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IDAHO PUBLIC UTILITIES COMMISSION

DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

May 16, 2014

VIA HAND DELIVERY

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

Re: Case No. IPC-E-14-09
Suspend Obligation to Purchase Energy Generated by Solar-Powered
Qualifying Facilities – Idaho Power Company's Motion

Dear Ms. Jewell:

Enclosed for filing in the above matter please find an original and seven (7) copies of Idaho Power Company's Motion for Determination Regarding Legally Enforceable Obligations.

Very truly yours,

Donovan E. Walker

DEW:csb
Enclosures

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

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IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S PETITION TO) CASE NO. IPC-E-14-09
TEMPORARILY SUSPEND ITS PURPA)
OBLIGATION TO PURCHASE ENERGY) IDAHO POWER COMPANY'S
GENERATED BY SOLAR-POWERED) MOTION FOR DETERMINATION
QUALIFYING FACILITIES ("QF").) REGARDING LEGALLY
) ENFORCEABLE OBLIGATIONS
)
)

I. MOTION

Idaho Power Company ("Idaho Power" or "Company"), pursuant to RP 53, 56, and 256, hereby respectfully moves the Idaho Public Utilities Commission ("Commission") for a determination as to whether a legally enforceable obligation exists, which does not contain a solar integration charge, as to: Grand View PV Solar Two, LLC; Grand View PV Solar Three, LLC; Grand View PV Solar Four, LLC; Grand View PV Solar Five, LLC; and Grand View PV Solar Five A, LLC. (Hereinafter referred to

individually as “Grand View Two,” “Grand View Three,” “Grand View Four,” “Grand View Five,” and “Grand View Five A,” and collectively as “Projects” or “Grand View Projects”).

II. BASIS

RP 56.02 requires motions to “Refer to the particular provisions of statute, rule, order, notice, or other controlling law upon which they are based.” This Motion is based upon: the filings and record of Case No. IPC-E-14-09; 16 U.S.C. § 824a-3; 18 C.F.R. §§ 292.101, 292.301, 292.304, and 292.602; *Idaho Code* §§ 61-502, 61-503; *Idaho Power Co., v. Idaho Public Utilities Comm’n.*, 155 Idaho 780, 316 P.3d 1278 (“*Grouse Creek*”) and the authority cited by the Court contained therein; as well as the argument and further citation contained in this Motion.

III. FACTS

The Commission previously determined that Grand View Two was not entitled to a contractual provision requiring Idaho Power to disclaim any ownership in the Renewable Energy Credits/Certificates (“RECs”) associated with its Public Utility Regulatory Policies Act of 1978 (“PURPA”) Qualifying Facility (“QF”) solar project. Order No. 32974, p. 29, Case No. IPC-E-11-15. The Commission also determined that Grand View Two was not entitled to a legally enforceable obligation to previously effective avoided cost rates from March and August of 2011. *Id.*, pp. 1, 29. Grand View Two, Three, and Four had previously filed Complaints with the Commission alleging entitlement to legally enforceable obligations among other various allegations. Case Nos. IPC-E-11-15 and IPC-E-12-01. Grand View Five had requested indicative pricing and draft agreements, which were provided to the project by Idaho Power in August and September of 2013. September 3, 2013, e-mail from Michael Darrington attached hereto in Attachment 1 and incorporated herein by this reference.

On April 9, 2014, Idaho Power was contacted by counsel for the Grand View Projects regarding indicative avoided cost pricing for a solar project located in Elmore County called Black Sands Solar. April 9, 2014, e-mail from Peter Richardson attached hereto in Attachment 2 and incorporated herein by this reference. On April 24, 2014, after receiving the required information and hourly, one-year generation profile from Black Sands Solar, Idaho Power provided the results of the project's specific incremental cost Integrated Resource Plan ("IRP") methodology indicative avoided cost prices. April 24, 2014, e-mail from Michael Darrington attached hereto in Attachment 3 and incorporated herein by this reference. On April 25, 2014, Black Sands Solar requested a draft contract. April 25, 2014, e-mail from Peter Richardson attached hereto in Attachment 4 and incorporated herein by this reference. On May 6, 2014, Idaho Power provided a draft purchase agreement for discussion purposes only to Black Sands Solar. May 6, 2014, e-mail from Michael Darrington attached hereto in Attachment 5 and incorporated herein by this reference. On May 6, 2014, Black Sands Solar indicated it had questions about the meaning of paragraph 7.4 of the discussion draft and desired an example calculation of the effects of the provisions indicated in this paragraph. May 6, 2014, e-mail from Peter Richardson attached hereto in Attachment 6 and incorporated herein by this reference. On May 8, 2014, Idaho Power's counsel informed Black Sands Solar's counsel that Idaho Power's PURPA contract administrator was out of the office for the week, was expected back by Monday (May 12), and that counsel needed to consult with his client prior to answering his question and providing an example, but that the Company would answer his question on Monday or Tuesday. May 8, 2014, e-mail from Donovan Walker attached hereto in Attachment 6 and incorporated herein by this reference. On Saturday, May 10, 2014, Black Sands Solar

notified Idaho Power, "Never mind Donovan. We figured out what we needed to know and have no further questions. -Pete." May 10, 2014, e-mail from Peter Richardson attached hereto in Attachment 6 and incorporated herein by this reference. On Monday, May 12, 2014, Idaho Power answered Black Sands Solar's question and offered to meet to provide the requested example calculation. May 12, 2014, e-mail from Donovan Walker attached hereto in Attachment 6 and incorporated herein by this reference. Black Sands Solar replied that same day, "Thanks, Donovan for the offer to meet, but we have all the information we need. -Pete." May 12, 2014, e-mail from Peter Richardson attached hereto in Attachment 6 and incorporated herein by this reference.

On Monday, May 12, 2004, at 3:00 p.m., Idaho Power sent e-mail correspondence along with an updated and superseding draft contract containing provisions for a solar integration charge to counsel for Black Sands Solar. May 12, 2014, e-mail from Donovan Walker attached hereto in Attachment 5 and incorporated herein by this reference. Just minutes later, at approximately 3:05 p.m., Idaho Power took delivery of a duplicated draft contract, duplicated from a previously provided contract for Black Sands Solar, for the five proposed Grand View Projects at 20 megawatts each, signed by the QFs purporting to be legally enforceable obligations binding customers. Cover letter and contract received from each Grand View QF project attached hereto in Attachment 7 and incorporated herein by this reference.

On Tuesday, May 13, 2014, Idaho Power filed a petition with the Commission to temporarily suspend its obligation to enter into contracts/obligations to purchase energy generated by solar QFs until such time as the Company's on-going solar integration study can be completed. Idaho Power Petition, Case No. IPC-E-14-09. Alternatively,

Idaho Power asked the Commission to determine that any solar PURPA contracts or obligations entered into with Idaho Power shall contain an appropriate solar integration charge. *Id.*

On Wednesday, May 14, 2014, counsel for the Grand View Projects sent a letter to Idaho Power stating, "I write to inquire as to Idaho Power's intentions with regard to the Grand View contracts tendered to you yesterday." May 14, 2014, letter from Peter Richardson attached hereto in Attachment 8 and incorporated herein by this reference. That letter also demands that Idaho Power execute the contracts and file them with the Commission "as soon as possible," miss-stating the proper and "usual" procedure for negotiating, executing, and submitting proposed PURPA transactions for approval or rejection with the Commission. *Id.*

On Friday, May 16, 2014, Idaho Power responded to the Grand View Projects' May 11 and May 14 letters, refuting the Projects' claims to legally enforceable obligations, and offering to provide current indicative avoided cost prices and draft agreements upon the Projects' request and provision of required information necessary to run the individualized pricing model. May 16, 2014, letter from Donovan Walker attached hereto in Attachment 9 and incorporated herein by this reference. Also on May 16, 2014, Idaho Power filed this Motion with the Commission for a determination as to whether a legally enforceable obligation exists, which does not contain a solar integration charge, as to the Grand View Projects.

The Grand View Projects, while the Petition filed by Idaho Power in this case was being drafted, took an outdated draft contract from a different solar QF project, reproduced it five times, and signed the non-final, non-agreed to, and superseded document and delivered it to Idaho Power on May 12, 2014. Attachments 5, 7. Along

with its submission, these five QFs included a cover letter purporting to establish legally enforceable obligations by such actions. Attachment 7.

IV. DISCUSSION

The Grand View Projects have not established a legally enforceable obligation with Idaho Power. The Projects do not have a signed contract with Idaho Power. Idaho Power has not refused to negotiate or to contract with the Projects.

The Idaho Supreme Court has recently issued an opinion in which it has examined and reaffirmed the Commission's authority and process for establishing a legally enforceable obligation as proper and consistent with both state and federal law. *Idaho Power Co., v. Idaho Public Utilities Comm'n.*, 155 Idaho 780, 316 P.3d 1278 ("Grouse Creek"). The Idaho Supreme Court affirmed that, "IPUC has authority under state and federal law, to require that before a developer can lock in a certain rate, there must be either a signed contract to sell at that rate or a meritorious complaint alleging that the project is mature and that the developer has attempted and failed to negotiate a contract with the utility; that is, there would be a contract but for the conduct of the utility." *Id.*, 316 P.3d at 1285 (emphasis added)(quoting *Rosebud Enterprises, Inc. v. Idaho Public Utilities Comm'n*, 131 Idaho 1, 6, 951 P.2d 521, 526 (1997)). The Grand View Projects do not have a signed contract with the utility and have not established that Idaho Power will not negotiate with them, nor have they shown that Idaho Power has refused to purchase or contract.

If a QF project feels that the utility is refusing to contract for the purchase of its generation, then it may seek a legally enforceable obligation determination from the Commission to bind the utility and its customers to the purchase, even in the absence of a contract. The Grand View Projects' misinterpretation of this concept and procedure is

evident in their letters from each proposed project, which they hold out as establishing legally enforceable obligations. Such a procedure, and such a concept as a legally enforceable obligation, exists to prevent a situation where the utility refuses to purchase from the QF. *Grouse Creek*, 316 P.3d at 1280, 1285. It does not exist so that the QF can pick and choose what contractual terms, conditions, and rates it unilaterally wishes to impose on the utility and its customers. Those items, most particularly the rates, are determined by the Commission, not by the QF, and not by the utility. PURPA requires that the utility purchase. The Commission determines the terms and conditions of the purchase and the appropriate price.

The Projects' subterfuge of initiating their inquiry for current rates and a current draft agreement with which to negotiate a PURPA power sales agreement by utilizing a phantom project, Black Sands Solar, and then turning around and submitting Black Sands Solar's outdated, superseded, non-final, and non-agreed to discussion draft on behalf of Grand View Two, Three, Four, Five, and Five A, and demanding and claiming that they have thereby established legally enforceable obligations for these entities is entirely misplaced. It does not comport with PURPA or with Idaho law. In fact, the Projects' representations in both their May 11 and May 14 letters are not correct statements of the current state of the law in Idaho regarding legally enforceable obligations and the process affirmed by the Idaho Supreme Court by which the Commission establishes if, when, and how a legally enforceable obligation is incurred.

Because the proposed Projects are solar projects over 100 kilowatts ("kW") they are not eligible for standard, or published, avoided cost rates. The projects are entitled to negotiated avoided cost rates, and a negotiated contract. There is not a standard form contract in the state of Idaho. The process that has been followed for many years

and many proposed projects, and that the Projects are very aware of, is that a draft agreement, for discussion and negotiation purposes, is initially forwarded to a project by Idaho Power at the project's request. Once the project has provided all of the required, project specific information for the contract, and both parties are in agreement as to the terms and conditions contained therein, the Company drafts a final and agreed to execution draft of the agreement for both parties' signatures. Once both parties have executed the agreement, Idaho Power files the agreement with the Commission for its independent review and approval or rejection. Such agreements are of no force and effect unless and until approved by the Commission.

In order to calculate initial indicative avoided cost rates, which are the presumptive rates which are the starting point for any negotiated rate, the project must submit one year's worth of hourly generation data for that particular project—the project's generation profile. Also required is the proposed project's maximum nameplate generation capacity, estimated on-line date, annual average capacity factor, location, designated name for each project, and the requested contract term. Once this information is received and complete from the project, Idaho Power can run the incremental cost IRP pricing methodology to arrive at an indicative pricing stream for the proposed term of the contract, expressed in monthly heavy load and light load prices.

The Grand View Projects did not request rates or contracts for their proposed projects. The Projects never initiated the required negotiated rate and contract process required of solar QF over 100 kW. Idaho Power did not refuse to negotiate or contract with the Projects because the Projects never initiated the process with Idaho Power. Idaho Power's e-mail communication to the Projects' counsel regarding Black Sands Solar on May 12, 2014, at 3:00 p.m. specifically provided a superseding draft contract to

the Black Sands Solar draft contract. The superseding draft contract included provisions providing for a solar integration charge for the parties' continued discussion and negotiation. Attachment 5. Idaho Power's separate e-mail communication to the Projects' counsel regarding Grand View Five on May 12, 2014, at 3:00 p.m. specifically stated that the previous two draft agreements and indicative pricing runs were outdated with the acceptance by the Commission of the 2013 IRP and informed Grand View Five that if it wished to continue to pursue the project that new pricing and new contract terms and conditions could be provided at its request. Attachment 1. These communications were sent to the Projects' counsel prior to receiving the Projects' submission on behalf of Grand View Two, Three, Four, Five, and Five A, at approximately 3:05 p.m. on May 12, 2014.

Idaho Power had not heard from anyone regarding Grand View Two since before the Commission's final determination in Case No. IPC-E-11-15 on January 31, 2014, that the project was not entitled to its previously claimed legally enforceable obligation, nor entitled to ownership of all the RECs. It has been well over a year or more since Idaho Power had any communication whatsoever with Grand View Three and Four with regard to rates and a draft contract. The last information provided to Idaho Power with regard to Grand View Five A was that the project would be pursuing a PURPA QF off-system sale to Northwestern, not to Idaho Power. This is confirmed by the project's interconnection application which designates the project as an energy resource (ER) and not a network resource (NR). The Grand View Projects made no attempt to negotiate current purchase agreements for these projects. The Projects instead undertook a ruse involving Black Sands Solar, and the attempted "surprise" delivery of non-agreed to, superseded, draft documents signed only by the QF project with a claim

of a legally enforceable obligation. However, Idaho Power has not refused to negotiate and has not refused to contract. Therefore, under Idaho law, the Projects have not established a legally enforceable obligation. *Grouse Creek*, 316 P.3d, p. 1285.

V. PRAYER FOR RELIEF

WHEREFORE, Idaho Power respectfully requests that the Commission issue an order:

1. That Grand View PV Solar Two, LLC; Grand View PV Solar Three, LLC; Grand View PV Solar Four, LLC; Grand View PV Solar Five, LLC; and Grand View PV Solar Five A, LLC, have not established legally enforceable obligations binding Idaho Power and its customers to the purchase of generation from their proposed PURPA solar facilities; and

2. That any solar PURPA contracts or obligations entered into between Grand View PV Solar Two, LLC; Grand View PV Solar Three, LLC; Grand View PV Solar Four, LLC; Grand View PV Solar Five, LLC; and Grand View PV Solar Five A, LLC, and with Idaho Power shall contain an appropriate solar integration charge.

Respectfully submitted this 16th day of May 2014.



DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 16th day of May 2014 I served a true and correct copy of IDAHO POWER COMPANY'S MOTION FOR DETERMINATION REGARDING LEGALLY ENFORCEABLE OBLIGATIONS upon the following named parties by the method indicated below, and addressed to the following:

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

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

Peter J. Richardson
RICHARDSON ADAMS, PLLC
515 North 27th Street (83702)
P.O. Box 7218
Boise, Idaho 83707

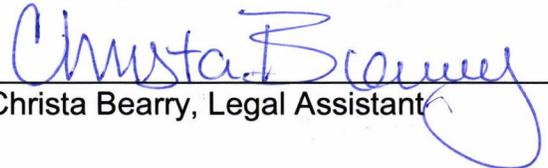
Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email peter@richardsonadams.com

Robert Paul
515 North 27th Street
Boise, Idaho 83702

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email robertapaul8@gmail.com

Mark VanGulick
P.O. Box 7354
Boise, Idaho 83707

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email mvangulick@sunergyworld.com


Christa Bearry, Legal Assistant



**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 1

Walker, Donovan

From: Walker, Donovan
Sent: Monday, May 12, 2014 3:00 PM
To: 'Robert Paul'; Peter Richardson
Cc: Allphin, Randy; Hilton, Julia; Darrington, Michael
Subject: RE: Grandview PV Solar V

Peter,

Idaho Power had previously sent you pricing and draft contracts for discussion/negotiation in August, and again in September of 2013. Those prices are outdated, as they were based upon 2011 IRP inputs. Pursuant to the applicable Commission Orders, now that the 2013 IRP has been accepted by the Commission, new pricing is applicable to this project. Additionally, the previous draft contracts do not contain current terms and conditions and are thus hereby revoked.

