amount of Delay Security stated in Section 11.1.1 each time Seller accomplishes a milestone (a) or (b), below:

(a) Seller has (i) executed the Generation Interconnection Agreement with Transmission Provider; and (ii) paid in full any interconnection and/or system upgrade costs Seller is obligated to pay in advance of interconnection construction.

(b) Seller has poured the concrete foundation at each of its planned individual Wind Turbine locations.

PacifiCorp shall make the partial refund of Delay Security required above within ten business days of the date Seller provides PacifiCorp written notice (along with satisfactory documentation thereof) that it has accomplished milestone (a) or (b) above.

11.1.5 Full Release of Delay Security. Unless PacifiCorp disputes whether Seller has paid all Delay Liquidated Damages, PacifiCorp shall release all remaining Delay Security upon the earlier of the 30th calendar day following commencement of Commercial Operation or the 60th calendar day following PacifiCorp's termination of this Agreement.

11.1.6 Default. Seller's failure to post and maintain Delay Security in accordance with Section 11.1 will constitute an event of default, unless cured in accordance with Section 12.1.1 of this Agreement.

11.2 Default Security (Levelized Pricing Only). (Reserved)

SECTION 12. DEFAULTS AND REMEDIES

12.1 The following events shall constitute defaults under this Agreement:

12.1.1 Non-Payment. A Party's failure to make a payment when due under this Agreement or post and maintain security in conformance with the requirements of Section 11 or maintain insurance in conformance with the requirements of Section 14 of this Agreement, if the failure is not cured within ten (10) business days after the non-defaulting Party gives the defaulting Party a notice of the default.

12.1.2 Breach of Representation. Breach by a Party of a representation or warranty set forth in this Agreement, if such failure or breach is not cured within thirty (30) days following written notice.

12.1.3 Default on Other Agreements. Seller's failure to cure any default under the Generation Interconnection Agreement or any other agreement between the parties related to this Agreement, the Generation Interconnection Agreement, or the Facility within the time allowed for a cure under such agreement or instrument.

12.1.4 Insolvency. A Party (a) makes an assignment for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (c) becomes insolvent; or (d) is unable to pay its debts when due.

12.1.5 Material Adverse Change. A Material Adverse Change has occurred with respect to Seller and Seller fails to provide such performance assurances as are reasonably requested by PacifiCorp, within thirty (30) days from the date of such request.

12.1.6 Sale to Third-Party. Seller's sale of Net Output to an entity other than PacifiCorp, as prohibited by Section 4.2.

12.1.7 Non-Delivery. Unless excused by an event of Force Majeure (including PacifiCorp's breach of its obligations under this Agreement), Seller's failure to deliver any Net Energy for three consecutive calendar months.

12.1.8 A Party otherwise fails to perform any material obligation (including but not limited to failure by Seller to meet any deadline set forth in Section 2.2.1 through 2.2.10, but excluding Sections 4.7 and 9.6) imposed upon that Party by this Agreement if the failure is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party notice of the default. For the avoidance of doubt, the failure of Seller to achieve the Commercial Operation Date by December 31, 2012 shall not give rise to an Event of Default pursuant to this Section 12.1.8 and the failure to achieve Commercial Operation Date shall be exclusively governed by Section 12.1.9.

12.1.9 Seller fails to achieve the Commercial Operation Date by the 91st day following the Delay Period Commencement Date, *provided, however*, that, upon written notice from the defaulting Party delivered prior to the ninety-first (91st) day of delay, this ninety (90) day period shall be extended by an additional one hundred and fifty (150) days if (a) Seller has poured the concrete foundation at each of its planned individual wind turbine locations; and (b) Seller replenishes Delay Default Security in accordance with Section 11.1.1. Seller shall continue to accrue Delay Liquidated Damages in accordance with Section 2.5 (Delay Price times the Delay Value) until the Project achieves Commercial Operation or this Agreement is terminated.

12.2 In the event of any default hereunder, the non-defaulting Party must notify the defaulting Party in writing of the circumstances indicating the default and outlining the requirements to cure the default. If the default has not been cured within the prescribed time, above, the non-defaulting Party may terminate this Agreement at its sole discretion by delivering written notice to the other Party and may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement. The rights provided in this Section 12 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

12.3 In the event this Agreement is terminated because of Seller's default and Seller wishes to again sell Net Output from the Facility using the same motive force to PacifiCorp following such termination, PacifiCorp in its sole discretion may require that Seller do so subject to the terms of this Agreement, including but not limited to the purchase prices as set forth in (Section 5), until the Expiration Date (as set forth in Section 2.1). At such time Seller and PacifiCorp agree to execute a written document ratifying the terms of this Agreement.

12.4 If this Agreement is terminated as a result of Seller's default, in addition to and not in limitation of any other right or remedy under this Agreement or applicable law (including any right to set-off, counterclaim, or otherwise withhold payment), Seller shall pay PacifiCorp Output Shortfall Damages for a period of eighteen (18) months from the date of termination plus the estimated administrative cost to acquire the replacement power. The Parties agree that the damages PacifiCorp would incur due to termination resulting from Seller's default would be difficult or impossible to predict with certainty, and that the damages in this Section 12.4 are an appropriate approximation of such damages.

12.5 Recoupment of Damages.

(a) Default Security Available. If Seller has posted Default Security, PacifiCorp may draw upon that security to satisfy any damages, above.

(b) Default Security Unavailable. If Seller has not posted Default Security, or if PacifiCorp has exhausted the Default Security, PacifiCorp may collect any remaining amount owing by partially withholding future payments to Seller over a reasonable period of time. PacifiCorp and Seller shall work together in good faith to establish the period, and monthly amounts, of such withholding so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

12.6 Upon an event of default or termination event resulting from default under this Agreement, in addition to and not in limitation of any other right or remedy under this Agreement or applicable law (including any right to set-off, counterclaim, or otherwise withhold payment), the non-defaulting Party may at its option set-off, against any amounts owed to the defaulting Party, any amounts owed by the defaulting Party under any contract(s) or agreement(s) between the Parties. The obligations of the Parties shall be deemed satisfied and discharged to the extent of any such set-off. The non-defaulting Party shall give the defaulting Party written notice of any set-off, but failure to give such notice shall not affect the validity of the set-off.

12.7 Amounts owed by Seller pursuant to this Section 12 shall be due within five (5) business days after any invoice from PacifiCorp for the same.