Because the previously provided pricing and draft contracts are no longer valid, if you wish to pursue a power sales agreement with Idaho Power for this project we will need to calculate new avoided cost rates, to be used as the starting point for the applicable negotiated rate, and we will need to send a new draft contract with updated terms and conditions. Please advise if you wish to receive current pricing and a draft contract.

Thanks,

Donovan E. Walker

LEAD COUNSEL

Idaho Power | Legal
208-388-5317

From: Darrington, Michael
Sent: Tuesday, September 03, 2013 9:59 AM
To: 'Robert Paul'; Peter Richardson
Cc: Allphin, Randy; Walker, Donovan; Hilton, Julia
Subject: Grandview PV Solar V

Robert,

In response to your request for additional information relating to the price calculations for the proposed Grandview PV Solar V project, please find attached a document titled 'Idaho Power Incremental Cost IRP Methodology and Exhibits.pdf'. Exhibits 6,7, and 8 contain confidential Idaho Power information and should not be used or shared without Idaho Power's consent.

An updated draft Energy Sales Agreement applicable to your proposed Grandview PV Solar V project is also attached. Please see the updated pricing in Appendix E. The prices have been updated to reflect the avoided cost of total capital fixed O & M and to reflect the timing of the capacity deficiencies as identified in the 2011 IRP. Please replace the draft agreement sent to you on August 14, 2013 with this document. This is a draft agreement for discussion purposes only. Only after both parties have agreed to all terms and conditions and an executed agreement has been approved by the IPUC shall a binding commitment exist between the parties.

Please contact Randy or myself with any questions.

Thank you,

--

Michael Darrington

SR ENERGY CONTRACTS COORDINATOR

Idaho Power | Power Supply

Work 208-388-5946

Email mdarrington@idahopower.com

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 2

Walker, Donovan

From: Peter Richardson [peter@richardsonadams.com]
Sent: Thursday, April 10, 2014 2:55 PM
To: Allphin, Randy; Walker, Donovan; Darrington, Michael
Subject: Avoided Cost Run
Attachments: PURPA Project Generation Form - Black Sands Solar.xls

Here are the answers to your questions:

Name of Project: Black Sands Solar
Estimated On Line Date: January 2015
AC Nameplate Rating: 20 MW
Annual Average Capacity Factor: See Attached
Location: Elmore County
Fill in attached IPCo hourly excel spread sheet: See Attached.

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

Walker, Donovan

From: Allphin, Randy
Sent: Thursday, April 10, 2014 1:23 PM
To: 'Peter Richardson'
Cc: Walker, Donovan; Darrington, Michael
Subject: RE: PURPA Rates
Attachments: PURPA Project Generation Form.xls

Peter,

I believe the commission order you are referencing is commission order 33016. This order provided guidance on the deficiency period to be used in the SAR avoided cost methodology. As your proposed project appears to be larger than 100 kW, this SAR avoided cost model is not applicable to your proposed project.

Indicative pricing for your proposed project (solar greater than 100 kW) will be prepared using the commission approved Incremental Cost IRP avoided cost methodology. Using the 2013 acknowledged IRP as a starting point and including the IPUC approved procedure of updating the natural gas forecast prices, load forecast and inclusion of the new and terminated purchase power agreements results in this model including a capacity component in the total avoided cost beginning in 2014, which is very similar results to what commission order 33016 established for the SAR model.

In order for Idaho Power to initiate this pricing model for your proposed project please send us the following information.

- Name of Project
- Estimated online date
- AC Nameplate rating
- Annual average capacity factor
- Location
- Fill in the attached IPCo hourly excel spread sheet

Randy

From: Peter Richardson [<mailto:peter@richardsonadams.com>]
Sent: Wednesday, April 09, 2014 12:16 PM
To: Walker, Donovan; Allphin, Randy
Subject: PURPA Rates

Randy, would you please run the avoided cost numbers for this proposed solar project? We would like a twenty year non-levelized look based on yesterday's avoided cost order from the Commission. Let me know if you have any questions. –Thanks Pete

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 3

Walker, Donovan

From: Darrington, Michael
Sent: Thursday, April 24, 2014 11:29 AM
To: Peter Richardson
Cc: Allphin, Randy; Walker, Donovan
Subject: Black Sands Solar - Project Pricing
Attachments: Black Sands Solar_20 MW_Project Pricing 4-24-2014.pdf

Hi Peter,

Please find attached a document containing indicative energy pricing for your proposed 20 MW Black Sands Solar project.

The prices contained with this email are for discussion purposes only. No contractual obligation of any kind shall exist between Idaho Power and Black Sands Solar until such time as both parties have executed an Energy Sales Agreement and the executed ESA has been approved by the Idaho Public Utilities Commission (IPUC). The indicative energy prices contained within this document have been calculated using the incremental integrated resource plan (IRP) avoided cost methodology in accordance with Idaho Public Utilities Commission (IPUC) Order No. 32697 and are for discussion purposes only. At any time prior to both parties executing an ESA, Idaho Power shall modify any draft ESA and energy pricing provided to reflect current contracting standards and according to current regulatory requirements.

These draft prices are the starting point for ESA negotiations. Along with the ESA there are other important processes that must be undertaken before a proposed project can begin delivering energy to Idaho Power. These other processes include Generator Interconnection and Transmission Service Requests.

Please feel free to contact me with any questions or if you would like to further discuss the pricing document.

Thank you,

--

Michael Darrington
SR ENERGY CONTRACTS COORDINATOR
Idaho Power | Power Supply
Work 208-388-5946
Email mdarrington@idahopower.com

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 4

Walker, Donovan

From: Peter Richardson [peter@richardsonadams.com]
Sent: Friday, April 25, 2014 11:45 AM
To: Peter Richardson; Darrington, Michael
Cc: Allphin, Randy; Walker, Donovan
Subject: RE: Black Sands Solar - Project Pricing

Also would you please prepare a firm energy sales agreement and send it over, we will fill in the project specific information. Thank you. -Pete

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

From: Peter Richardson
Sent: Friday, April 25, 2014 11:31 AM
To: 'Darrington, Michael'
Cc: Allphin, Randy; Walker, Donovan
Subject: RE: Black Sands Solar - Project Pricing

Michael can you express this stream of prices in a twenty year levelized rate? Can you give us some times you are available to meet with Dr. Reading to review the model/inputs etc.?Thanks -Pete

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

From: Darrington, Michael [<mailto:MDarrington@idahopower.com>]
Sent: Thursday, April 24, 2014 11:29 AM
To: Peter Richardson
Cc: Allphin, Randy; Walker, Donovan
Subject: Black Sands Solar - Project Pricing

Hi Peter,

Please find attached a document containing indicative energy pricing for your proposed 20 MW Black Sands Solar project.

The prices contained with this email are for discussion purposes only. No contractual obligation of any kind shall exist between Idaho Power and Black Sands Solar until such time as both parties have executed an Energy Sales Agreement and the executed ESA has been approved by the Idaho Public Utilities Commission (IPUC). The indicative energy prices contained within this document have been calculated using the incremental integrated resource plan (IRP) avoided cost methodology in accordance with Idaho Public Utilities Commission (IPUC) Order No. 32697 and are for discussion

purposes only. At any time prior to both parties executing an ESA, Idaho Power shall modify any draft ESA and energy pricing provided to reflect current contracting standards and according to current regulatory requirements.

These draft prices are the starting point for ESA negotiations. Along with the ESA there are other important processes that must be undertaken before a proposed project can begin delivering energy to Idaho Power. These other processes include Generator Interconnection and Transmission Service Requests.

Please feel free to contact me with any questions or if you would like to further discuss the pricing document.

Thank you,

--

Michael Darrington
SR ENERGY CONTRACTS COORDINATOR
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Email mdarrington@idahopower.com



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**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-14-09**

IDAHO POWER COMPANY

ATTACHMENT 5

Walker, Donovan

From: Walker, Donovan
Sent: Monday, May 12, 2014 3:00 PM
To: 'Peter Richardson'
Cc: Allphin, Randy; Darrington, Michael
Subject: RE: Black Sands Solar - DRAFT Energy Sales Agreement
Attachments: 20140512 - Black Sands Solar 20 MW DRAFT Energy Sales Agreement.docx

Peter,

Attached is a revised draft PURPA agreement for our continuing discussions/negotiations regarding your proposed Black Sands Solar project. This revised agreement supersedes and replaces any other draft agreements previously forwarded regarding this project. A summary of the material revisions to this draft agreement:

Paragraph 1.40 and Article VII – Solar integration charge defined and included in this agreement.

Paragraph 1.31 – correction of the formula to indicate that the value is a percentage.

Thanks,

Donovan E. Walker

LEAD COUNSEL

Idaho Power | Legal
208-388-5317

From: Darrington, Michael
Sent: Tuesday, May 06, 2014 4:24 PM
To: 'Peter Richardson'
Cc: Walker, Donovan; Allphin, Randy
Subject: Black Sands Solar - DRAFT Energy Sales Agreement

Mr. Richardson,

Please find attached a DRAFT Energy Sales Agreement (ESA) for your proposed Black Sands 20 MW solar project.

The draft document contained with this email is for discussion purposes only. No contractual obligation of any kind shall exist between the parties until such time as both parties have executed an Energy Sales Agreement and the executed ESA has been approved by the Idaho Public Utilities Commission (IPUC). In addition, the proposed energy prices contained within this document have been calculated using the incremental integrated resource plan (IRP) avoided cost methodology in accordance with Idaho Public Utilities Commission (IPUC) Order No. 32697 and are for discussion purposes only. At any time prior to both parties executing an ESA, Idaho Power shall modify any draft ESA and energy pricing provided to reflect current contracting standards and according to current regulatory requirements.

This draft agreement and pricing are the starting point for ESA negotiations. Along with the ESA there are other important processes that must be undertaken before a proposed project can begin delivering energy to Idaho Power. These other processes include Generator Interconnection and a Transmission Service Request.

Please feel free to contact me with any questions or if you would like to further discuss the draft ESA.

Thank you,

--

Michael Darrington

SR ENERGY CONTRACTS COORDINATOR

Idaho Power | Power Supply

Work 208-388-5946

Email mdarrington@idahopower.com

Draft Agreement for Discussion Purposes Only

ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND

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, Metering Communications and SCADA 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 and Authorized Agents
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
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	- Solar Facility Energy Prices
Appendix F	- Insurance Requirements

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Appendix G - Estimated Hourly Energy Production

ENERGY SALES AGREEMENT
(Solar PV Project with a Nameplate rating greater than 100 kW)

Project Name: Black Sands Solar

Project Number: _____

THIS ENERGY SALES AGREEMENT (“AGREEMENT”), entered into on this ____ day of _____ 20__ between _____ (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 required to purchase, electric energy produced by a PURPA Qualifying 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 Estimated Net Energy Amount” – the Estimated Net Energy Amount specified in paragraph 6.2 including any adjustments that have been made in accordance with paragraphs 6.2.2 or 6.2.3.
- 1.2 “Authorized Agent” – a person or persons specified within paragraph 25.2 of this Agreement as being authorized and empowered, for and on behalf of the Seller, to execute instruments,

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agreements, certificates, and other documents (collectively “Documents”) and to take actions on behalf of the Seller, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Seller for all purposes, until such time as an authorized officer of the Seller shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall no longer be an agent on behalf of the Seller. Any Documents executed by such persons shall be deemed duly authorized by the Seller for all purposes.

- 1.3 “Base Energy” – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.4~~239~~.
- 1.4 “Commission” – The Idaho Public Utilities Commission.
- 1.5 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.6 “Delay Cure Period” – 120 days immediately following the Scheduled Operation Date.
- 1.7 “Delay Damages” – ((Current month’s Estimated Net Energy Amount as specified in paragraph 6.2 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month’s Delay Price.
- 1.8 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date or the Agreement is terminated by Idaho Power.
- 1.9 “Delay Price” – The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price as specified in Appendix E of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.10 “Designated Dispatch Facility” – Idaho Power’s Load Serving Operations, or any subsequent group designated by Idaho Power.
- 1.11 “Effective Date” – The date stated in the opening paragraph of this Energy Sales Agreement representing the date upon which this Energy Sales Agreement was fully executed by both Parties.

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1.12 “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 REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser’s discretion, and include without limitation those REC 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. RECs are accumulated on a MWh basis and one REC 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 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.

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- 1.13 “Facility” – That electric generation facility described in Appendix B of this Agreement.
- 1.14 “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 after the Seller requested First Energy Date.
- 1.15 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power’s ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance, or 2) responding to a transmission provider curtailment order, or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period, or 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility.
- 1.16 “Generation Interconnection Agreement (GIA)” – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system, which will include but not be limited to all requirements as specified by Schedule 72.
- 1.17 “Generation Unit” – a complete solar pv electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility.
- 1.18 “Heavy Load Hours” – The daily hours from hour ending 0700 - 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.19 “Hourly Energy Estimates” – the hourly energy estimates provided by the Seller and included in Appendix G of this Agreement. These hourly energy estimates are a material input used in the calculation of the energy prices specified in Appendix E.
- 1.20 “Interconnection Facilities” – All equipment specified in the GIA.

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- 1.21 “Light Load Hours” – The daily hours from hour ending 2300 – 0600 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 point where the Facility’s energy is metered and Facility’s Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 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 “Mid- Columbia Market Energy Cost” – 82.4% of the monthly arithmetic average of the Intercontinental Exchange (“ICE”) daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg reported prices. The actual calculation being:
- Mid-Columbia Market Energy Cost = $.824 * (((ICE \text{ Mid-C Peak Avg} * \text{Heavy Load Hours for each day of the month}) + (ICE \text{ Mid-C Off-Peak Avg} * \text{Light Load Hours for each day of the month})) / \text{total hours in the month})$
- If the ICE Mid-Columbia Index reporting is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.27 “Monthly Estimated Generation” – the monthly estimated generation as specified in Appendix G identified as the Monthly estimated kWh.
- 1.28 “Monthly Nameplate Energy” – Nameplate Capacity multiplied by the hours in the applicable month.

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- 1.29 “Nameplate Capacity” – The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.30 “Net Energy” – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility 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.
- 1.31 “Estimated Net Energy Amount Adjustment Percentage” – (Adjusted Estimated Net Energy Amount divided by the applicable month’s Monthly Estimated Generation) times 100. If this calculation results in a value greater than 100%, the result of this calculation will be 100%.
- 1.32 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.33 “Point of Delivery” – The location specified in the GIA and referenced in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.34 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus 2%. If this calculation results in a value greater than 100%, the result of this calculation will be 100% or if this calculation results in a value less than 90%, the result of this calculation will be 90%.
- 1.35 “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.

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1.36 “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.

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

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

1.39 “Security Deposit” - \$45 per kW Nameplate Capacity of the entire Facility.

~~1.39~~1.40 “Solar Integration Charge” - Idaho Power is currently conducting a solar integration study to determine the per kWh cost of integrating the energy deliveries from solar facility into Idaho Power’s electrical system. The per kWh integration cost as determined by that study and authorized by the Commission shall be the integration charge deducted from the energy payments as specified in Article VII of this Agreement.

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~~1.40~~1.41 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

~~1.41~~1.42 “Surplus Energy” – Is (1) Net Energy produced by the Seller’s Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Estimated 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 Estimated 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

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Seller's Facility and delivered by the Facility to the Idaho Power electrical system prior to the Operation Date, or (4) all monthly Net Energy that exceeds the Monthly Nameplate Energy.

1.421.43 "Termination Damages" – Financial damages the non defaulting party has incurred as a result of termination of this Agreement.

ARTICLE II: NO RELIANCE ON IDAHO POWER

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

ARTICLE III: WARRANTIES

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

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this Agreement.

- 3.3 Solar Project Qualifications - Seller warrants that the Facility is a “Solar Project,” as that term is used in Commission Order 32697. After initial qualification, Seller will take such steps as may be required to maintain the Facility’s Solar Project status during the full term of this Agreement and Seller’s failure to maintain Solar Project status will be a Material Breach of this Agreement.

Idaho Power reserves the right to review the Facility’s Solar Project status and associated support and compliance documents at anytime during the term of this Agreement.

- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix G are accurate estimates of the Facility’s expected hourly energy production based on the characteristics of the solar generation equipment being installed, configuration and orientation of the equipment installation, location specific solar radiation and any other information available. Material deviations from these Hourly Energy Estimates will be a Material Breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power’s acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:

4.1.1 Submit proof to Idaho Power that all licenses, permits, determinations or approvals necessary for Seller’s operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility and evidence of compliance with the eligibility to be classified as a Solar Project as referenced in Commission Order 32697.

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, determinations and approvals as set forth in paragraph 4.1.1

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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 Commission Approval - Confirm with Idaho Power that Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- 4.1.4 Nameplate Capacity - Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility and the total of these units to determine the Facility Nameplate Capacity rating. 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 Completion certificate - Submit a certificate executed by an authorized agent of the Seller attesting that all mechanical and electrical equipment of the designated Generation Unit(s) of the Facility has been completed to enable the Generation Unit(s) to beginning testing and delivery of Test Energy in a safe manner.
- 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 business unit that administers the GIA that Seller has satisfied all interconnection and testing requirements that will enable the Facility to be safely connected to the Idaho Power electrical system.
- 4.1.8 Network Resource Designation - Confirm that the Seller's Facility has been designated as an Idaho Power network resource capable of delivering energy up to the amount of the

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Maximum Capacity at the Point of Delivery.

4.1.8.1 As specified in Appendix B item 7 of this Agreement, the Seller's Facility must have achieved the status of being an Idaho Power Designated Network Resource (DNR) prior to Idaho Power accepting any energy from this Facility. Appendix B item 7 provides information on the initial application process required to enable Idaho Power to determine if network transmission capacity is available for this Facility's Maximum Capacity Amount and/or if Idaho Power transmission network upgrades will be required. The results of this study process and any associated costs will be included in the GIA for this Facility.

4.1.8.2 Only after the Facility has completed all requirements of the GIA that enable the Facility to come online can Idaho Power begin the final process of designating this resource as an Idaho Power Network Resource. The final process must be initiated at a minimum 30 days prior to the First Energy Date. Therefore, Idaho Power will begin this process 30 days prior to the Scheduled First Energy Date specified in Appendix B of this Agreement and only after Idaho Power has received confirmation that the GIA requirements have been completed. If the Seller estimates that the actual First Energy is expected to be different than the Scheduled First Energy Date specified in Appendix B of this Agreement, the Seller must notify Idaho Power of this revised date no later than 30 days prior to Scheduled First Energy Date. Under no circumstances will the project be able to deliver any energy to Idaho Power until such time as Idaho Power has designated this Facility as an Idaho Power Network Resource.

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

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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 _____ (not to exceed 20 years) Contract Years from the Operation Date.
- 5.2 Operation Date – A single Operation Date will be granted for the entire Facility and may occur only after the Facility has achieved all of the following:
- a) At the minimum, 75% of the Generation Units planned for this Facility have achieved their First Energy Date.
 - b) Seller has demonstrated to Idaho Power's satisfaction that all mechanical and electrical testing has been completed satisfactorily and the Facility is able to provide energy in a consistent, reliable and safe manner.
 - c) 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.
 - d) Seller has requested an Operation Date from Idaho Power in a written format.
 - e) Seller has received written confirmation from Idaho Power of the Operation Date.
This confirmation will not be unreasonably withheld by Idaho Power.
- 5.3 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process (This includes any delay in making the required deposit payments set forth in the Facility's GIA) that **are not** caused by Idaho Power or Force Majeure events accepted by both Parties, **shall not** prevent Delay Damages or Termination Damages from

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being due and owing as calculated in accordance with this Agreement.

- 5.4 Termination - If Seller fails to achieve the Operation Date prior to the Scheduled Operation Date or within the Delay Cure Period, such failure will be a Material Breach and Idaho Power may terminate this Agreement at any time until the Seller cures the Material Breach.
- 5.5 Delay Damages billing and payment – Idaho Power shall calculate and submit to the Seller any Delay Damages due Idaho Power within 15 days after the end of each month or within 30 days of the date this Agreement is terminated by Idaho Power.
- 5.6 Termination Damages billing and payment - Idaho Power shall calculate and submit to the Seller any Termination Damages due Idaho Power within 30 days after this Agreement has been terminated.
- 5.7 Seller Payment - Seller shall pay Idaho Power any calculated Delay or Termination Damages within 7 days of when Idaho Power presents these billings to the Seller. Seller's failure to pay these damages within the specified time will be a Material Breach of this Agreement and Idaho Power shall draw funds from the Security Deposit provided by the Seller in an amount equal to the calculated damages.
- 5.8 Security Deposit - Within thirty (30) days of the date of a final non-appealable Commission Order approving this Agreement as specified in Article XXI, the Seller shall post and maintain liquid security in a form as described in Appendix D equal to or exceeding the amount specified within this Agreement as the Security Deposit until such time as the Security Deposit is released by Idaho Power as specified in paragraph 5.8.1. Failure to post this Security Deposit in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.
- 5.8.1 Idaho Power shall release any remaining Security Deposit provided by Seller promptly after either the Facility has achieved its Operation Date or this Agreement has been terminated and only after all Delay and Termination Damages have been paid in full to Idaho Power.

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ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Net Energy Purchase and Delivery - 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.
- 6.2 Estimated Net Energy Amounts – shall be equal to Monthly estimated kWhs as specified in Appendix G and as listed below:

<u>Month</u>	<u>kWh</u>
January	XXXX
February	XXXX
March	XXXX
April	XXXX
May	XXXX
June	XXXX
July	XXXX
August	XXXX
September	XXXX
October	XXXX
November	XXXX
December	XXXX
Total	XXXX

- 6.2.2 Seller's Adjustment of Estimated Net Energy Amounts - After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the last business day of the Notification Month specified in the following schedule:

<u>Notification Month</u>	<u>Future monthly Estimated Net Energy Amounts eligible to be revised</u>
November	January and any future months
December	February and any future months
January	March and any future months
February	April and any future months
March	May and any future months
April	June and any future months

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May	July and any future months
June	August and any future months
July	September and any future months
August	October and any future months
September	November and any future months
October	December and any future months

- a.) This written notice must be provided to Idaho Power in accordance with paragraph 25.1 or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices address specified in paragraph 25.1.
- b.) Failure to provide timely written notice of changed Estimated Net Energy Amounts will be deemed to be an election of no change from the most recently provided Estimated Net Energy Amounts.

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

Where:

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

- SGU =
- a.) If Idaho Power is excused from accepting the Seller’s Net Energy as specified in paragraph 12.2.1 this value will be equal to the percentage of curtailment as specified by Idaho Power multiplied by the TGU as defined below.
 - b.) If the Seller declares a Suspension of Energy Deliveries as specified in paragraph 12.3.1 this value will be the sum of the individual Generation Units size ratings as specified in Appendix B that are impacted by the circumstances causing the Seller to declare a Suspension of Energy Deliveries.

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

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

TH = Actual total hours in the current month

Resulting formula being:

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

This Adjusted Estimated 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 Failure to Deliver Minimum Estimated Net Energy Amounts - 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 Monthly Estimated Generation shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the monthly Base Energy Heavy Load Purchase Price as specified in Appendix E less the Solar Integration Charge.
- 7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the monthly Base Energy Light Load Purchase Price as specified in Appendix E less the Solar Integration Charge.
- 7.3 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current

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month's Market Energy Reference Price or the Base Energy Light Load Purchase Price less the Solar Integration Charge for that month, whichever is lower.

- 7.4 Price Adjustment - Upon acceptance of a Seller Adjustment of Estimated Net Energy Amounts as specified in paragraph 6.2.2, Idaho Power will calculate the Pricing Adjustment Percentage for the applicable month(s). All pricing contained within Appendix E for the applicable month(s) will be multiplied by the Pricing Adjustment and the resulting revised prices will replace the prices contained within Appendix E until such time as the Seller submits a new Seller Adjustment of Estimated Net Energy Amounts at which time a new Pricing Adjustment Percentage will be calculated and applied in accordance with this paragraph.
- 7.5 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for 2 consecutive months and/or in any 3 months during a Contract Year will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement within sixty (60) days after the Material Breach has occurred.
- 7.6 Payment Due Date – Undisputed Base Energy and Surplus Energy payments, less any payments due to Idaho Power will be disbursed to the Seller within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Base Energy and Surplus 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 Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

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ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated with the Facility and Seller will likewise retain 50% ownership of all of the Environmental Attributes associated with the Facility. Title of 50% Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Surplus Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this agreement, unless the parties agree to extend in future agreements. If after the Effective Date any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this hydroelectric generation Facility.
- 8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.
- 8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental

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Attribute accounting and tracking system initially selected by Idaho Power is materially altered or discontinued during the Term of this Agreement, the Parties shall cooperate to identify an appropriate alternative Environmental Attribute accounting and tracking process and enable the Environmental Attributes be processed through this alternative method.

8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.

8.2.3 If Idaho Power requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications required by Idaho Power for those Environmental Attributes delivered to Idaho Power from the Seller. If the Seller incurs cost, as a result of Idaho Power's request, and if the additional certification provides benefits to both parties, the parties shall share the costs in proportion to the additional benefits obtained. If Idaho Power elects to obtain its own certifications, then Seller shall fully cooperate with Idaho Power in obtaining such certification.

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 to the Idaho Power Point of Delivery for the full term of the Agreement in accordance with the GIA.

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ARTICLE X:

METERING, METERING COMMUNICATIONS AND SCADA TELEMETRY

- 10.1 Metering - Idaho Power shall, provide, install, and maintain metering equipment needed for metering the electrical energy production from the Facility. The metering equipment will be capable of measuring, recording, retrieving and reporting the Facility's hourly gross electrical energy production, Station Use, maximum energy deliveries (kW) and any other energy measurements at the Point of Delivery that Idaho Power needs to administer this Agreement and integrate this Facility's energy production into the Idaho Power electrical system. Specific equipment, installation details and requirements for this metering equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.
- 10.2 Metering Communications - Seller shall, at the Seller's sole initial and ongoing expense, arrange for, provide, install, and maintain dedicated metering communications equipment capable of transmitting the metering data specified in paragraph 10.1 to Idaho Power in a frequency, manner and form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated metering communications equipment. Specific details and requirements for this metering communications equipment will be established in the GIA process and documented in the GIA.
- 10.3 Supervisory Control and Data Acquisition (SCADA) Telemetry – If the Facility's Nameplate Capacity exceeds 3 MW, in addition to the requirements of paragraph 10.1 and 10.2, Idaho Power may require telemetry equipment and telecommunications which will be capable of providing Idaho Power with continuous instantaneous SCADA telemetry of the Seller's Net Energy and Inadvertent Energy production in a form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated SCADA and telecommunications equipment. Specific details and requirements for this SCADA Telemetry and telecommunications equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for

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all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

ARTICLE XI - RECORDS

- 11.1 Maintenance of Records - Seller shall maintain monthly records at the Facility or such other location mutually acceptable to the Parties. These records shall include total generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in (kW) and be records in a form and content acceptable to Idaho Power. Monthly records shall be retained for a period of not less than five years.
- 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 records pertaining to the Seller's Facility generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in kW.

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 the GIA.
- 12.2 Acceptance of Energy -
- 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:
- a.) If energy deliveries are interrupted due an event of Force Majeure or Forced Outage.
 - b.) If interruption of energy deliveries is allowed by Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.304
 - c.) If temporary disconnection and/or interruption of energy deliveries is in accordance with Schedule 72 or other provisions as specified within the

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GIA.

- d.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction, electrical system maintenance requirements, emergencies, electrical system operating conditions, electrical system reliability emergencies on its system, or as otherwise required by Prudent Electrical Practices.

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

12.2.3 Under no circumstances will the Seller deliver 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 and must be cured immediately.

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

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a Forced Outage, and Seller initiates a Declared Suspension of Energy Deliveries, Seller shall, after giving notice as provided in paragraph 12.3.2 below, temporarily reduce deliveries of Net Energy (kW) to Idaho Power from the Facility to not exceed the reduced energy deliveries (kW) stated by the

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Seller in the initial declaration for a period of not less than 48 hours. (“Declared Suspension of Energy Deliveries”). The Seller’s Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller’s telephone notification as specified in paragraph 12.3.2 and will continue for the time as specified (not less than 48 hours) in the written notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Estimated Net Energy Amount will be adjusted as specified in paragraph 6.2.3.

12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries, a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries, and the reduced level (kW) of energy deliveries the Facility is requesting that will be set as the maximum energy deliveries to Idaho Power for the duration of the Declared Suspension of Energy Delivery event (not less than 48 hours). Idaho Power will review the documentation provided by the Seller to determine Idaho Power’s acceptance of the described Forced Outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power’s acceptance of the Seller’s Forced Outage as an acceptable Forced Outage will be based upon the clear documentation provided by the Seller that the Forced Outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller’s Facility.

12.4 Scheduled Maintenance – On or before January 31st of each calendar year, Seller shall submit a written proposed maintenance schedule of significant Facility maintenance for that calendar year

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and Idaho Power and Seller shall mutually agree as to the acceptability of the proposed schedule. If the Seller intends to perform planned maintenance at approximately the same time every year, the Seller may submit a maintenance schedule for the first calendar year and include a statement that this maintenance schedule shall be consistent for all future years, until such time as the Seller notifies Idaho Power of a change to this schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

- 12.5 Idaho Power Maintenance Information – Upon receiving a written request from the Seller, Idaho Power shall provide publically available information in regards to Idaho Power planned maintenance information that may impact the Facility.
- 12.6 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

- 13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party

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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 insurance as specified in Appendix F.

ARTICLE XIV: FORCE MAJEURE

- 14.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the control of the Seller or of Idaho Power which, despite the exercise of due diligence, such Party is unable to prevent or overcome. Force Majeure includes, but is not limited to, acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, or changes in law or regulation occurring after the effective date, which, by the exercise of reasonable foresight such party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome. Fluctuations and/or changes of the motive force and/or the fuel supply **are not** events of Force Majeure. 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

Draft Agreement for Discussion Purposes Only

occurrence.

ARTICLE XV: LIABILITY; DEDICATION

- 15.1 Limitation of Liability. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. Neither party shall be liable to the other for any indirect, special, consequential, nor punitive damages, except as expressly authorized by this Agreement.
- 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.

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ARTICLE XVIII: CHOICE OF LAWS AND VENUE

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

ARTICLE XIX: DISPUTES AND DEFAULT

- 19.1 Disputes - All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted to the Commission for resolution.
- 19.2 Notice of Default
- 19.2.1 Defaults. If either Party fails to perform any of the terms or conditions of this Agreement (an “event of default”), the non-defaulting Party shall cause notice in writing to be given to the defaulting Party, specifying the manner in which such default occurred. If the defaulting Party shall fail to cure such default within the sixty (60) days after service of such notice, or if the defaulting Party reasonably demonstrates to the other Party that the default can be cured within a commercially reasonable time but not within such sixty (60) day period and then fails to diligently pursue such cure, then the non-defaulting Party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies.
- 19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach or if a specific cure and/or inability to cure is identified by this Agreement for the specific Material Breach then that cure shall apply.
- 19.3 Prior to the Operation Date and thereafter for the full term of this Agreement, Seller will provide

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Idaho Power with the following:

- 19.3.1 Insurance - Evidence of compliance with the provisions of Appendix F. If Seller fails to comply, such failure will be a Material Breach.
- 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 / Permits / Determinations - During the full term of this Agreement, Seller shall maintain compliance with all permits, licenses and determinations described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits, licenses or determinations. 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, licenses and determinations 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 only 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.