SECTION 13. INDEMNIFICATION: LIABILITY

13.1 Indemnities.

13.1.1 Indemnity by Seller. Seller shall release, indemnify and hold harmless PacifiCorp, its directors, officers, agents, and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with (a) the energy delivered by Seller under this Agreement to and at the Point of Delivery, (b) any facilities on Seller's side of the Point of Delivery, (c) Seller's operation and/or maintenance of the Facility, or (d) arising from Seller's breach of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PacifiCorp, Seller or others, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of PacifiCorp, its directors, officers, employees, agents or representatives.

13.1.2 Indemnity by PacifiCorp. PacifiCorp shall release, indemnify and hold harmless Seller, its directors, officers, agents, lenders and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with the energy delivered by Seller under this Agreement after the Point of Delivery, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of Seller, its directors, officers, employees, agents, lenders or representatives.

13.2 No Dedication. 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, nor affect the status of PacifiCorp as an independent public utility corporation or Seller as an independent individual or entity.

13.3 No Warranty. Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by PacifiCorp and PacifiCorp 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.

13.4 CONSEQUENTIAL DAMAGES. EXCEPT TO THE EXTENT SUCH DAMAGES ARE INCLUDED IN THE LIQUIDATED DAMAGES, DELAY DAMAGES, OR OTHER SPECIFIED MEASURE OF DAMAGES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE.

SECTION 14. INSURANCE

14.1 Certificates. Prior to connection of the Facility to the System, Seller shall secure and continuously carry insurance in compliance with the requirements of this Section. Seller shall provide PacifiCorp insurance certificate(s) (of "ACORD Form" or the equivalent) certifying Seller's compliance with the insurance requirements hereunder. Commercial General Liability coverage written on a "claims-made" basis, if any, shall be specifically identified on the certificate. If requested by PacifiCorp, a copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company, shall be furnished to PacifiCorp.

14.2 Required Policies and Coverages. Without limiting any liabilities or any other obligations of Seller under this Agreement, Seller shall secure and continuously carry with an insurance company or companies rated not lower than "A-:VII" by the A.M. Insurance Reports the insurance coverage specified below:

14.2.1 Commercial General Liability insurance, to include contractual liability, with a minimum single limit of \$1,000,000 per occurrence to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement.

14.2.2 All Risk Property insurance providing coverage in an amount at least equal to 80% of the replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The Property policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities.

14.3 The Commercial General Liability policy required herein shall include (i) provisions or endorsements naming PacifiCorp, its Board of Directors, Officers and employees as additional insureds, and (ii) cross liability coverage so that the insurance applies

separately to each insured against whom claim is made or suit is brought, even in instances where one insured claims against or sues another insured.

14.4 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interests of PacifiCorp and that any other insurance maintained by PacifiCorp is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without (i) ten (10) business days prior written notice to PacifiCorp if canceled for nonpayment of premium, or (ii) thirty (30) business days prior written notice to PacifiCorp if canceled for any other reason.

14.5 Commercial General Liability insurance coverage provided on a “claims-made” basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such other length of time necessary to cover liabilities arising out of the activities under this Agreement.

SECTION 15. FORCE MAJEURE

15.1 As used in this Agreement, “**Force Majeure**” or “**an event of Force Majeure**” means any cause beyond the reasonable control of the Seller or of PacifiCorp which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which is in each case (i) beyond the reasonable control of such Party, (ii) by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and (iii) by the exercise of due diligence, such Party shall be unable to prevent or overcome. Force Majeure, however, specifically excludes the cost or availability of fuel or motive force to operate the Facility or changes in market conditions that affect the price of energy or transmission. If either Party is rendered wholly or in part unable to perform its obligation 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:

15.1.1 the non-performing Party, shall, as soon as practicable but no later than within two (2) weeks after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence, including the start date of the Force Majeure, the cause of Force Majeure, whether the Facility remains partially operational and the expected end date of the Force Majeure;

15.1.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure;

15.1.3 the non-performing Party uses its best efforts to remedy its inability to perform; and

15.1.4 the non-performing Party shall provide prompt written notice to the other Party at the end of the Force Majeure event detailing the end date, cause thereof, damage caused there by and any repairs that were required as a result of the Force Majeure event, and the end date of the Force Majeure.

15.2 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

15.3 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 16. SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 17. CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Idaho, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 18. PARTIAL INVALIDITY

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

SECTION 19. WAIVER

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 must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 20. GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

PacifiCorp's compliance with the terms of this Agreement is conditioned on Seller's submission to PacifiCorp prior to the Commercial Operation Date of copies of all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility. Failure to maintain such lawful status after the Commercial Operation Date shall be an event of default, subject to Section 12.

SECTION 21. SUCCESSORS AND ASSIGNS

21.1 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; provided that the Parties agree that commercially reasonable written amendments to the Exhibits to this Agreement and such other written updates to the information contained therein related to the Facility may be made in the event of any assignment of this Agreement pursuant to the terms of this Section 21.1. Notwithstanding the first sentence of this Section, (a) any entity with which PacifiCorp 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 PacifiCorp's rights, obligations, and interests under this Agreement and (b) Seller shall have the right to assign this Agreement, subject to PacifiCorp's written consent, which consent shall not be unreasonably withheld or delayed, for collateral security purposes to one or more financing entities (or a collateral agent acting on their behalf) providing financing to Seller for the Facility, in which event PacifiCorp agrees to provide a written consent in favor of Seller's financing entities in form and substance similar to consents executed by PacifiCorp in connection with non-recourse project financings. 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. PacifiCorp shall have the right to be notified by the financing entity that it is exercising such rights or remedies and all such other rights as provided in the written consent.

21.2 Notwithstanding Section 21.1, if, as of December 31, 2012, Seller has not achieved Commercial Operation, then Seller shall have the right to terminate this Agreement by providing written notice of termination to PacifiCorp on or before January 5, 2013. Upon PacifiCorp's receipt of written notice of termination from Seller, the Original PPA shall automatically be deemed to be reinstated and in full force and effect. Upon such termination, PacifiCorp shall return the Delay Security to Seller and Seller shall have no further liability or obligations of any kind under this Agreement.

21.3 Seller and all successors and assigns acknowledge that this Agreement is in part the result of a settlement stipulation between PacifiCorp, CCW and the Staff of the Idaho Public Utilities Commission that was approved by the Idaho Public Utilities Commission is Case Nos. PAC-E-11 -01 through PAC-E-11-05 (the "**Stipulation**"). This Agreement is subject to, and incorporates, the terms of the Stipulation.

SECTION 22. ENTIRE AGREEMENT

22.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PacifiCorp's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

22.2 By executing this Agreement, each Party releases the other from any claims, known or unknown, that may have arisen prior to the execution date of this Agreement with respect to the Facility and any predecessor facility proposed to have been constructed on the site of the Facility.

SECTION 23. NOTICES

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested.