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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. Neither this Agreement nor any rights or obligations of either Party hereunder may be assigned, in whole or in part, by operation of law or otherwise, without the prior written consent of both Parties, which 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. A transfer or change in the person or entities who control ten percent or more of the equity securities or voting interests of Seller (whether in a single or multiple separate transactions resulting in such a change in control of equity interests or voting securities) shall be deemed an assignment of this Agreement requiring prior written consent of Idaho Power for purposes of the foregoing. Any purported assignment in derogation of the foregoing shall be void. 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.

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ARTICLE XXV: NOTICES AND AUTHORIZED AGENTS

25.1 Notices - 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:

Name:

Address:

Telephone:

Cell:

E-mail:

To Idaho Power:

Original document to:

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

Copy of document to:

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

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

25.2 Authorized Agent(s)

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Name	Title
_____	_____
_____	_____
_____	_____
_____	_____

Authorized Agents as listed above may be modified by the Seller by requesting and completing an Authorized Agent modification document provided by Idaho Power. This document at minimum will include the requested changes and require signature(s) from an authorized party of the Seller.

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.

- 26.2 Prior to the Seller executing this Agreement, the Seller shall have:
- a) Submitted an interconnection application for this Facility and is in compliance with all payments and requirements of the interconnection process.
 - b) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an

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Idaho Power Designated Network Resource. If final interconnection or transmission studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Delay and Termination Damages associated with the project's failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission costs, processes or schedules.

- c) Provide acceptable and verifiable evidence to Idaho Power that demonstrates the Facility is eligible for the published avoided costs requested by the Seller and contained within this Agreement. Commission Order 32817 provides the current published avoided costs for Non-Seasonal Hydro Facilities, Seasonal Hydro Facilities, Other Facilities, Solar Facilities, and Wind Facilities.

26.3 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	-	Solar Facility Energy Prices
Appendix F	-	Insurance Requirements
Appendix G	-	Estimated Hourly Energy Production

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.

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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

By

Lisa A Grow
Sr. Vice President, Power Supply

By

Dated

“Idaho Power”

Dated

“Seller”

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APPENDIX A

A -1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

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

The meter readings required on this report will be the readings on the Idaho Power meter equipment measuring the Facility's total energy production and Station Usage delivered to Idaho Power and the maximum generated energy (kW) as recorded on the metering equipment and/or any other required energy measurements to adequately administer this Agreement. This document shall be the document to enable Idaho Power to begin the energy payment calculation and payment process. The meter readings on this report may 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:

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

Breaker Opening Record

Date	Time	Meter

*	Reason

Breaker Closing Record

Date	Time	Meter

* **Breaker Opening Reason Codes**

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

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

Signature Date

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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 SELLER CONTACT INFORMATION

Seller's Contact Information

Project Management

Name: _____
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

24-Hour Project Operational Contact

Name: _____
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

Project On-site Contact information

Name: _____
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

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APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: _____

Project Number: _____

B-1 DESCRIPTION OF FACILITY

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

Nameplate: _____

Var Capability (Both leading and lagging) Leading is _____ Lagging is _____

B-2 LOCATION OF FACILITY

Near: _____

Actual or nearest physical street address: _____

GPS Coordinates: Latitude Decimal Degrees _____

Longitude Decimal Degrees _____

State: _____ County: _____

Description of Interconnection Location: _____

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected _____ as the Scheduled First Energy Date.

Seller has selected _____ 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

Draft Agreement for Discussion Purposes Only

being granted an Operation Date.

B-4 MAXIMUM CAPACITY AMOUNT:

This value will be _____ MW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. 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 energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA 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 Equipment 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

Draft Agreement for Discussion Purposes Only

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 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until the Facility has achieved the status of being an Idaho Power designated network resource ("DNR"). Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application 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 DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **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 DNR 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.**

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APPENDIX C

ENGINEER'S CERTIFICATION

OF

OPERATIONS & MAINTENANCE POLICY

The undersigned _____, on behalf of himself/herself 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 referred to as the "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 Idaho Power Company Facility No. _____ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, said Project has been designed and built to appropriate standards, and adherence to said O&M Policy will result in the Project's

Draft Agreement for Discussion Purposes Only

producing at or near the design electrical output, efficiency and plant factor for the full Contact Term of _____ years.

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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

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APPENDIX C

ENGINEER'S CERTIFICATION

OF

ONGOING OPERATIONS AND MAINTENANCE

The undersigned _____, on behalf of himself/herself 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 referred to as the "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 Idaho Power Company 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 _____ 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.

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8. That Engineer has made a physical inspection of said Project, its operations and maintenance records since the last previous certified inspection. The Engineer certifies, based on the Project's appearance and the information provided by the Project, that the Project's ongoing O&M has been completed in accordance with said O&M Policy; that it is in reasonably good operating condition; and it is in the Engineer's professional opinion 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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

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APPENDIX C

ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself/herself 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 Energy Sales Agreement, hereinafter referred to as the "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 Idaho Power Company 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.

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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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

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APPENDIX D

FORMS OF LIQUID SECURITY

The Seller shall provide Idaho Power with commercially reasonable security instruments such as Cash, 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 Security Deposit requirement 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 – Seller shall deposit cash in the amount of the required Security Deposit with Idaho Power. Idaho Power will not be responsible to calculate or pay any interest on these funds deposited with Idaho Power.
2. 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 Security Deposit. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).

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3. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Security Deposit: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

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APPENDIX E

SOLAR FACILITY ENERGY PRICES

(Prices based upon the energy shape and capacity specified in Appendix G)

E-1 Base Energy Purchase Prices – For all Base Energy received during Heavy Load Hours Idaho Power shall pay the Base Energy Heavy Load Purchase Price specified below and for all Base Energy received during Light Load Hours Idaho Power shall pay the Base Energy Light Load Purchase Price specified below. All of these prices are subject to revision as specified within paragraph 7.4.

<u>Month/Year</u>	<u>Base Energy Heavy Load Purchase Price (Mills/kWh)</u>	<u>Base Energy Light Load Purchase Price (Mills/kWh)</u>
Jan-15	\$49.95	\$49.57
Feb-15	\$49.32	\$50.21
Mar-15	\$50.27	\$47.99
Apr-15	\$40.50	\$31.95
May-15	\$48.61	\$42.66
Jun-15	\$47.03	\$39.14
Jul-15	\$62.56	\$53.27
Aug-15	\$61.09	\$52.05
Sep-15	\$55.80	\$49.79
Oct-15	\$49.77	\$49.64
Nov-15	\$51.62	\$50.08
Dec-15	\$50.90	\$49.64
Jan-16	\$53.44	\$52.63
Feb-16	\$53.72	\$52.92
Mar-16	\$51.26	\$49.09
Apr-16	\$48.06	\$46.67
May-16	\$50.57	\$46.33
Jun-16	\$51.01	\$41.57
Jul-16	\$63.69	\$58.00
Aug-16	\$64.29	\$59.68
Sep-16	\$58.09	\$54.29
Oct-16	\$56.37	\$56.15
Nov-16	\$57.30	\$56.49
Dec-16	\$58.22	\$58.99
Jan-17	\$56.82	\$56.07
Feb-17	\$55.87	\$54.72

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Mar-17	\$53.87	\$52.88
Apr-17	\$49.24	\$44.13
May-17	\$54.14	\$51.65
Jun-17	\$54.12	\$45.51
Jul-17	\$66.78	\$60.83
Aug-17	\$67.81	\$62.96
Sep-17	\$61.98	\$57.21
Oct-17	\$60.08	\$58.75
Nov-17	\$60.67	\$59.43
Dec-17	\$60.61	\$60.40
Jan-18	\$59.66	\$58.24
Feb-18	\$59.22	\$56.03
Mar-18	\$52.36	\$50.58
Apr-18	\$50.36	\$50.27
May-18	\$54.95	\$50.27
Jun-18	\$53.66	\$49.79
Jul-18	\$66.40	\$66.78
Aug-18	\$70.83	\$65.29
Sep-18	\$65.37	\$62.65
Oct-18	\$61.93	\$61.79
Nov-18	\$62.50	\$61.89
Dec-18	\$61.93	\$61.89
Jan-19	\$61.34	\$56.97
Feb-19	\$61.02	\$57.58
Mar-19	\$49.23	\$48.70
Apr-19	\$48.41	\$48.23
May-19	\$53.55	\$46.98
Jun-19	\$54.61	\$48.40
Jul-19	\$67.97	\$64.79
Aug-19	\$71.60	\$66.08
Sep-19	\$66.42	\$64.51
Oct-19	\$63.33	\$63.27
Nov-19	\$63.59	\$63.25
Dec-19	\$63.27	\$63.27
Jan-20	\$64.04	\$62.48
Feb-20	\$57.97	\$56.20
Mar-20	\$47.83	\$48.60
Apr-20	\$47.29	\$47.08
May-20	\$51.28	\$46.26
Jun-20	\$55.01	\$48.47
Jul-20	\$69.59	\$66.22
Aug-20	\$73.36	\$66.85
Sep-20	\$64.60	\$59.70
Oct-20	\$64.50	\$64.51
Nov-20	\$64.79	\$64.51

Draft Agreement for Discussion Purposes Only

Dec-20	\$64.55	\$64.51
Jan-21	\$66.05	\$65.57
Feb-21	\$62.27	\$55.39
Mar-21	\$53.63	\$51.57
Apr-21	\$49.64	\$49.63
May-21	\$55.36	\$49.63
Jun-21	\$58.28	\$50.95
Jul-21	\$72.29	\$68.27
Aug-21	\$76.44	\$68.41
Sep-21	\$67.98	\$63.76
Oct-21	\$66.28	\$66.18
Nov-21	\$66.67	\$66.18
Dec-21	\$66.49	\$66.20
Jan-22	\$68.45	\$66.89
Feb-22	\$68.99	\$66.85
Mar-22	\$61.09	\$55.45
Apr-22	\$54.15	\$54.04
May-22	\$57.80	\$53.96
Jun-22	\$62.00	\$54.36
Jul-22	\$74.95	\$72.02
Aug-22	\$80.55	\$72.94
Sep-22	\$74.10	\$69.07
Oct-22	\$69.80	\$69.72
Nov-22	\$69.85	\$69.72
Dec-22	\$70.57	\$69.72
Jan-23	\$71.20	\$68.48
Feb-23	\$71.91	\$69.09
Mar-23	\$67.57	\$63.31
Apr-23	\$57.96	\$56.25
May-23	\$61.73	\$58.06
Jun-23	\$63.07	\$57.36
Jul-23	\$78.64	\$76.94
Aug-23	\$83.41	\$78.37
Sep-23	\$78.41	\$72.67
Oct-23	\$73.31	\$73.12
Nov-23	\$73.38	\$72.82
Dec-23	\$74.31	\$73.22
Jan-24	\$75.31	\$74.22
Feb-24	\$74.63	\$71.03
Mar-24	\$65.85	\$63.94
Apr-24	\$55.44	\$54.32
May-24	\$60.09	\$54.45
Jun-24	\$63.18	\$59.22
Jul-24	\$84.23	\$80.46
Aug-24	\$94.29	\$77.98

Draft Agreement for Discussion Purposes Only

Sep-24	\$79.82	\$77.81
Oct-24	\$76.13	\$75.99
Nov-24	\$76.64	\$75.59
Dec-24	\$77.09	\$75.99
Jan-25	\$78.47	\$78.67
Feb-25	\$77.33	\$73.84
Mar-25	\$70.59	\$67.80
Apr-25	\$56.45	\$54.63
May-25	\$66.13	\$63.00
Jun-25	\$68.81	\$64.32
Jul-25	\$91.55	\$81.47
Aug-25	\$96.40	\$80.91
Sep-25	\$82.98	\$79.45
Oct-25	\$78.78	\$78.67
Nov-25	\$80.28	\$78.67
Dec-25	\$82.42	\$80.85
Jan-26	\$81.96	\$81.50
Feb-26	\$81.69	\$80.62
Mar-26	\$66.38	\$58.45
Apr-26	\$57.67	\$58.11
May-26	\$72.19	\$70.89
Jun-26	\$71.91	\$67.95
Jul-26	\$94.59	\$83.71
Aug-26	\$100.51	\$85.95
Sep-26	\$87.96	\$84.05
Oct-26	\$82.09	\$81.95
Nov-26	\$82.59	\$82.09
Dec-26	\$88.05	\$84.16
Jan-27	\$83.95	\$82.81
Feb-27	\$84.58	\$81.89
Mar-27	\$75.32	\$73.95
Apr-27	\$65.62	\$61.29
May-27	\$69.01	\$67.58
Jun-27	\$76.00	\$74.42
Jul-27	\$98.60	\$87.62
Aug-27	\$102.97	\$87.82
Sep-27	\$90.29	\$87.05
Oct-27	\$84.74	\$84.53
Nov-27	\$85.23	\$84.80
Dec-27	\$93.77	\$87.23
Jan-28	\$87.76	\$84.01
Feb-28	\$88.01	\$84.85
Mar-28	\$71.32	\$71.51
Apr-28	\$66.84	\$67.44
May-28	\$77.13	\$76.57

Draft Agreement for Discussion Purposes Only

Jun-28	\$78.59	\$75.59
Jul-28	\$103.95	\$91.96
Aug-28	\$106.91	\$90.53
Sep-28	\$93.44	\$91.10
Oct-28	\$88.29	\$87.94
Nov-28	\$88.78	\$88.21
Dec-28	\$103.16	\$92.51
Jan-29	\$90.73	\$85.59
Feb-29	\$90.74	\$88.65
Mar-29	\$78.15	\$68.59
Apr-29	\$64.96	\$67.13
May-29	\$79.23	\$78.50
Jun-29	\$79.30	\$77.80
Jul-29	\$114.55	\$101.54
Aug-29	\$117.31	\$93.92
Sep-29	\$97.91	\$94.26
Oct-29	\$91.40	\$91.28
Nov-29	\$92.53	\$91.28
Dec-29	\$103.24	\$94.23
Jan-30	\$94.31	\$92.20
Feb-30	\$93.70	\$90.45
Mar-30	\$79.35	\$75.83
Apr-30	\$65.77	\$61.47
May-30	\$70.26	\$62.91
Jun-30	\$81.66	\$81.19
Jul-30	\$123.75	\$109.18
Aug-30	\$120.06	\$97.63
Sep-30	\$101.58	\$97.89
Oct-30	\$94.77	\$94.59
Nov-30	\$96.60	\$94.63
Dec-30	\$110.76	\$98.57
Jan-31	\$108.97	\$102.49
Feb-31	\$105.67	\$96.08
Mar-31	\$93.49	\$89.74
Apr-31	\$75.12	\$67.52
May-31	\$93.48	\$84.26
Jun-31	\$87.15	\$85.37
Jul-31	\$140.01	\$122.76
Aug-31	\$130.12	\$102.51
Sep-31	\$109.04	\$105.53
Oct-31	\$113.26	\$101.26
Nov-31	\$115.32	\$111.99
Dec-31	\$125.83	\$118.89
Jan-32	\$112.73	\$107.28
Feb-32	\$110.52	\$97.47

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Mar-32	\$101.86	\$92.57
Apr-32	\$86.07	\$79.97
May-32	\$95.38	\$92.88
Jun-32	\$91.03	\$88.46
Jul-32	\$152.03	\$128.83
Aug-32	\$137.07	\$108.19
Sep-32	\$112.76	\$109.94
Oct-32	\$120.19	\$109.13
Nov-32	\$124.35	\$122.68
Dec-32	\$127.18	\$123.88
Jan-33	\$115.55	\$109.93
Feb-33	\$113.27	\$99.83
Mar-33	\$104.35	\$94.78
Apr-33	\$88.09	\$81.81
May-33	\$97.68	\$95.10
Jun-33	\$93.20	\$90.55
Jul-33	\$156.03	\$132.13
Aug-33	\$140.62	\$110.87
Sep-33	\$115.58	\$112.67
Oct-33	\$123.23	\$111.84
Nov-33	\$127.52	\$125.80
Dec-33	\$130.43	\$127.03
Jan-34	\$118.39	\$112.61
Feb-34	\$116.05	\$102.21
Mar-34	\$106.86	\$97.01
Apr-34	\$90.11	\$83.64
May-34	\$99.99	\$97.34
Jun-34	\$95.37	\$92.65
Jul-34	\$160.09	\$135.48
Aug-34	\$144.22	\$113.58
Sep-34	\$118.43	\$115.43
Oct-34	\$126.31	\$114.58
Nov-34	\$130.72	\$128.95
Dec-34	\$133.72	\$130.22

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APPENDIX F

INSURANCE REQUIREMENTS

The Seller shall secure and continuously carry insurance as specified within this Appendix for the term of the Agreement.