Notices	PacifiCorp	Seller
All Notices	PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Phone:(503)813-5380 Facsimile: (503) 813- 6291 E-mail: Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	Meadow Creek Project Company LLC 83 S. King Street, Suite 200 Seattle, WA 98104 Attn: Joan Hutchinson Phone: 206-462-4846 Facsimile: 503-296-5450 E-mail: jhutchinson@rl-en.com Duns: [TBD] Federal Tax ID Number: 80-0326448

Notices	PacifiCorp	Seller
All Invoices:	Attn: Back Office, Suite 700 Phone:(503)813-5578 Facsimile: (503) 813 -5580	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com
Scheduling:	Attn: Resource Planning, Suite 600 Phone: (503) 813 - 6090 Facsimile: (503) 813-6265	Attn: Joan Hutchinson SVP – Origination & Marketing Phone: 206-462-4846 jhutchinson@rl-en.com
Payments:	Attn: Back Office, Suite 700 Phone:(503)813-5578 Facsimile: (503) 813-5580	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com
Wire Transfer:	Bank One N.A. To be provided in separate letter from PacifiCorp to Seller	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com
Credit and Collections :	Attn: Credit Manager, Suite 700 Phone:(503)813-5684 Facsimile: (503) 813-5609	Attn: Lindsay Whitney Controller Phone: 206-508-4727 Email: lwhitney@rl-en.com

**With Additional
Notices of an
Event of Default
or Potential
Event of Default
to:**

Attn: PacifiCorp General Counsel
Phone:(503)813-5029 Facsimile:
(503) 813-6761

Attn: Legal Department
Email: legal@rl-en.com
Phone: 425-455-9014

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section.

In WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first above written:

PACIFICORP,
an Oregon corporation

**MEADOW CREEK PROJECT
COMPANY LLC**
a Delaware limited liability company

By:  DC
Name: Bruce Griswold
Title: Director, Short-term Origination

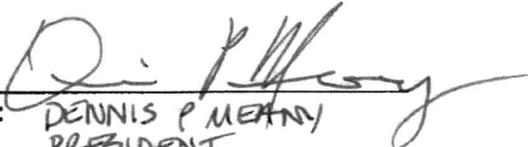
By: 
Name: DENNIS P. MEANY
Title: PRESIDENT

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

Seller's Facility consists of 19 wind turbine generator(s) manufactured by Suzlon. More specifically, each generator at the Facility is described as:

Type (synchronous or inductive): Asynchronous with Inverter

Model: Suzlon S97-2.1

Number of Phases: Three

Rated Output (kW): 2,100 **Rated Output (kVA):** 2,234 kVA

Rated Voltage (line to line): Line side converter: 600V, machine side converter: 600V

Rated Current Line(A): Line side converter: 500A, machine side converter: 435 A

Maximum kW Output: 2100 kW **Maximum kVA Output:** 2,234 kVA

Minimum kW Output: -60 kW

Manufacturer's Published Cut-in Wind Speed: 3.5 meters/second

Facility Capacity Rating: 39,900 kW at or above rated wind speed and below cut-out Speed

Maximum Facility Delivery Rate: 39,900 kW at PacifiCorp Goshen Substation at 161 kV

Maximum GIA Delivery Rate 119,700 kW [combined with the other Ridgeline Projects described in Addendum L]

Identify the maximum output of the generator(s) and describe any differences between that output and the Nameplate Capacity Rating: Maximum generator output is 2100 kW (same as Nameplate Capacity Rating)

Station service requirements, and other loads served by the Facility, if any, are described as follows: Station service requirements consist of Ridgeline Energy Operations and Maintenance building loads, turbine standby loads, and turbine cutout loads. Average turbine standby load for Five Pine is approximately 45-60 kW. Cutout loads would be infrequent and not concurrent with standby loads.

Location of the Facility: The Facility is located in Bonneville County, Idaho. The location is more particularly described as follows: 43° 31.347' Latitude, 111° 48.313' Longitude WGS84. Locations of each turbine tower relative to other qualifying facilities owned by the same entity showing compliance with the spacing requirements in 18 C.F.R. § 292.204 are attached hereto.

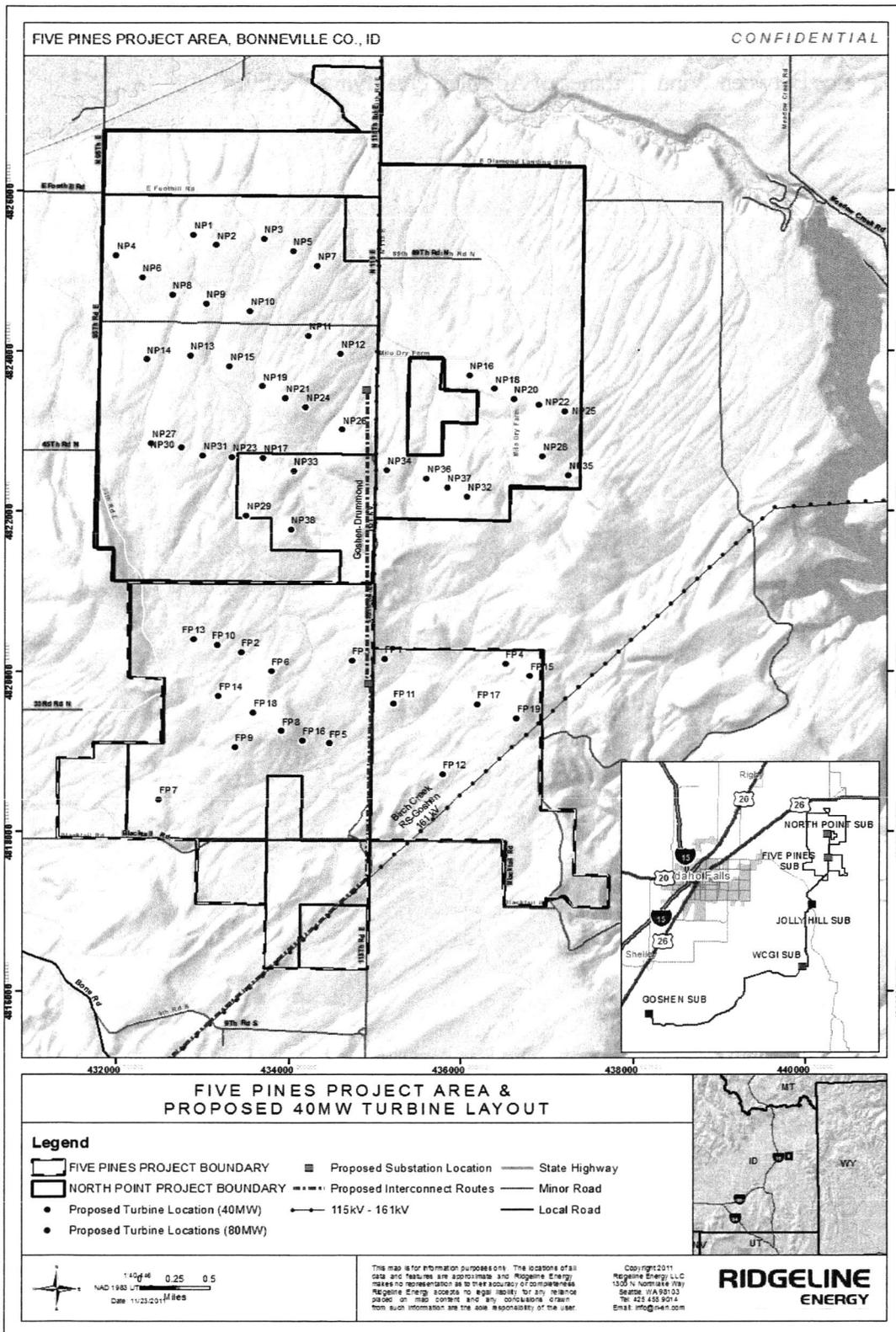
Power factor requirements:

Rated Power Factor (PF) or reactive load (WAR): 0.94 Leading to 0.94 Lagging

Seller has provided a copy of manufacturer's Power Curve for the Suzlon S97-2.1. PacifiCorp maintains the power curve in its files pursuant to a Non-Disclosure Agreement between PacifiCorp and Seller

EXHIBIT A - Attachments

1. Five Pine Wind Farm Site Map
2. Distance Between Wind Turbines of Adjacent Qualifying Facilities



The table below lists the distance between turbines in separate Qualifying Facilities.

FIVE PINES II/ NORTH POINT*		
Five Pine TURBINE #	North Point TURBINE #	DISTANCE (FT)
2	29	5620
3	29	7238
10	29	5558
13	29	5522
2	38	5350
3	38	5832
10	38	5467
13	38	5770
* Distances measured from two closest turbines in North Point project area to closest turbines in Five Pine project area.		

Five Pine

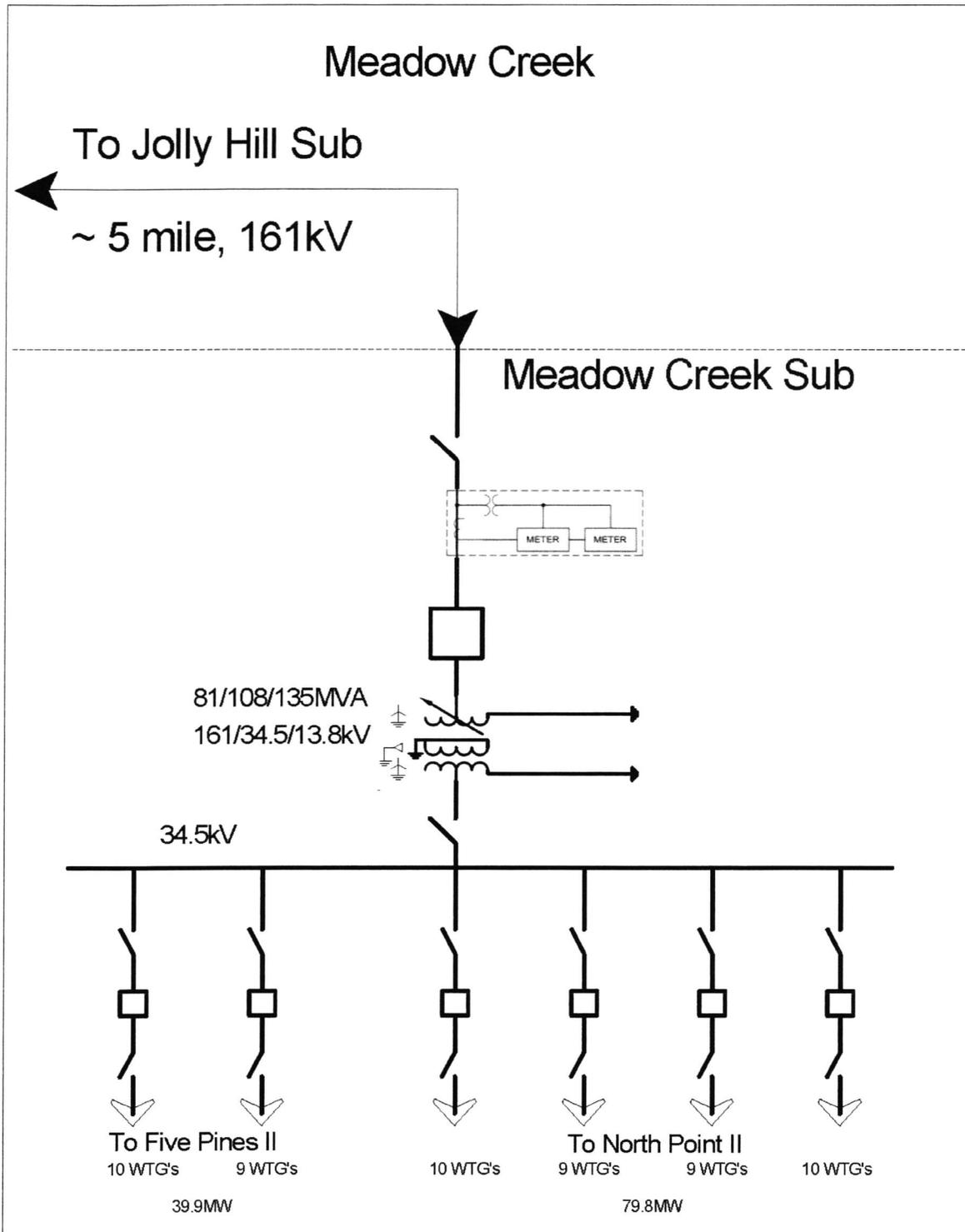
EXHIBIT B

POINT OF DELIVERY / PARTIES' INTERCONNECTION FACILITIES

[Seller has provided the following single line drawing of the Facility interconnection facilities including metering points used to calculate Net Output and any transmission facilities on Seller's side of the Point of Delivery.]

The Point of Delivery is the PacifiCorp 161kV bus at the Goshen substation. The Metering Point is the high side of the 34.5-161kV step up transformer at Meadow Creek substation. The meters will be compensated for losses to the Point of Delivery.