Insurance Requirements:

1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of A- or better.
2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within 5 days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
3. Prior to the First Energy date and subsequently within 10 days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
4. The Certificate of Insurance shall evidence the appropriate insurance coverage of 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.

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APPENDIX G

Estimated Hourly Energy Production

This Information was provided by the project for use in the Incremental Cost IRP Avoided Cost pricing model and for inclusion in this appendix.

Project Name:		Black Sands Solar													
AC Project Nameplate (MW):		20													
Project Estimated Online Date:		1/1/2015													
Project Estimated Annual Capacity Factor (%):		24.64%													
		Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time													
Hour Start	Hour End	Hour	January	February	March	April	May	June	July	August	September	October	November	December	
12:00 AM	1:00 AM	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1:00 AM	2:00 AM	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
2:00 AM	3:00 AM	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
3:00 AM	4:00 AM	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
4:00 AM	5:00 AM	5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
5:00 AM	6:00 AM	6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
6:00 AM	7:00 AM	7	0.0	0.0	0.0	0.0	0.2	0.5	0.2	0.0	0.0	0.0	0.0	0.0	
7:00 AM	8:00 AM	8	0.0	0.0	0.2	1.1	2.3	3.8	3.3	2.1	0.1	0.0	0.0	0.0	
8:00 AM	9:00 AM	9	0.7	3.0	2.7	4.6	7.1	9.1	8.5	5.9	4.8	2.0	2.3	0.8	
9:00 AM	10:00 AM	10	3.7	7.5	8.3	11.7	13.3	15.3	15.4	14.0	11.8	7.4	5.8	3.5	
10:00 AM	11:00 AM	11	5.6	9.0	12.5	14.4	15.8	17.1	17.5	17.0	16.3	12.9	6.7	5.5	
11:00 AM	12:00 PM	12	5.6	10.1	12.3	15.1	15.9	16.9	17.4	17.4	15.9	12.8	6.6	4.9	
12:00 PM	1:00 PM	13	6.3	9.1	12.2	15.1	15.1	16.6	17.3	16.9	15.1	12.7	6.1	5.2	
1:00 PM	2:00 PM	14	6.5	8.7	11.8	15.1	16.4	16.5	17.7	16.6	15.3	11.7	7.3	5.3	
2:00 PM	3:00 PM	15	6.5	9.4	13.0	15.3	16.2	16.7	17.5	15.8	14.1	11.5	7.2	6.3	
3:00 PM	4:00 PM	16	7.2	10.5	13.1	15.7	15.6	16.4	16.3	16.5	14.6	13.0	6.3	6.7	
4:00 PM	5:00 PM	17	4.8	9.8	12.8	12.6	15.9	16.2	16.0	16.4	13.9	13.7	1.9	0.0	
5:00 PM	6:00 PM	18	0.3	2.4	9.8	11.7	14.4	15.3	15.4	14.9	12.4	8.2	0.2	0.0	
6:00 PM	7:00 PM	19	0.0	0.0	5.1	7.4	9.3	11.9	12.5	10.7	6.4	1.1	0.0	0.0	
7:00 PM	8:00 PM	20	0.0	0.0	0.5	3.2	5.1	5.7	6.1	4.8	0.2	0.0	0.0	0.0	
8:00 PM	9:00 PM	21	0.0	0.0	0.0	0.0	0.3	2.0	1.4	0.3	0.0	0.0	0.0	0.0	
9:00 PM	10:00 PM	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
10:00 PM	11:00 PM	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
11:00 PM	12:00 AM	24	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Daily estimated MWh			47.1	79.5	114.2	143.0	163.7	179.9	183.3	169.5	140.8	106.8	50.4	38.3	Annual
Days in Month			31	28	31	30	31	30	31	31	30	31	30	31	1,188
Monthly estimated MWh			1,460	2,226	3,540	4,291	5,076	5,398	5,682	5,253	4,223	3,311	1,512	1,188	43,161
Monthly estimated kWh			1,460,318	2,225,713	3,540,487	4,291,021	5,076,193	5,398,073	5,682,060	5,252,970	4,223,441	3,310,947	1,512,254	1,187,524	43,161,000

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 6

Walker, Donovan

From: Peter Richardson [peter@richardsonadams.com]
Sent: Monday, May 12, 2014 1:38 PM
To: Walker, Donovan; Darrington, Michael
Cc: Allphin, Randy; Greg Adams
Subject: RE: Black Sands Solar - DRAFT Energy Sales Agreement

Thanks, Donovan for the offer to meet, but we have all the information we need. -Pete

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

From: Walker, Donovan [mailto:DWalker@Idahopower.com]
Sent: Monday, May 12, 2014 9:09 AM
To: Peter Richardson; Darrington, Michael
Cc: Allphin, Randy; Greg Adams
Subject: RE: Black Sands Solar - DRAFT Energy Sales Agreement

Peter,

The paragraph 7.4 that you are asking about contains a pricing adjustment applicable to the projects adjustment of its estimated/expected generation. As you know, the generation profile submitted by the project is the basis for which the energy prices for the term of the contract are established. If a project's generation deviated from its own estimated generation, then the 90/110 provisions apply to keep customers whole. However, if the project modifies the estimated generation to no longer correspond to the generation profile which the prices are based upon, then the pricing adjustment from 7.4 would apply to keep customers whole. If the project has submitted an accurate generation profile, and reasonably performs around that profile, and does not later change that profile, there is no adjustment. This is meant to prevent projects from gaming the methodology with generation profiles that the project cannot later meet.

If you wish to schedule a meeting, and go through an example, I am happy to schedule a time to do so.

Donovan E. Walker
LEAD COUNSEL
Idaho Power | Legal
208-388-5317

From: Peter Richardson [mailto:peter@richardsonadams.com]
Sent: Saturday, May 10, 2014 4:30 PM
To: Peter Richardson; Walker, Donovan; Darrington, Michael
Cc: Allphin, Randy; Greg Adams
Subject: RE: Black Sands Solar - DRAFT Energy Sales Agreement

Never mind, Donovan. We figured out what we needed to know and have no further questions. -Pete

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

From: Peter Richardson
Sent: Thursday, May 08, 2014 11:34 AM
To: 'Walker, Donovan'; Darrington, Michael
Cc: Allphin, Randy; Greg Adams
Subject: RE: Black Sands Solar - DRAFT Energy Sales Agreement

Donovan, we would like a response before next week. Can't you locate someone who knows what it means other than Randy. Thanks in advance for your help. -Pete

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

From: Walker, Donovan [<mailto:DWalker@Idahopower.com>]
Sent: Thursday, May 08, 2014 10:14 AM
To: Peter Richardson; Darrington, Michael
Cc: Allphin, Randy; Greg Adams
Subject: RE: Black Sands Solar - DRAFT Energy Sales Agreement

Peter,

Randy Allphin is out of town this week, and I need to talk to him about this paragraph before we respond to your question and provide an example. He will be back on Monday, and we will send you a response on Monday or Tuesday.

Thanks,

Donovan E. Walker
LEAD COUNSEL
Idaho Power | Legal
208-388-5317

From: Peter Richardson [<mailto:peter@richardsonadams.com>]
Sent: Wednesday, May 07, 2014 5:03 PM
To: Darrington, Michael
Cc: Walker, Donovan; Allphin, Randy; Greg Adams
Subject: FW: Black Sands Solar - DRAFT Energy Sales Agreement

Michael, have you had a chance to look at the section on pricing changes during the term of the PPA in Section 7.4? My clients are asking about it and I frankly don't think I understand how it is supposed to work and what it is supposed to accomplish. Thanks for your help. -Peter

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

From: Peter Richardson
Sent: Tuesday, May 06, 2014 5:31 PM
To: 'Darrington, Michael'
Cc: Walker, Donovan; Allphin, Randy
Subject: RE: Black Sands Solar - DRAFT Energy Sales Agreement

Thank you Michael: We may have other questions, but right off, could you explain how the pricing adjustment in Section 7.4 would operate? Maybe give a example or two so I can understand it. Also what is it designed to do?
Thanks, -Pete

Peter Richardson
Richardson Adams, PLLC
515 N. 27th Street
Boise, Idaho 83702
(208) 938-7901 office
(208) 867-2021 cell
peter@richardsonadams.com

From: Darrington, Michael [<mailto:MDarrington@idahopower.com>]
Sent: Tuesday, May 06, 2014 4:24 PM
To: Peter Richardson
Cc: Walker, Donovan; Allphin, Randy
Subject: Black Sands Solar - DRAFT Energy Sales Agreement

Mr. Richardson,

Please find attached a DRAFT Energy Sales Agreement (ESA) for your proposed Black Sands 20 MW solar project.

The draft document contained with this email is for discussion purposes only. No contractual obligation of any kind shall exist between the parties until such time as both parties have executed an Energy Sales Agreement and the executed ESA has been approved by the Idaho Public Utilities Commission (IPUC). In addition, the proposed energy prices contained within this document have been calculated using the incremental integrated resource plan (IRP) avoided cost methodology in accordance with Idaho Public Utilities Commission (IPUC) Order No. 32697 and are for discussion purposes only. At any time prior to both parties executing an ESA, Idaho Power shall modify any draft ESA and energy pricing provided to reflect current contracting standards and according to current regulatory requirements.

This draft agreement and pricing are the starting point for ESA negotiations. Along with the ESA there are other important processes that must be undertaken before a proposed project can begin delivering energy to Idaho Power. These other processes include Generator Interconnection and a Transmission Service Request.

Please feel free to contact me with any questions or if you would like to further discuss the draft ESA.

Thank you,

--

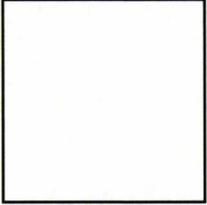
Michael Darrington

SR ENERGY CONTRACTS COORDINATOR

Idaho Power | Power Supply

Work 208-388-5946

Email mdarrington@idahopower.com



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**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

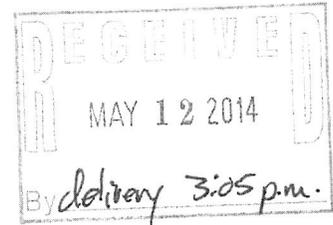
CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 7

ALTERNATIVE POWER DEVELOPMENT

Robert A. Paul
515 N. 27th Street
Boise, Idaho 83702
Robertapaul8@gmail.com
(760) 861-1104



May 11, 2014

Michael Darrington
SR Energy Contracts Coordinator
Idaho Power/Power Supply
1221 West Idaho Street
Boise, Idaho 83702
HAND DELIVERY

Re: Grand View PV Solar Two, LLC

Dear Mr. Darrington:

Last week you provided, what you termed, a draft Energy Sales Agreement (ESA) to Black Sands Solar. By way of clarification, Black Sands Solar is an authorized assumed business name of Grand View PV Solar Five A, LLC. In turn, Grand View PV Solar Five A, LLC (herein GV5A) is wholly owned by Alternative Power Development Northwest, LLC (APD) of which I am the managing member. APD is also the owner of Grand View PV Solar Two, LLC (GV2).

Attached hereto you will find three 'originals' of the identical ESA you provided to Black Sands Solar containing the same rates, terms and conditions. These originals are fully and duly executed by me in my capacity as managing member of GV2. Three are provided for your convenience; one may be retained for your files, one may be lodged with the Commission and the final original should be returned to me for our files. The ESA executed by GV2 includes all of the specific information requested of the project for Idaho Power to begin accepting deliveries.

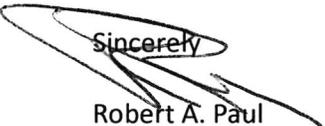
While your transmittal email suggested that no contractual obligation of any kind can be created before the ESA is signed by both parties and is approved by the Idaho PUC, this is contrary to the law regarding Qualified Facilities under the Public Utilities Regulatory Policies Act (PURPA). By executing and tendering the attached ESA, GV2 has unequivocally committed GV2 to a legally enforceable obligation to sell the output of its generation to Idaho Power over the life of the ESA.

GV2 is ready, willing and able to supply power to Idaho Power and has demonstrated the feasibility of doing so by completing Idaho Power's feasibility study process as well as the system impact study process and the facility study process. GV2 has completed all of the permitting and site evaluation work to begin supplying power and has no outstanding issue preventing it from moving forward post haste. GV2's obligations under the attached ESA would NOT be contingent upon any outside event or approvals.

To reiterate, GV2 is hereby making a binding and unconditional offer to sell its output to Idaho Power. This comprehensive offer comports with all of the Idaho PUC's rulings on the creation of a legally enforceable obligation on Idaho Power's part to purchase, and a legally enforceable obligation on the part of GV2 to sell, all of its output for the life of the ESA.

As you know, the Idaho PUC has just recently recognized in a settlement of a lawsuit against it by the Federal Energy Regulatory Commission that the legally enforceable obligation relationship between Idaho Power and GV2 is a valid and common vehicle for QFs to use to compel utilities to purchase the output of their projects.

We are looking forward a long and mutually beneficial relationship with Idaho Power.



Sincerely

Robert A. Paul
Managing Member
Grand View PV Solar Two, LLC

ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
GRAND VIEW PV SOLAR TWO, 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, Metering Communications and SCADA 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 and Authorized Agents
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	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 - Solar Facility Energy Prices
	Appendix F - Insurance Requirements
	Appendix G - Estimated Hourly Energy Production

ENERGY SALES AGREEMENT
(Solar PV Project with a Nameplate rating greater than 100 kW)

Project Name: Grand View PV Solar Two, LLC

Project Number: _____

THIS ENERGY SALES AGREEMENT (“AGREEMENT”), entered into on this 11th day of May 2014 between Grand View PV Solar Two, 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 required to purchase, electric energy produced by a PURPA Qualifying 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 Estimated Net Energy Amount” – the Estimated Net Energy Amount specified in paragraph 6.2 including any adjustments that have been made in accordance with paragraphs 6.2.2 or 6.2.3.
- 1.2 “Authorized Agent” – a person or persons specified within paragraph 25.2 of this Agreement as being authorized and empowered, for and on behalf of the Seller, to execute instruments,

agreements, certificates, and other documents (collectively “Documents”) and to take actions on behalf of the Seller, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Seller for all purposes, until such time as an authorized officer of the Seller shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall no longer be an agent on behalf of the Seller. Any Documents executed by such persons shall be deemed duly authorized by the Seller for all purposes.

- 1.3 “Base Energy” – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.39.
- 1.4 “Commission” – The Idaho Public Utilities Commission.
- 1.5 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.6 “Delay Cure Period” – 120 days immediately following the Scheduled Operation Date.
- 1.7 “Delay Damages” – ((Current month’s Estimated Net Energy Amount as specified in paragraph 6.2 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month’s Delay Price.
- 1.8 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date or the Agreement is terminated by Idaho Power.
- 1.9 “Delay Price” – The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price as specified in Appendix E of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.10 “Designated Dispatch Facility” – Idaho Power’s Load Serving Operations, or any subsequent group designated by Idaho Power.
- 1.11 “Effective Date” – The date stated in the opening paragraph of this Energy Sales Agreement representing the date upon which this Energy Sales Agreement was fully executed by both Parties.

1.12 “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 REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser’s discretion, and include without limitation those REC 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. RECs are accumulated on a MWh basis and one REC 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)

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.

emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.13 “Facility” – That electric generation facility described in Appendix B of this Agreement.
- 1.14 “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 after the Seller requested First Energy Date.
- 1.15 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance, or 2) responding to a transmission provider curtailment order, or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period, or 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility.
- 1.16 “Generation Interconnection Agreement (GIA)” – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system, which will include but not be limited to all requirements as specified by Schedule 72.
- 1.17 “Generation Unit” – a complete solar pv electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility.
- 1.18 “Heavy Load Hours” – The daily hours from hour ending 0700 - 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.19 “Hourly Energy Estimates” – the hourly energy estimates provided by the Seller and included in Appendix G of this Agreement. These hourly energy estimates are a material input used in the calculation of the energy prices specified in Appendix E.