North Point and Five Pine will share the Meadow Creek 34.5kV-161kV collector substation. Each project will have 34.5kV breakers that will connect to a common 34.5kV bus. The bus will connect to a single 34.5-161kV Power Transformer, 161kV breaker, metering equipment, line disconnect switch and a 5 mile 161kV transmission line to the Jolly Hill Substation.



November 27, 2011

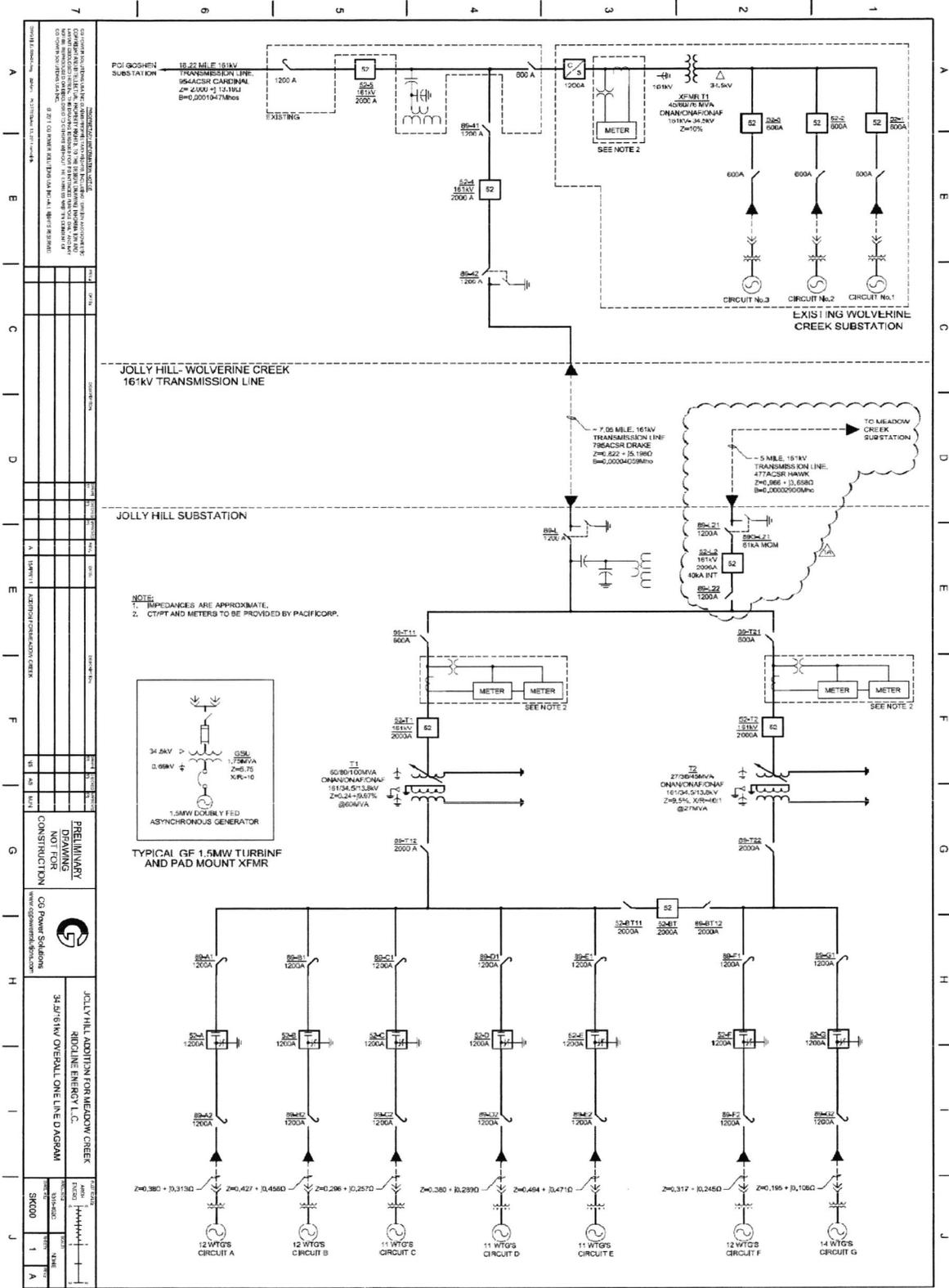


EXHIBIT C

REQUIRED FACILITY DOCUMENTS Qualifying Facility Number to be obtained from FERC

The following Documents are required prior to delivery of any output from the Facility:

Generation Interconnection Agreement

Agreement permitting Seller access to shared interconnection facilities

Property rights required to maintain and operate the Project in accordance with this Agreement (site leases, transmission easements, etc).

The following Permits are required on or before the milestone date specified in Section 2.2.1.

Federal Aviation Administration Determination of No Hazard Bonneville County

Special Use Permit Crossing agreements with parties other than PacifiCorp Transmission

EXHIBIT D

SUBSEQUENT ENERGY DELIVERY SCHEDULE

Five Pine Wind Project		
Scheduled Monthly Energy Delivery (kWh)		
		Ave kW/mo
January	9,881,887	13,247
February	8,191,635	12,170
March	11,360,594	15,282
April	9,085,733	12,608
May	10,185,738	13,686
June	8,069,166	11,212
July	7,384,339	9,935
August	8,155,779	10,933
September	7,590,732	10,574
October	8,615,123	11,611
November	10,166,694	14,125
December	10,324,201	13,885
TOTAL:	109,011,621	12,439

Planned Outages. Seller will provide a Planned Outage schedule annually not to exceed 150 hours per year.

D-1

EXHIBIT E

START-UP TESTING

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to:

1. Test of mechanical and electrical equipment;
2. Calibration of all monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Point-to-point continuity tests;
6. Bench tests of protective devices; and
7. Tests required by manufacturers) and designer(s) of equipment.

Required start-up tests are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PacifiCorp's electrical system, which may include but are not limited to:

1. Turbine/generator mechanical runs and functionality;
2. System operation tests;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Excitation and voltage regulation operation tests;
7. Auto stop/start sequence;
8. Completion of any state and federal environmental testing requirements; and
9. Tests required by manufacturer(s) and designer(s) of equipment.