- 1.20 "Interconnection Facilities" – All equipment specified in the GIA.
- 1.21 "Light Load Hours" – The daily hours from hour ending 2300 – 0600 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 point where the Facility's energy is metered and Facility's Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 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 "Mid- Columbia Market Energy Cost" – 82.4% of the monthly arithmetic average of the Intercontinental Exchange ("ICE") daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg reported prices. The actual calculation being:
- $$\text{Mid-Columbia Market Energy Cost} = .824 * (((\text{ICE Mid-C Peak Avg} * \text{Heavy Load Hours for each day of the month}) + (\text{ICE Mid-C Off-Peak Avg} * \text{Light Load Hours for each day of the month})) / \text{total hours in the month})$$
- If the ICE Mid-Columbia Index reporting is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.27 "Monthly Estimated Generation" – the monthly estimated generation as specified in Appendix G identified as the Monthly estimated kWh.
- 1.28 "Monthly Nameplate Energy" – Nameplate Capacity multiplied by the hours in the applicable month.

- 1.29 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.30 “Net Energy” – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility 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.
- 1.31 “Estimated Net Energy Amount Adjustment Percentage” – (Adjusted Estimated Net Energy Amount divided by the applicable month’s Monthly Estimated Generation) times 100. If this calculation results in a value greater than 100%, the result of this calculation will be 100%.
- 1.32 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.33 “Point of Delivery” – The location specified in the GIA and referenced in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.34 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus 2%. If this calculation results in a value greater than 100%, the result of this calculation will be 100% or if this calculation results in a value less than 90%, the result of this calculation will be 90%.
- 1.35 “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.

- 1.36 “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.
- 1.37 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller’s Facility shall achieve the Operation Date.
- 1.38 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.39 “Security Deposit” - \$45 per kW Nameplate Capacity of the entire Facility.
- 1.40 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.
- 1.41 “Surplus Energy” – Is (1) Net Energy produced by the Seller’s Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Estimated 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 Estimated 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, or (4) all monthly Net Energy that exceeds the Monthly Nameplate Energy.
- 1.42 “Termination Damages” – Financial damages the non defaulting party has incurred as a result of termination of this Agreement.

ARTICLE II: NO RELIANCE ON IDAHO POWER

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

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility's Qualifying Facility status and associated support and compliance documents at anytime during the term of this Agreement.
- 3.3 Solar Project Qualifications - Seller warrants that the Facility is a "Solar Project," as that term is used in Commission Order 32697. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Solar Project status during the full term of this Agreement and

Seller's failure to maintain Solar Project status will be a Material Breach of this Agreement.

Idaho Power reserves the right to review the Facility's Solar Project status and associated support and compliance documents at anytime during the term of this Agreement.

- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix G are accurate estimates of the Facility's expected hourly energy production based on the characteristics of the solar generation equipment being installed, configuration and orientation of the equipment installation, location specific solar radiation and any other information available. Material deviations from these Hourly Energy Estimates will be a Material Breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:
- 4.1.1 Submit proof to Idaho Power that all licenses, permits, determinations or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility and evidence of compliance with the eligibility to be classified as a Solar Project as referenced in Commission Order 32697.
- 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, determinations 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 Commission Approval - Confirm with Idaho Power that Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- 4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility and the total of these units to determine the Facility Nameplate Capacity rating. 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 Completion certificate - Submit a certificate executed by an authorized agent of the Seller attesting that all mechanical and electrical equipment of the designated Generation Unit(s) of the Facility has been completed to enable the Generation Unit(s) to beginning testing and delivery of Test Energy in a safe manner.
- 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 business unit that administers the GIA that Seller has satisfied all interconnection and testing requirements that will enable the Facility to be safely connected to the Idaho Power electrical system.
- 4.1.8 Network Resource Designation – Confirm that the Seller's Facility has been designated as an Idaho Power network resource capable of delivering energy up to the amount of the Maximum Capacity at the Point of Delivery.
 - 4.1.8.1 As specified in Appendix B item 7 of this Agreement, the Seller's Facility must have achieved the status of being an Idaho Power Designated Network Resource (DNR) prior to Idaho Power accepting any energy from this Facility. Appendix

B item 7 provides information on the initial application process required to enable Idaho Power to determine if network transmission capacity is available for this Facility's Maximum Capacity Amount and/or if Idaho Power transmission network upgrades will be required. The results of this study process and any associated costs will be included in the GIA for this Facility.

4.1.8.2 Only after the Facility has completed all requirements of the GIA that enable the Facility to come online can Idaho Power begin the final process of designating this resource as an Idaho Power Network Resource. The final process must be initiated at a minimum 30 days prior to the First Energy Date. Therefore, Idaho Power will begin this process 30 days prior to the Scheduled First Energy Date specified in Appendix B of this Agreement and only after Idaho Power has received confirmation that the GIA requirements have been completed. If the Seller estimates that the actual First Energy is expected to be different than the Scheduled First Energy Date specified in Appendix B of this Agreement, the Seller must notify Idaho Power of this revised date no later than 30 days prior to Scheduled First Energy Date. Under no circumstances will the project be able to deliver any energy to Idaho Power until such time as Idaho Power has designated this Facility as an Idaho Power Network Resource.

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

ARTICLE V: TERM AND OPERATION DATE

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

years (*not to exceed 20 years*) Contract Years from the Operation Date.

5.2 Operation Date – A single Operation Date will be granted for the entire Facility and may occur only after the Facility has achieved all of the following:

- a) At the minimum, 75% of the Generation Units planned for this Facility have achieved their First Energy Date.
- b) Seller has demonstrated to Idaho Power's satisfaction that all mechanical and electrical testing has been completed satisfactorily and the Facility is able to provide energy in a consistent, reliable and safe manner.
- c) 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.
- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process (This includes any delay in making the required deposit payments set forth in the Facility's GIA) that **are not** caused by Idaho Power or Force Majeure events accepted by both Parties, **shall not** prevent Delay Damages or Termination Damages from being due and owing as calculated in accordance with this Agreement.

5.4 Termination - If Seller fails to achieve the Operation Date prior to the Scheduled Operation Date or within the Delay Cure Period, such failure will be a Material Breach and Idaho Power may

terminate this Agreement at any time until the Seller cures the Material Breach.

5.5 Delay Damages billing and payment – Idaho Power shall calculate and submit to the Seller any Delay Damages due Idaho Power within 15 days after the end of each month or within 30 days of the date this Agreement is terminated by Idaho Power.

5.6 Termination Damages billing and payment - Idaho Power shall calculate and submit to the Seller any Termination Damages due Idaho Power within 30 days after this Agreement has been terminated.

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

5.8 Security Deposit - Within thirty (30) days of the date of a final non-appealable Commission Order approving this Agreement as specified in Article XXI, the Seller shall post and maintain liquid security in a form as described in Appendix D equal to or exceeding the amount specified within this Agreement as the Security Deposit until such time as the Security Deposit is released by Idaho Power as specified in paragraph 5.8.1. Failure to post this Security Deposit in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.

5.8.1 Idaho Power shall release any remaining Security Deposit provided by Seller promptly after either the Facility has achieved its Operation Date or this Agreement has been terminated and only after all Delay and Termination Damages have been paid in full to Idaho Power.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

6.1 Net Energy Purchase and Delivery - 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.

6.2 Estimated Net Energy Amounts – shall be equal to Monthly estimated kWhs as specified in Appendix G and as listed below:

<u>Month</u>	<u>kWh</u>
January	1,314,286
February	2,003,141
March	3,186,438
April	3,861,919
May	4,568,573
June	4,858,265
July	5,113,854
August	4,727,683
September	3,801,097
October	2,979,852
November	1,361,029
December	<u>1,068,772</u>
Total	38,844,772

6.2.2 Seller’s Adjustment of Estimated Net Energy Amounts - After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the last business day of the Notification Month specified in the following schedule:

<u>Notification Month</u>	<u>Future monthly Estimated Net Energy Amounts eligible to be revised</u>
November	January and any future months
December	February and any future months
January	March and any future months
February	April and any future months
March	May and any future months
April	June and any future months
May	July and any future months
June	August and any future months
July	September and any future months

August	October and any future months
September	November and any future months
October	December and any future months

- a.) This written notice must be provided to Idaho Power in accordance with paragraph 25.1 or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices address specified in paragraph 25.1.
- b.) Failure to provide timely written notice of changed Estimated Net Energy Amounts will be deemed to be an election of no change from the most recently provided Estimated Net Energy Amounts.

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

Where:

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

- SGU =
- a.) If Idaho Power is excused from accepting the Seller’s Net Energy as specified in paragraph 12.2.1 this value will be equal to the percentage of curtailment as specified by Idaho Power multiplied by the TGU as defined below.
 - b.) If the Seller declares a Suspension of Energy Deliveries as specified in paragraph 12.3.1 this value will be the sum of the individual Generation Units size ratings as specified in Appendix B that are impacted by the circumstances causing the Seller to declare a Suspension of Energy Deliveries.

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

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

TH = Actual total hours in the current month

Resulting formula being:

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

This Adjusted Estimated 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 Failure to Deliver Minimum Estimated Net Energy Amounts - 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 Monthly Estimated Generation shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the monthly Base Energy Heavy Load Purchase Price as specified in Appendix E.
- 7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the monthly Base Energy Light Load Purchase Price as specified in Appendix E.
- 7.3 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the Base Energy Light Load Purchase Price for that

month, whichever is lower.

- 7.4 Price Adjustment - Upon acceptance of a Seller Adjustment of Estimated Net Energy Amounts as specified in paragraph 6.2.2, Idaho Power will calculate the Pricing Adjustment Percentage for the applicable month(s). All pricing contained within Appendix E for the applicable month(s) will be multiplied by the Pricing Adjustment and the resulting revised prices will replace the prices contained within Appendix E until such time as the Seller submits a new Seller Adjustment of Estimated Net Energy Amounts at which time a new Pricing Adjustment Percentage will be calculated and applied in accordance with this paragraph.
- 7.5 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for 2 consecutive months and/or in any 3 months during a Contract Year will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement within sixty (60) days after the Material Breach has occurred.
- 7.6 Payment Due Date – Undisputed Base Energy and Surplus Energy payments, less any payments due to Idaho Power will be disbursed to the Seller within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Base Energy and Surplus 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 Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated

with the Facility and Seller will likewise retain 50% ownership of all of the Environmental Attributes associated with the Facility. Title of 50% Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Surplus Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this agreement, unless the parties agree to extend in future agreements. If after the Effective Date any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this hydroelectric generation Facility.

8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.

8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental Attribute accounting and tracking system initially selected by Idaho Power is materially altered or discontinued during the Term of this Agreement, the Parties shall cooperate to

identify an appropriate alternative Environmental Attribute accounting and tracking process and enable the Environmental Attributes be processed through this alternative method.

8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.

8.2.3 If Idaho Power requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications required by Idaho Power for those Environmental Attributes delivered to Idaho Power from the Seller. If the Seller incurs cost, as a result of Idaho Power's request, and if the additional certification provides benefits to both parties, the parties shall share the costs in proportion to the additional benefits obtained. If Idaho Power elects to obtain its own certifications, then Seller shall fully cooperate with Idaho Power in obtaining such certification.

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 to the Idaho Power Point of Delivery for the full term of the Agreement in accordance with the GIA.

ARTICLE X:

METERING, METERING COMMUNICATIONS AND SCADA TELEMETRY

10.1 Metering - Idaho Power shall, provide, install, and maintain metering equipment needed for metering the electrical energy production from the Facility. The metering equipment will be

capable of measuring, recording, retrieving and reporting the Facility's hourly gross electrical energy production, Station Use, maximum energy deliveries (kW) and any other energy measurements at the Point of Delivery that Idaho Power needs to administer this Agreement and integrate this Facility's energy production into the Idaho Power electrical system. Specific equipment, installation details and requirements for this metering equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

10.2 Metering Communications - Seller shall, at the Seller's sole initial and ongoing expense, arrange for, provide, install, and maintain dedicated metering communications equipment capable of transmitting the metering data specified in paragraph 10.1 to Idaho Power in a frequency, manner and form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated metering communications equipment. Specific details and requirements for this metering communications equipment will be established in the GIA process and documented in the GIA.

10.3 Supervisory Control and Data Acquisition (SCADA) Telemetry – If the Facility's Nameplate Capacity exceeds 3 MW, in addition to the requirements of paragraph 10.1 and 10.2, Idaho Power may require telemetry equipment and telecommunications which will be capable of providing Idaho Power with continuous instantaneous SCADA telemetry of the Seller's Net Energy and Inadvertent Energy production in a form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated SCADA and telecommunications equipment. Specific details and requirements for this SCADA Telemetry and telecommunications equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

ARTICLE XI - RECORDS

11.1 Maintenance of Records - Seller shall maintain monthly records at the Facility or such other

location mutually acceptable to the Parties. These records shall include total generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in (kW) and be records in a form and content acceptable to Idaho Power. Monthly records shall be retained for a period of not less than five years.

- 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 records pertaining to the Seller's Facility generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in kW.

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 the GIA.

- 12.2 Acceptance of Energy –

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:

- a.) If energy deliveries are interrupted due an event of Force Majeure or Forced Outage.
- b.) If interruption of energy deliveries is allowed by Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.304
- c.) If temporary disconnection and/or interruption of energy deliveries is in accordance with Schedule 72 or other provisions as specified within the GIA.
- d.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction, electrical

system maintenance requirements, emergencies, electrical system operating conditions, electrical system reliability emergencies on its system, or as otherwise required by Prudent Electrical Practices.

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

12.2.3 Under no circumstances will the Seller deliver 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 and must be cured immediately.

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

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a Forced Outage, and Seller initiates a Declared Suspension of Energy Deliveries, Seller shall, after giving notice as provided in paragraph 12.3.2 below, temporarily reduce deliveries of Net Energy (kW) to Idaho Power from the Facility to not exceed the reduced energy deliveries (kW) stated by the Seller in the initial declaration for a period of not less than 48 hours. ("Declared Suspension of Energy Deliveries"). The Seller's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller's telephone

notification as specified in paragraph 12.3.2 and will continue for the time as specified (not less than 48 hours) in the written notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Estimated Net Energy Amount will be adjusted as specified in paragraph 6.2.3.

12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries, a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries, and the reduced level (kW) of energy deliveries the Facility is requesting that will be set as the maximum energy deliveries to Idaho Power for the duration of the Declared Suspension of Energy Delivery event (not less than 48 hours). Idaho Power will review the documentation provided by the Seller to determine Idaho Power's acceptance of the described Forced Outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power's acceptance of the Seller's Forced Outage as an acceptable Forced Outage will be based upon the clear documentation provided by the Seller that the Forced Outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.

12.4 Scheduled Maintenance – On or before January 31st 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. If the Seller intends to perform planned maintenance at approximately the same time every year, the Seller may submit a maintenance schedule for the first calendar year and include a statement

that this maintenance schedule shall be consistent for all future years, until such time as the Seller notifies Idaho Power of a change to this schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

12.5 Idaho Power Maintenance Information – Upon receiving a written request from the Seller, Idaho Power shall provide publically available information in regards to Idaho Power planned maintenance information that may impact the Facility.

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

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

13.2 Insurance - During the term of this Agreement, Seller shall secure and continuously carry insurance as specified in Appendix F.

ARTICLE XIV: FORCE MAJEURE

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

- (1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.
- (2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.
- (3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

ARTICLE XV: LIABILITY; DEDICATION

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

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

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

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

ARTICLE XIX: DISPUTES AND DEFAULT

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

19.2 Notice of Default

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

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach or if a specific cure and/or inability to cure is identified by this Agreement for the specific Material Breach then that cure shall apply.

19.3 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 Appendix F. If Seller fails to comply, such failure will be a Material Breach.

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 / Permits / Determinations - During the full term of this Agreement, Seller shall maintain compliance with all permits, licenses and determinations described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits, licenses or determinations. 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, licenses and determinations 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 only 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. Neither this Agreement nor any rights or obligations of either Party hereunder may be assigned, in whole or in part, by operation of law or otherwise, without the prior written consent of both Parties, which 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. A transfer or change in the person or entities who control ten percent or more of the equity securities or voting interests of Seller (whether in a single or multiple separate transactions resulting in such a change in control of equity interests or voting securities) shall be deemed an assignment of this Agreement requiring prior written consent of Idaho Power for purposes of the foregoing. Any purported assignment in derogation of the foregoing shall be void. 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 AND AUTHORIZED AGENTS

- 25.1 Notices - 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:

Name: Robert A. Paul
Address: 515 N. 27th Street
Boise, Idaho 83702

Telephone: (760) 861-1104
Cell: Same
E-mail: robertapaul8@gmail.com

To Idaho Power:

Original document to:

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

Copy of document to:

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

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

25.2 Authorized Agent(s)

Name	Title
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Authorized Agents as listed above may be modified by the Seller by requesting and completing an Authorized Agent modification document provided by Idaho Power. This document at minimum will include the requested changes and require signature(s) from an authorized party of the Seller.

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.

- 26.2 Prior to the Seller executing this Agreement, the Seller shall have:
- a) Submitted an interconnection application for this Facility and is in compliance with all payments and requirements of the interconnection process.
 - b) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power Designated Network Resource. If final interconnection or transmission

studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Delay and Termination Damages associated with the project's failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission costs, processes or schedules.

- c) Provide acceptable and verifiable evidence to Idaho Power that demonstrates the Facility is eligible for the published avoided costs requested by the Seller and contained within this Agreement. Commission Order 32817 provides the current published avoided costs for Non-Seasonal Hydro Facilities, Seasonal Hydro Facilities, Other Facilities, Solar Facilities, and Wind Facilities.

26.3 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	-	Solar Facility Energy Prices
Appendix F	-	Insurance Requirements
Appendix G	-	Estimated Hourly Energy Production

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

Grand View PV Solar Two, LLC

By

By

Lisa A Grow
Sr. Vice President, Power Supply

Robert A. Paul
Managing Member

Dated

Dated

"Idaho Power"

5-12-2014

"Seller"

APPENDIX A

A-1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

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

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

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

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

	Facility Output	Station Usage	<table border="1"> <tr> <td align="center">Metered Maximum Generation</td> </tr> <tr> <td align="center">kW</td> </tr> </table>	Metered Maximum Generation	kW
Metered Maximum Generation					
kW					
Meter Number: _____	_____	_____			
End of Month kWh Meter Reading: _____	_____	_____			
Beginning of Month kWh Meter: _____	_____	_____			
Difference: _____	_____	_____			
Times Meter Constant: _____	_____	_____			
kWh for the Month: _____	-	_____	=		
Metered Demand: _____	_____	_____	<table border="1"> <tr> <td align="center">Net Generation</td> </tr> </table>	Net Generation	
Net Generation					

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 Energy Sales Agreement to which I am a Party.

Signature _____
Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

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

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

A-3 SELLER CONTACT INFORMATION

Seller's Contact Information

Project Management

Name: Robert A. Paul
Telephone Number: (760) 861-1104
Cell Phone: (760) 861-1104
E-Mail: robertapaul8@gmail.com

24-Hour Project Operational Contact

Name: To be provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

Project On-site Contact information

Name: To be provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Grand View PV Solar Two

Project Number: _____

B-1 DESCRIPTION OF FACILITY

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

Grand View PV Solar Two is a 20 MW photovoltaic solar energy facility located 20 miles southwest of Mountain Home, Idaho. The facility will interconnect at 138kV through a shared substation with other projects.

Nameplate: 20 MW

Var Capability (Both leading and lagging) Leading is 0.95 Lagging is 0.95.

B-2 LOCATION OF FACILITY

Near: Grand View, Idaho

Actual or nearest physical street address: Idaho Hwy 167 and Frederickson Rd.

GPS Coordinates: Latitude Decimal Degrees 43.026

Longitude Decimal Degrees 116.017

State: Idaho County: Elmore

Description of Interconnection Location: Grand View PV Solar 2, 3 and 4 substation.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected November 1, 2015 as the Scheduled First Energy Date.

Seller has selected December 15, 2015 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 20 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. 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 energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA 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 Equipment 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 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until the Facility has achieved the status of being an Idaho Power designated network resource ("DNR"). Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application 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 DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **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 DNR 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/herself 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 referred to as the "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 Idaho Power Company Facility No. _____ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, said Project has been designed and built to appropriate standards, and 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 the full Contact Term of _____ years.

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/her knowledge and therefore sets his/her 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/herself 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 referred to as the "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 Idaho Power Company 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 _____ 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. The Engineer certifies, based on the Project's appearance and the information provided by the Project, that the Project's ongoing O&M has been completed in accordance with said O&M Policy; that it is in reasonably good operating condition; and it is in the Engineer's professional opinion 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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself/herself 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 Energy Sales Agreement, hereinafter referred to as the "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 Idaho Power Company 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/her knowledge and therefore sets his/her 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, 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 Security Deposit requirement 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 – Seller shall deposit cash in the amount of the required Security Deposit with Idaho Power. Idaho Power will not be responsible to calculate or pay any interest on these funds deposited with Idaho Power.
2. 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 Security Deposit. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).

3. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Security Deposit: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

SOLAR FACILITY ENERGY PRICES

(Prices based upon the energy shape and capacity specified in Appendix G)

E-1 Base Energy Purchase Prices – For all Base Energy received during Heavy Load Hours Idaho Power shall pay the Base Energy Heavy Load Purchase Price specified below and for all Base Energy received during Light Load Hours Idaho Power shall pay the Base Energy Light Load Purchase Price specified below. All of these prices are subject to revision as specified within paragraph 7.4.

<u>Month/Year</u>	<u>Base Energy Heavy Load Purchase Price (Mills/kWh)</u>	<u>Base Energy Light Load Purchase Price (Mills/kWh)</u>
Jan-15	\$49.95	\$49.57
Feb-15	\$49.32	\$50.21
Mar-15	\$50.27	\$47.99
Apr-15	\$40.50	\$31.95
May-15	\$48.61	\$42.66
Jun-15	\$47.03	\$39.14
Jul-15	\$62.56	\$53.27
Aug-15	\$61.09	\$52.05
Sep-15	\$55.80	\$49.79
Oct-15	\$49.77	\$49.64
Nov-15	\$51.62	\$50.08
Dec-15	\$50.90	\$49.64
Jan-16	\$53.44	\$52.63
Feb-16	\$53.72	\$52.92
Mar-16	\$51.26	\$49.09
Apr-16	\$48.06	\$46.67
May-16	\$50.57	\$46.33
Jun-16	\$51.01	\$41.57
Jul-16	\$63.69	\$58.00
Aug-16	\$64.29	\$59.68
Sep-16	\$58.09	\$54.29
Oct-16	\$56.37	\$56.15
Nov-16	\$57.30	\$56.49
Dec-16	\$58.22	\$58.99
Jan-17	\$56.82	\$56.07

Feb-17	\$55.87	\$54.72
Mar-17	\$53.87	\$52.88
Apr-17	\$49.24	\$44.13
May-17	\$54.14	\$51.65
Jun-17	\$54.12	\$45.51
Jul-17	\$66.78	\$60.83
Aug-17	\$67.81	\$62.96
Sep-17	\$61.98	\$57.21
Oct-17	\$60.08	\$58.75
Nov-17	\$60.67	\$59.43
Dec-17	\$60.61	\$60.40
Jan-18	\$59.66	\$58.24
Feb-18	\$59.22	\$56.03
Mar-18	\$52.36	\$50.58
Apr-18	\$50.36	\$50.27
May-18	\$54.95	\$50.27
Jun-18	\$53.66	\$49.79
Jul-18	\$66.40	\$66.78
Aug-18	\$70.83	\$65.29
Sep-18	\$65.37	\$62.65
Oct-18	\$61.93	\$61.79
Nov-18	\$62.50	\$61.89
Dec-18	\$61.93	\$61.89
Jan-19	\$61.34	\$56.97
Feb-19	\$61.02	\$57.58
Mar-19	\$49.23	\$48.70
Apr-19	\$48.41	\$48.23
May-19	\$53.55	\$46.98
Jun-19	\$54.61	\$48.40
Jul-19	\$67.97	\$64.79
Aug-19	\$71.60	\$66.08
Sep-19	\$66.42	\$64.51
Oct-19	\$63.33	\$63.27
Nov-19	\$63.59	\$63.25
Dec-19	\$63.27	\$63.27
Jan-20	\$64.04	\$62.48
Feb-20	\$57.97	\$56.20
Mar-20	\$47.83	\$48.60
Apr-20	\$47.29	\$47.08
May-20	\$51.28	\$46.26
Jun-20	\$55.01	\$48.47
Jul-20	\$69.59	\$66.22
Aug-20	\$73.36	\$66.85
Sep-20	\$64.60	\$59.70
Oct-20	\$64.50	\$64.51

Nov-20	\$64.79	\$64.51
Dec-20	\$64.55	\$64.51
Jan-21	\$66.05	\$65.57
Feb-21	\$62.27	\$55.39
Mar-21	\$53.63	\$51.57
Apr-21	\$49.64	\$49.63
May-21	\$55.36	\$49.63
Jun-21	\$58.28	\$50.95
Jul-21	\$72.29	\$68.27
Aug-21	\$76.44	\$68.41
Sep-21	\$67.98	\$63.76
Oct-21	\$66.28	\$66.18
Nov-21	\$66.67	\$66.18
Dec-21	\$66.49	\$66.20
Jan-22	\$68.45	\$66.89
Feb-22	\$68.99	\$66.85
Mar-22	\$61.09	\$55.45
Apr-22	\$54.15	\$54.04
May-22	\$57.80	\$53.96
Jun-22	\$62.00	\$54.36
Jul-22	\$74.95	\$72.02
Aug-22	\$80.55	\$72.94
Sep-22	\$74.10	\$69.07
Oct-22	\$69.80	\$69.72
Nov-22	\$69.85	\$69.72
Dec-22	\$70.57	\$69.72
Jan-23	\$71.20	\$68.48
Feb-23	\$71.91	\$69.09
Mar-23	\$67.57	\$63.31
Apr-23	\$57.96	\$56.25
May-23	\$61.73	\$58.06
Jun-23	\$63.07	\$57.36
Jul-23	\$78.64	\$76.94
Aug-23	\$83.41	\$78.37
Sep-23	\$78.41	\$72.67
Oct-23	\$73.31	\$73.12
Nov-23	\$73.38	\$72.82
Dec-23	\$74.31	\$73.22
Jan-24	\$75.31	\$74.22
Feb-24	\$74.63	\$71.03
Mar-24	\$65.85	\$63.94
Apr-24	\$55.44	\$54.32
May-24	\$60.09	\$54.45
Jun-24	\$63.18	\$59.22
Jul-24	\$84.23	\$80.46

Aug-24	\$94.29	\$77.98
Sep-24	\$79.82	\$77.81
Oct-24	\$76.13	\$75.99
Nov-24	\$76.64	\$75.59
Dec-24	\$77.09	\$75.99
Jan-25	\$78.47	\$78.67
Feb-25	\$77.33	\$73.84
Mar-25	\$70.59	\$67.80
Apr-25	\$56.45	\$54.63
May-25	\$66.13	\$63.00
Jun-25	\$68.81	\$64.32
Jul-25	\$91.55	\$81.47
Aug-25	\$96.40	\$80.91
Sep-25	\$82.98	\$79.45
Oct-25	\$78.78	\$78.67
Nov-25	\$80.28	\$78.67
Dec-25	\$82.42	\$80.85
Jan-26	\$81.96	\$81.50
Feb-26	\$81.69	\$80.62
Mar-26	\$66.38	\$58.45
Apr-26	\$57.67	\$58.11
May-26	\$72.19	\$70.89
Jun-26	\$71.91	\$67.95
Jul-26	\$94.59	\$83.71
Aug-26	\$100.51	\$85.95
Sep-26	\$87.96	\$84.05
Oct-26	\$82.09	\$81.95
Nov-26	\$82.59	\$82.09
Dec-26	\$88.05	\$84.16
Jan-27	\$83.95	\$82.81
Feb-27	\$84.58	\$81.89
Mar-27	\$75.32	\$73.95
Apr-27	\$65.62	\$61.29
May-27	\$69.01	\$67.58
Jun-27	\$76.00	\$74.42
Jul-27	\$98.60	\$87.62
Aug-27	\$102.97	\$87.82
Sep-27	\$90.29	\$87.05
Oct-27	\$84.74	\$84.53
Nov-27	\$85.23	\$84.80
Dec-27	\$93.77	\$87.23
Jan-28	\$87.76	\$84.01
Feb-28	\$88.01	\$84.85
Mar-28	\$71.32	\$71.51
Apr-28	\$66.84	\$67.44

May-28	\$77.13	\$76.57
Jun-28	\$78.59	\$75.59
Jul-28	\$103.95	\$91.96
Aug-28	\$106.91	\$90.53
Sep-28	\$93.44	\$91.10
Oct-28	\$88.29	\$87.94
Nov-28	\$88.78	\$88.21
Dec-28	\$103.16	\$92.51
Jan-29	\$90.73	\$85.59
Feb-29	\$90.74	\$88.65
Mar-29	\$78.15	\$68.59
Apr-29	\$64.96	\$67.13
May-29	\$79.23	\$78.50
Jun-29	\$79.30	\$77.80
Jul-29	\$114.55	\$101.54
Aug-29	\$117.31	\$93.92
Sep-29	\$97.91	\$94.26
Oct-29	\$91.40	\$91.28
Nov-29	\$92.53	\$91.28
Dec-29	\$103.24	\$94.23
Jan-30	\$94.31	\$92.20
Feb-30	\$93.70	\$90.45
Mar-30	\$79.35	\$75.83
Apr-30	\$65.77	\$61.47
May-30	\$70.26	\$62.91
Jun-30	\$81.66	\$81.19
Jul-30	\$123.75	\$109.18
Aug-30	\$120.06	\$97.63
Sep-30	\$101.58	\$97.89
Oct-30	\$94.77	\$94.59
Nov-30	\$96.60	\$94.63
Dec-30	\$110.76	\$98.57
Jan-31	\$108.97	\$102.49
Feb-31	\$105.67	\$96.08
Mar-31	\$93.49	\$89.74
Apr-31	\$75.12	\$67.52
May-31	\$93.48	\$84.26
Jun-31	\$87.15	\$85.37
Jul-31	\$140.01	\$122.76
Aug-31	\$130.12	\$102.51
Sep-31	\$109.04	\$105.53
Oct-31	\$113.26	\$101.26
Nov-31	\$115.32	\$111.99
Dec-31	\$125.83	\$118.89
Jan-32	\$112.73	\$107.28

Feb-32	\$110.52	\$97.47
Mar-32	\$101.86	\$92.57
Apr-32	\$86.07	\$79.97
May-32	\$95.38	\$92.88
Jun-32	\$91.03	\$88.46
Jul-32	\$152.03	\$128.83
Aug-32	\$137.07	\$108.19
Sep-32	\$112.76	\$109.94
Oct-32	\$120.19	\$109.13
Nov-32	\$124.35	\$122.68
Dec-32	\$127.18	\$123.88
Jan-33	\$115.55	\$109.93
Feb-33	\$113.27	\$99.83
Mar-33	\$104.35	\$94.78
Apr-33	\$88.09	\$81.81
May-33	\$97.68	\$95.10
Jun-33	\$93.20	\$90.55
Jul-33	\$156.03	\$132.13
Aug-33	\$140.62	\$110.87
Sep-33	\$115.58	\$112.67
Oct-33	\$123.23	\$111.84
Nov-33	\$127.52	\$125.80
Dec-33	\$130.43	\$127.03
Jan-34	\$118.39	\$112.61
Feb-34	\$116.05	\$102.21
Mar-34	\$106.86	\$97.01
Apr-34	\$90.11	\$83.64
May-34	\$99.99	\$97.34
Jun-34	\$95.37	\$92.65
Jul-34	\$160.09	\$135.48
Aug-34	\$144.22	\$113.58
Sep-34	\$118.43	\$115.43
Oct-34	\$126.31	\$114.58
Nov-34	\$130.72	\$128.95
Dec-34	\$133.72	\$130.22

APPENDIX F

INSURANCE REQUIREMENTS

The Seller shall secure and continuously carry insurance as specified within this Appendix for the term of the Agreement.