For wind projects only, the following Wind Turbine Generator Installation Checklists are required documents to be signed off by Manufacturer or Subcontract Category Commissioning Personnel as part of the Commissioning and startup testing:

Turbine Installation

Foundation Inspection (by Owner's independent inspector)

Controller Assembly

Power Cables

Cable Installation Checklists including:

Controller
Top Deck / Yaw Deck Tower
Top Section / Saddle Mid
Section Cables or buss bars
Base Section
Tower Base Section
Tower Lights and Outlets
Tower Mid Section
Tower Top Section
Nacelle & Rotor

EXHIBIT F-1
MOTIVE FORCE PLAN
WIND SPEED DATA SUMMARIES & HOURLY WIND PROFILE

F1-1

Five Pines - Optimized Turbine Layout (Version I)
 Five Pines
 Turbine: Suzlon S97-2.1

		90 meters												
Average of Wind Speed (m/s)		Month												
Local Hour (GMT -8)		1	2	3	4	5	6	7	8	9	10	11	12	Grand Total
0		6.64	6.36	8.44	8.73	8.19	8.31	8.52	7.82	7.77	7.96	7.87	7.52	7.84
1		6.38	6.46	8.21	8.48	7.87	8.55	8.61	7.84	7.56	7.55	8.07	7.72	7.78
2		6.67	6.38	8.64	8.74	7.85	8.56	8.39	7.66	7.56	7.58	8.10	7.84	7.83
3		6.81	6.65	9.01	8.78	7.74	8.50	8.32	7.44	7.81	7.68	8.32	7.77	7.90
4		6.88	6.80	9.12	8.77	7.70	8.43	7.95	7.70	7.68	7.54	8.48	7.88	7.91
5		6.66	6.83	8.94	8.81	7.55	8.13	7.95	8.09	7.66	7.50	8.47	7.65	7.85
6		6.77	6.71	8.67	8.85	7.52	7.79	8.00	8.07	8.10	7.47	8.25	7.46	7.81
7		6.54	6.63	8.59	8.20	7.03	7.36	6.89	7.07	7.95	7.33	8.32	7.77	7.47
8		6.75	7.17	8.48	7.73	6.87	7.08	6.22	5.69	6.47	7.01	8.28	8.19	7.16
9		7.05	6.79	8.01	7.90	6.85	6.93	5.82	4.95	5.51	6.36	7.62	7.56	6.78
10		7.06	6.76	7.72	7.92	6.80	6.80	5.81	4.79	5.11	5.98	7.12	7.05	6.58
11		6.82	6.32	7.50	7.95	6.97	7.05	6.12	5.14	5.41	6.37	7.03	6.47	6.60
12		6.00	5.81	7.48	8.28	7.42	7.41	6.27	5.65	5.88	6.69	6.99	6.44	6.69
13		5.70	5.57	7.46	8.46	7.61	7.70	6.71	5.86	6.01	6.75	6.91	6.43	6.76
14		5.86	5.27	7.15	8.68	7.44	7.92	7.11	6.09	6.17	6.87	6.97	6.40	6.83
15		5.68	5.48	7.13	8.70	7.52	8.03	7.36	6.27	6.55	6.80	6.73	6.47	6.89
16		5.64	5.46	7.08	8.86	7.90	8.01	7.02	6.41	6.53	6.50	6.61	6.72	6.90
17		5.80	5.26	7.18	8.68	7.87	7.59	7.18	6.31	6.13	6.42	6.81	7.00	6.85
18		6.18	5.53	7.29	8.46	7.84	7.15	7.06	6.46	5.62	6.85	6.99	7.47	6.91
19		6.48	5.68	7.64	8.19	8.10	7.14	7.07	6.73	5.97	7.29	7.44	7.73	7.12
20		6.70	5.76	8.02	9.01	7.87	7.58	7.13	7.18	6.44	7.70	7.86	7.99	7.44
21		6.92	5.80	8.43	9.00	7.86	8.14	7.46	7.45	7.10	7.96	7.70	7.81	7.63
22		6.95	5.95	8.56	9.08	8.08	8.18	7.79	7.94	7.59	8.00	7.57	7.76	7.79
23		6.66	6.24	8.49	8.97	8.11	8.14	8.01	8.08	7.60	8.16	7.64	7.81	7.83
Grand Total		6.48	6.15	8.05	8.55	7.61	7.77	7.28	6.78	6.76	7.18	7.59	7.37	7.30

Five Pines - Optimized Turbine Layout (Version 1)

Five Pines

Turbine: Suzlon S97-2.1

90 meters

Local Hour (GMT-8)	Month												Grand Total
	1	2	3	4	5	6	7	8	9	10	11	12	
0	35.8%	32.6%	41.4%	35.7%	36.9%	37.1%	31.7%	34.8%	31.8%	35.1%	37.8%	37.7%	35.7%
1	34.4%	34.8%	42.2%	37.5%	35.5%	35.7%	29.6%	32.6%	31.0%	34.2%	37.9%	36.1%	35.1%
2	35.0%	32.6%	42.3%	35.7%	36.3%	31.9%	29.7%	33.0%	33.3%	33.0%	38.1%	36.0%	34.7%
3	35.0%	33.6%	40.2%	35.5%	38.0%	31.7%	28.1%	33.9%	30.8%	32.6%	37.6%	36.4%	34.4%
4	36.5%	33.9%	38.4%	35.0%	36.8%	31.0%	28.7%	33.1%	30.7%	32.0%	39.5%	37.4%	34.4%
5	35.5%	32.9%	37.3%	34.0%	33.1%	27.4%	25.9%	33.5%	32.6%	33.5%	39.6%	35.9%	33.4%
6	35.9%	33.4%	36.9%	29.2%	28.4%	22.0%	18.5%	26.1%	28.5%	33.2%	36.8%	36.4%	30.5%
7	35.2%	33.4%	35.8%	25.3%	26.0%	20.0%	14.4%	20.7%	20.4%	27.5%	36.6%	37.9%	27.8%
8	34.7%	35.3%	33.4%	26.5%	25.9%	18.1%	11.8%	16.6%	17.6%	23.7%	35.2%	37.6%	26.4%
9	35.4%	33.3%	34.9%	25.8%	25.6%	17.1%	12.0%	14.2%	16.0%	21.7%	32.3%	35.2%	25.3%
10	34.9%	29.4%	35.0%	27.9%	29.7%	18.8%	14.6%	15.9%	17.1%	21.3%	29.7%	32.7%	25.6%
11	31.7%	28.5%	35.9%	27.5%	33.4%	22.1%	16.3%	18.5%	19.7%	22.0%	30.3%	30.6%	26.4%
12	27.6%	26.7%	35.8%	27.7%	35.5%	23.6%	19.9%	21.2%	21.4%	23.5%	30.8%	29.0%	26.9%
13	28.6%	22.7%	35.1%	29.3%	35.7%	25.4%	23.3%	23.6%	22.8%	24.4%	29.8%	29.4%	27.5%
14	29.0%	23.3%	36.3%	29.5%	35.8%	26.6%	25.6%	26.1%	24.1%	24.5%	30.9%	28.9%	28.4%
15	28.8%	25.6%	36.7%	29.4%	38.1%	27.7%	26.0%	27.0%	24.2%	23.4%	29.7%	31.6%	29.0%
16	30.1%	27.2%	37.9%	29.6%	37.4%	27.7%	28.1%	27.5%	21.5%	24.0%	31.0%	33.7%	29.7%
17	30.7%	26.3%	37.5%	28.7%	35.7%	28.9%	26.0%	26.6%	21.5%	26.8%	34.9%	35.2%	29.9%
18	30.0%	26.6%	37.8%	30.3%	35.0%	28.6%	26.6%	26.4%	27.4%	29.3%	37.7%	35.2%	30.9%
19	30.7%	29.6%	37.3%	34.0%	35.5%	32.5%	30.1%	29.7%	30.3%	31.7%	39.4%	35.5%	33.0%
20	34.3%	32.9%	41.3%	35.9%	37.0%	34.8%	30.9%	32.8%	33.1%	34.6%	39.3%	36.4%	35.3%
21	35.6%	31.0%	43.8%	37.8%	37.6%	33.9%	31.7%	34.4%	33.8%	35.0%	38.5%	35.5%	35.7%
22	37.6%	32.8%	43.4%	36.3%	36.9%	34.9%	33.3%	35.8%	32.9%	35.4%	37.6%	37.2%	36.2%
23	34.8%	34.6%	41.8%	35.1%	36.8%	35.8%	33.8%	35.0%	32.9%	35.4%	38.6%	37.4%	36.0%
Grand Total	33.2%	30.5%	38.3%	31.6%	34.3%	28.1%	24.9%	27.4%	26.5%	29.1%	35.4%	34.8%	31.2%

Exhibit F 2

deleted

EXHIBIT G**SAMPLE ENERGY PURCHASE PRICE CALCULATIONS**

The following are samples of calculations of energy purchase prices using the formula and tables in Section 5.1.

The calculation for the non-levelized purchase price during an On-Peak Hour in May of 2012 equals \$60.24/MWh (the 2012 annual rate for Conforming Energy) multiplied by 92% (0.92) (the May On-Peak Hour multiplier) minus \$6.50/MWh (the wind integration cost), which equals \$48.92/MWh.

Table 1: Sample calculations for non-levelized On-Peak Conforming Energy in 2012: Purchase Price = (annual rate * monthly On-Peak multiplier) - wind integration cost.

Month	Conforming Energy Annual Rate for 2012 (per MWh)	On-Peak Hour Multiplier	Wind Integration Cost	Calculated Purchase Price for 2012 On-Peak Conforming Energy (per MWh)
January	\$60.24	103%	\$6.50	\$55.55
February	\$60.24	105%	\$6.50	\$56.75
March	\$60.24	95%	\$6.50	\$50.73
April	\$60.24	95%	\$6.50	\$50.73
May	\$60.24	92%	\$6.50	\$48.92
June	\$60.24	94%	\$6.50	\$50.13
July	\$60.24	121%	\$6.50	\$66.39
August	\$60.24	121%	\$6.50	\$66.39
September	\$60.24	109%	\$6.50	\$59.16
October	\$60.24	115%	\$6.50	\$62.78
November	\$60.24	110%	\$6.50	\$59.76
December	\$60.24	129%	\$6.50	\$71.21

Table 2: Sample calculations for non-levelized Off-Peak Conforming Energy in 2012: Purchase Price = (annual rate * monthly Off-Peak multiplier) - wind integration cost.

Month	Conforming Energy Annual Rate for 2012 (per MWh)	Off-Peak Hour Multiplier	Wind Integration Cost	Calculated Purchase Price for 2012 Off-Peak Conforming Energy (per MWh)
January	\$60.24	94%	\$6.50	\$50.13
February	\$60.24	97%	\$6.50	\$51.93
March	\$60.24	80%	\$6.50	\$41.69

Month	Conforming Energy Annual Rate for 2012 (per MWh)	Off-Peak Hour Multiplier	Wind Integration Cost	Calculated Purchase Price for 2012 Off-Peak Conforming Energy (per MWh)
April	\$60.24	76%	\$6.50	\$39.28
May	\$60.24	63%	\$6.50	\$31.45
June	\$60.24	65%	\$6.50	\$32.66
July	\$60.24	92%	\$6.50	\$48.92
August	\$60.24	106%	\$6.50	\$57.35
September	\$60.24	99%	\$6.50	\$53.14
October	\$60.24	105%	\$6.50	\$56.75
November	\$60.24	96%	\$6.50	\$51.33
December	\$60.24	120%	\$6.50	\$65.79

EXHIBIT H

Seller Authorization to Release Generation Data to PacifiCorp

Ridgeline Energy LLC
1300 N Northlake Way
Seattle, WA 98103

Director, Transmission Services
PacifiCorp
825 NE Multnomah, Suite 1600
Portland, OR 97232

29 November, 2011

To Whom it May Concern:

Ridgeline Energy LLC, on behalf of Meadow Creek Project, ("Seller") hereby voluntarily authorizes PacifiCorp's Transmission business unit to share Seller's interconnection information with Marketing Affiliate employees of PacifiCorp Energy, including but not limited to those in the Commercial and Trading group. Seller acknowledges that PacifiCorp did not provide it any preferences, either operational or rate-related, in exchange for this voluntary consent.



Joan Hutchinson
SVP
Ridgeline Energy LLC

ADDENDUM L

To be Revised

STATION LOAD, LOSSES, and NET OUTPUT ALLOCATION ALGORITHM FOR THE CEDAR CREEK WIND, LLC PROJECTS

This Addendum L is hereby made a part of, and clarifies certain terms in, the *Power Purchase Agreement between Cedar Creek Wind, LLC relating to FIVE PINE, and PacifiCorp* ("Agreement") entered into the 22nd day of December, 2010. Capitalized terms not defined herein shall have the meaning set forth in the Agreement. Cedar Creek Wind, LLC ("Seller") and PacifiCorp are at times referred to herein individually as a "Party" or collectively as the "Parties".

Cedar Creek Wind, LLC shall own a complex of five (namely, Coyote Hill, Five Pine, Steep Ridge, North Point, and Rattlesnake Canyon) separate, Idaho small wind Qualifying Facilities (each, a "Cedar Creek Project" and collectively, the "Cedar Creek Projects") that share collector wires, a 34.5/345 kV substation (Cedar Creek Substation), and related equipment, which connect the Qualifying Facilities to the Point of Delivery ("Shared Interconnection Facilities").

PacifiCorp has agreed to buy (and Seller has agreed to sell), at the Point of Delivery, Seller's total energy output net of: (1) Seller's station service; (2) energy provided by Seller to another Cedar Creek Project for station service; (3) Seller's share of the transformation losses; and (4) Seller's share of the line losses between Seller's Facility and the Point of Delivery (together Seller's "Station Auxiliary Load and Losses"). However, Seller and PacifiCorp agree that it is impossible to measure Seller's Station Auxiliary Load and Losses separate and apart from the Station Auxiliary Load and Losses of the other Cedar Creek Projects. Therefore, in order to implement an objective, practicable, and equitable process by which PacifiCorp may quantify energy delivered by Seller to the Point of Delivery (net of its Station Auxiliary Load and Losses), the Parties do agree as follows:

A. Billing Formulae. PacifiCorp shall determine Seller's Net Output in kWh for purposes of the Agreement using the method specified below.

1. Definitions

NR_j = the nameplate rating (a/k/a Facility Capacity Rating) of Cedar Creek Project i.

NRT = the sum of all the nameplate ratings of Cedar Creek Projects (i = 1 to 5).

PALLT = the accumulated purchased energy from Utility Supplier, as determined at the Point of Delivery, to supply the net total station auxiliary load and losses for the Shared Interconnection Facilities for Cedar Creek Projects i = 1 to 5 whenever such total load and losses exceeds total generation output.

PALL_i; = the allocated share of PALLT for Project i as determined by multiplying PALL_r by NR_j and dividing by NRT.

OP_i; = for a given integration interval, the metered output energy of Cedar Creek Project i, as determined by PacifiCorp's meter at the point where Cedar Creek Project i connects to the Shared Interconnection Facilities. For any integration interval during which any energy is delivered to a Project from the Shared Interconnection Facilities, such delivered energy is accumulated in a separate meter register and does not decrement the register used to measure accumulated OP_j. Therefore OP_j is by definition always greater than or equal to zero, and in the event the meter records OP_j less than zero, OP_i shall be deemed to equal zero.

OP_T = the sum of all OP_j (i = 1 to 5).

NO_T = for a given integration interval, the total energy delivered to the Point of Delivery (345 kV bus at Goshen Substation). NOT shall be as measured at PacifiCorp's meter near the Point of Delivery (kWh, in 10-minute intervals), adjusted for any transformation losses between the meter and the Point of Delivery. For any integration interval during which any energy is delivered to the Point of Delivery from PacifiCorp's system, such delivered energy is accumulated in a separate meter register of the PacifiCorp meter and does not decrement the register used to measure accumulated Net Output energy. Therefore NOT is by definition always greater than or equal to zero and in the event the meter records NO_r less than zero, NOT shall be deemed to equal zero.

NO_i the net energy sold to PacifiCorp by Cedar Creek Project i during the integration interval.

SALLT = the total of all station auxiliary load and losses for the Shared Interconnection Facilities for Cedar Creek Projects (i = 1 to 5) when NOT is positive.

SALL_j = the allocated share for Cedar Creek Project i of SALLT.

2. Calculations

Calculations shall be reconciled and settled monthly. Calculations shall be based upon raw data gathered from specified meters using a metering integration interval of S, 10, or IS minutes at PacifiCorp's election to match the metering installation PacifiCorp specified ("**integration interval**"). Calculations shall be rounded to the nearest kilowatt-hour in the final step.

fa). When Total Generation Output <= Station Auxiliary Load and Losses

When, for any integration interval, the total of all OP_j Project output amounts of energy among all Cedar Creek Projects (OPT) is less than or equal to the total station auxiliary load and losses for the Shared Interconnection Facilities, the meters at the Point of Delivery will accumulate the Utility Supplier's delivery of purchased energy, PALLT, to supply such net total load and losses in a meter register that is separate from that which accumulates NOT and NOT shall equal zero or if negative, be deemed to equal zero. The "**Utility Supplier**" shall be the utility providing retail electric service at the Facility (Rocky Mountain Power). PacifiCorp shall have no obligation to serve any of the Cedar Creek Projects' retail electric needs absent a separate written agreement

with PacifiCorp and then only with the permission of Seller's Utility Supplier. None of the costs associated with provision of retail electric service to Seller shall be borne by PacifiCorp.

(b). When Total Generation Output > Station Auxiliary Load **and** Losses

When, for any integration interval, the total generation of energy among all Cedar Creek Projects is greater than the total station auxiliary load and losses for the Shared Interconnection Facilities, the meters at the Point of Delivery will accumulate in a separate register PacifiCorp's receipt of the total combined energy from all the Projects (NOT). The difference between OPT and NOT for that interval (SALL_r) is allocated to each Cedar Creek Project in proportion to its generation output (OP_j) in the same integration interval to determine NO_j by the formulae:

Let $SALL_r = [OP_T - NO_T]$ and

$$SALL_i = [SALL_r] * [OP_i / OP_T]$$

The Net Output energy sold by each Project i is then determined as:

$$NO_j = [OP_j - SALL_i] \text{ and substituting for } SALL_i;$$

$$NO_j = NO_T * [OP_i / OP_T]$$

B. Limitation of PacifiCorp Purchase Liability. PacifiCorp's total purchase obligation to the Cedar Creek Projects shall at no time exceed total energy delivered by the Cedar Creek Projects to the Point of Delivery. Therefore, in the event the sum of the Net Output energy (calculated according to the preceding formulae) for all the Cedar Creek Projects is greater than NOT, then PacifiCorp shall reduce calculated Net Output energy from each Cedar Creek Project, pro rata each Cedar Creek Project's share of the OPT, such that the total energy purchased from all the Cedar Creek Projects at the Point of Delivery by PacifiCorp equals NO_r.

C. PacifiCorp Right to Offset. In the event PacifiCorp determines it has underpaid one or more Cedar Creek Projects (due to metering error or otherwise) and, as a result of underpaying one or more Cedar Creek Projects, has overpaid Seller, PacifiCorp may adjust Seller's future payment(s) accordingly in order to recapture any overpayment received by Seller in a reasonable time.

D. Condition Subsequent. This Addendum L was negotiated jointly among the Cedar Creek Projects and PacifiCorp and is intended by all of the Cedar Creek Projects and PacifiCorp to be one of five identical bilateral agreements, each between PacifiCorp and a Cedar Creek Project, but each related to the other. Therefore, in the event one or more Cedar Creek Projects does not agree to be bound by the terms and conditions set forth in this Addendum L, PacifiCorp may, upon thirty days written notice, cancel all Addendum L agreements. In the event PacifiCorp cancels this Addendum L in accordance with this Section D, PacifiCorp may satisfy its obligation to pay Seller by depositing when due, with an escrow agent chosen by the Cedar Creek Projects, the total payment due to all Cedar Creek Projects under their respective Power Purchase Agreements, less offsets (if any) calculated based upon NOT and the Contract Price.

[END]