Insurance Requirements:

1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of A- or better.
2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within 5 days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
3. Prior to the First Energy date and subsequently within 10 days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
4. The Certificate of Insurance shall evidence the appropriate insurance coverage of 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.

Idaho Power Company

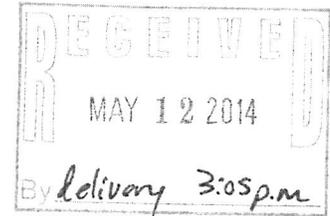
Appendix G Project Estimated Hourly Generation

Project Name: Grand View PV Solar Two
 AC Project Nameplate (MW): 20
 Project Estimated Online Date: 11/1/2015
 Project Estimated Annual Capacity Factor (%): 22.17%

		Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time																																			
		January	February	March	April	May	June	July	August	September	October	November	December																								
Hour Start	Hour End	Hour	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24											
12:00 AM	1:00 AM	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0										
1:00 AM	2:00 AM	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0									
2:00 AM	3:00 AM	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								
3:00 AM	4:00 AM	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								
4:00 AM	5:00 AM	5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0							
5:00 AM	6:00 AM	6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0						
6:00 AM	7:00 AM	7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
7:00 AM	8:00 AM	8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
8:00 AM	9:00 AM	9	0.6	2.7	2.5	4.2	6.4	8.2	7.7	5.3	4.3	1.8	2.1	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
9:00 AM	10:00 AM	10	3.3	6.8	7.4	10.5	12.0	13.7	13.9	12.6	10.6	6.6	5.2	3.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
10:00 AM	11:00 AM	11	5.1	8.1	11.2	13.0	14.3	15.4	15.7	15.3	14.7	11.6	6.1	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
11:00 AM	12:00 PM	12	5.1	9.1	11.1	13.6	14.3	15.2	15.7	15.7	14.3	11.5	6.0	4.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
12:00 PM	1:00 PM	13	5.6	8.2	11.0	13.6	13.6	14.9	16.1	15.2	13.6	11.5	5.5	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1:00 PM	2:00 PM	14	5.8	7.8	10.6	13.6	14.8	14.9	15.9	15.0	13.7	10.5	6.6	4.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
2:00 PM	3:00 PM	15	5.9	8.5	11.7	13.7	14.6	15.1	15.8	14.2	12.7	10.3	6.5	5.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
3:00 PM	4:00 PM	16	6.4	9.5	11.8	14.1	14.1	14.8	14.7	14.8	13.1	11.7	5.6	6.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4:00 PM	5:00 PM	17	4.3	8.8	11.5	11.4	14.3	14.6	14.4	14.7	12.5	12.3	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5:00 PM	6:00 PM	18	0.3	2.1	8.8	10.5	13.0	13.7	13.9	13.4	11.2	7.4	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6:00 PM	7:00 PM	19	0.0	0.0	4.6	6.7	8.4	10.7	11.2	9.7	5.7	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7:00 PM	8:00 PM	20	0.0	0.0	0.5	2.9	4.6	5.1	5.5	4.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8:00 PM	9:00 PM	21	0.0	0.0	0.0	0.0	0.3	1.8	1.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9:00 PM	10:00 PM	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10:00 PM	11:00 PM	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11:00 PM	12:00 AM	24	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Daily estimated MWh			42.4	71.5	102.8	128.7	147.4	161.9	165.0	152.5	126.7	96.1	45.4	34.5																							
Days in month			31	28	31	30	31	30	31	31	30	31	30	31																							
Monthly estimated MWh			1,314	2,003	3,186	3,862	4,569	4,858	5,114	4,728	3,801	2,980	1,361	1,069																							
Monthly estimated kWh			1,314,286	2,003,141	3,186,438	3,861,919	4,568,573	4,858,265	5,113,854	4,727,673	3,801,097	2,979,852	1,361,029	1,068,772																							
Annual															38,845																						
Annual															38,844,900																						

ALTERNATIVE POWER DEVELOPMENT

Robert A. Paul
515 N. 27th Street
Boise, Idaho 83702
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(760) 861-1104



May 11, 2014

Michael Darrington
SR Energy Contracts Coordinator
Idaho Power/Power Supply
1221 West Idaho Street
Boise, Idaho 83702
HAND DELIVERY

Re: Grand View PV Solar Three, LLC

Dear Mr. Darrington:

Last week you provided, what you termed, a draft Energy Sales Agreement (ESA) to Black Sands Solar. By way of clarification, Black Sands Solar is an authorized assumed business name of Grand View PV Solar Five A, LLC. In turn, Grand View PV Solar Five A, LLC (herein GV5A) is wholly owned by Alternative Power Development Northwest, LLC (APD) of which I am the managing member. APD is also the owner of Grand View PV Solar Three, LLC (GV3).

Attached hereto you will find three 'originals' of the identical ESA you provided to Black Sands Solar containing the same rates, terms and conditions. These originals are fully and duly executed by me in my capacity as managing member of GV3. Three are provided for your convenience; one may be retained for your files, one may be lodged with the Commission and the final original should be returned to me for our files. The ESA executed by GV3 includes all of the specific information requested of the project for Idaho Power to begin accepting deliveries.

While your transmittal email suggested that no contractual obligation of any kind can be created before the ESA is signed by both parties and is approved by the Idaho PUC, this is contrary to the law regarding Qualified Facilities under the Public Utilities Regulatory Policies Act (PURPA). By executing and tendering the attached ESA, GV3 has unequivocally committed GV3 to a legally enforceable obligation to sell the output of its generation to Idaho Power over the life of the ESA.

GV3 is ready, willing and able to supply power to Idaho Power and has demonstrated the feasibility of doing so by completing Idaho Power's feasibility study process as well as the system impact study process and the facility study process. GV3 has completed all of the permitting and site evaluation work to begin supplying power and has no outstanding issue preventing it from moving forward post haste. GV3's obligations under the attached ESA would NOT be contingent upon any outside event or approvals.

To reiterate, GV3 is hereby making a binding and unconditional offer to sell its output to Idaho Power. This comprehensive offer comports with all of the Idaho PUC's rulings on the creation of a legally enforceable obligation on Idaho Power's part to purchase, and a legally enforceable obligation on the part of GV3 to sell, all of its output for the life of the ESA.

As you know, the Idaho PUC has just recently recognized in a settlement of a lawsuit against it by the Federal Energy Regulatory Commission that the legally enforceable obligation relationship between Idaho Power and GV3 is a valid and common vehicle for QFs to use to compel utilities to purchase the output of their projects.

One final matter, GV3 is simultaneously formally withdrawing its complaint matter against Idaho Power before the Idaho Public Utilities Commission in reliance on the creation of its legally enforceable obligation created herein.

We are looking forward a long and mutually beneficial relationship with Idaho Power.

Sincerely



Robert A. Paul
Managing Member
Grand View PV Solar Three, LLC

ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
GRAND VIEW PV SOLAR THREE, 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, Metering Communications and SCADA 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 and Authorized Agents
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	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 - Solar Facility Energy Prices
	Appendix F - Insurance Requirements
	Appendix G - Estimated Hourly Energy Production

ENERGY SALES AGREEMENT
(Solar PV Project with a Nameplate rating greater than 100 kW)

Project Name: Grand View PV Solar Three, LLC

Project Number: _____

THIS ENERGY SALES AGREEMENT (“AGREEMENT”), entered into on this 11th day of May 2014 between Grand View PV Solar Three, 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 required to purchase, electric energy produced by a PURPA Qualifying 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 Estimated Net Energy Amount” – the Estimated Net Energy Amount specified in paragraph 6.2 including any adjustments that have been made in accordance with paragraphs 6.2.2 or 6.2.3.
- 1.2 “Authorized Agent” – a person or persons specified within paragraph 25.2 of this Agreement as being authorized and empowered, for and on behalf of the Seller, to execute instruments,

agreements, certificates, and other documents (collectively “Documents”) and to take actions on behalf of the Seller, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Seller for all purposes, until such time as an authorized officer of the Seller shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall no longer be an agent on behalf of the Seller. Any Documents executed by such persons shall be deemed duly authorized by the Seller for all purposes.

- 1.3 “Base Energy” – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.39.
- 1.4 “Commission” – The Idaho Public Utilities Commission.
- 1.5 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.6 “Delay Cure Period” – 120 days immediately following the Scheduled Operation Date.
- 1.7 “Delay Damages” – ((Current month’s Estimated Net Energy Amount as specified in paragraph 6.2 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month’s Delay Price.
- 1.8 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date or the Agreement is terminated by Idaho Power.
- 1.9 “Delay Price” – The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price as specified in Appendix E of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.10 “Designated Dispatch Facility” – Idaho Power’s Load Serving Operations, or any subsequent group designated by Idaho Power.
- 1.11 “Effective Date” – The date stated in the opening paragraph of this Energy Sales Agreement representing the date upon which this Energy Sales Agreement was fully executed by both Parties.

1.12 “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 REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser’s discretion, and include without limitation those REC 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. RECs are accumulated on a MWh basis and one REC 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)

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.

emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.13 “Facility” – That electric generation facility described in Appendix B of this Agreement.
- 1.14 “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 after the Seller requested First Energy Date.
- 1.15 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance, or 2) responding to a transmission provider curtailment order, or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period, or 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility.
- 1.16 “Generation Interconnection Agreement (GIA)” – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system, which will include but not be limited to all requirements as specified by Schedule 72.
- 1.17 “Generation Unit” – a complete solar pv electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility.
- 1.18 “Heavy Load Hours” – The daily hours from hour ending 0700 - 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.19 “Hourly Energy Estimates” – the hourly energy estimates provided by the Seller and included in Appendix G of this Agreement. These hourly energy estimates are a material input used in the calculation of the energy prices specified in Appendix E.

- 1.20 "Interconnection Facilities" – All equipment specified in the GIA.
- 1.21 "Light Load Hours" – The daily hours from hour ending 2300 – 0600 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 point where the Facility's energy is metered and Facility's Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 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 "Mid- Columbia Market Energy Cost" – 82.4% of the monthly arithmetic average of the Intercontinental Exchange ("ICE") daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg reported prices. The actual calculation being:
- $$\text{Mid-Columbia Market Energy Cost} = .824 * (((\text{ICE Mid-C Peak Avg} * \text{Heavy Load Hours for each day of the month}) + (\text{ICE Mid-C Off-Peak Avg} * \text{Light Load Hours for each day of the month})) / \text{total hours in the month})$$
- If the ICE Mid-Columbia Index reporting is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.27 "Monthly Estimated Generation" – the monthly estimated generation as specified in Appendix G identified as the Monthly estimated kWh.
- 1.28 "Monthly Nameplate Energy" – Nameplate Capacity multiplied by the hours in the applicable month.

- 1.29 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.30 “Net Energy” – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility 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.
- 1.31 “Estimated Net Energy Amount Adjustment Percentage” – (Adjusted Estimated Net Energy Amount divided by the applicable month’s Monthly Estimated Generation) times 100. If this calculation results in a value greater than 100%, the result of this calculation will be 100%.
- 1.32 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.33 “Point of Delivery” – The location specified in the GIA and referenced in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.34 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus 2%. If this calculation results in a value greater than 100%, the result of this calculation will be 100% or if this calculation results in a value less than 90%, the result of this calculation will be 90%.
- 1.35 “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.

- 1.36 “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.
- 1.37 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller’s Facility shall achieve the Operation Date.
- 1.38 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.39 “Security Deposit” - \$45 per kW Nameplate Capacity of the entire Facility.
- 1.40 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.
- 1.41 “Surplus Energy” – Is (1) Net Energy produced by the Seller’s Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Estimated 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 Estimated 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, or (4) all monthly Net Energy that exceeds the Monthly Nameplate Energy.
- 1.42 “Termination Damages” – Financial damages the non defaulting party has incurred as a result of termination of this Agreement.

ARTICLE II: NO RELIANCE ON IDAHO POWER

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

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility's Qualifying Facility status and associated support and compliance documents at anytime during the term of this Agreement.
- 3.3 Solar Project Qualifications - Seller warrants that the Facility is a "Solar Project," as that term is used in Commission Order 32697. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Solar Project status during the full term of this Agreement and

Seller's failure to maintain Solar Project status will be a Material Breach of this Agreement.

Idaho Power reserves the right to review the Facility's Solar Project status and associated support and compliance documents at anytime during the term of this Agreement.

- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix G are accurate estimates of the Facility's expected hourly energy production based on the characteristics of the solar generation equipment being installed, configuration and orientation of the equipment installation, location specific solar radiation and any other information available. Material deviations from these Hourly Energy Estimates will be a Material Breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:
- 4.1.1 Submit proof to Idaho Power that all licenses, permits, determinations or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility and evidence of compliance with the eligibility to be classified as a Solar Project as referenced in Commission Order 32697.
- 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, determinations 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 Commission Approval - Confirm with Idaho Power that Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- 4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility and the total of these units to determine the Facility Nameplate Capacity rating. 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 Completion certificate - Submit a certificate executed by an authorized agent of the Seller attesting that all mechanical and electrical equipment of the designated Generation Unit(s) of the Facility has been completed to enable the Generation Unit(s) to beginning testing and delivery of Test Energy in a safe manner.
- 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 business unit that administers the GIA that Seller has satisfied all interconnection and testing requirements that will enable the Facility to be safely connected to the Idaho Power electrical system.
- 4.1.8 Network Resource Designation – Confirm that the Seller's Facility has been designated as an Idaho Power network resource capable of delivering energy up to the amount of the Maximum Capacity at the Point of Delivery.
 - 4.1.8.1 As specified in Appendix B item 7 of this Agreement, the Seller's Facility must have achieved the status of being an Idaho Power Designated Network Resource (DNR) prior to Idaho Power accepting any energy from this Facility. Appendix

B item 7 provides information on the initial application process required to enable Idaho Power to determine if network transmission capacity is available for this Facility's Maximum Capacity Amount and/or if Idaho Power transmission network upgrades will be required. The results of this study process and any associated costs will be included in the GIA for this Facility.

4.1.8.2 Only after the Facility has completed all requirements of the GIA that enable the Facility to come online can Idaho Power begin the final process of designating this resource as an Idaho Power Network Resource. The final process must be initiated at a minimum 30 days prior to the First Energy Date. Therefore, Idaho Power will begin this process 30 days prior to the Scheduled First Energy Date specified in Appendix B of this Agreement and only after Idaho Power has received confirmation that the GIA requirements have been completed. If the Seller estimates that the actual First Energy is expected to be different than the Scheduled First Energy Date specified in Appendix B of this Agreement, the Seller must notify Idaho Power of this revised date no later than 30 days prior to Scheduled First Energy Date. Under no circumstances will the project be able to deliver any energy to Idaho Power until such time as Idaho Power has designated this Facility as an Idaho Power Network Resource.

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

ARTICLE V: TERM AND OPERATION DATE

5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of twenty (20) (*not*

to exceed 20 years) Contract Years from the Operation Date.

5.2 Operation Date – A single Operation Date will be granted for the entire Facility and may occur only after the Facility has achieved all of the following:

- a) At the minimum, 75% of the Generation Units planned for this Facility have achieved their First Energy Date.
- b) Seller has demonstrated to Idaho Power's satisfaction that all mechanical and electrical testing has been completed satisfactorily and the Facility is able to provide energy in a consistent, reliable and safe manner.
- c) 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.
- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date. This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process (This includes any delay in making the required deposit payments set forth in the Facility's GIA) that **are not** caused by Idaho Power or Force Majeure events accepted by both Parties, **shall not** prevent Delay Damages or Termination Damages from being due and owing as calculated in accordance with this Agreement.

5.4 Termination - If Seller fails to achieve the Operation Date prior to the Scheduled Operation Date or within the Delay Cure Period, such failure will be a Material Breach and Idaho Power may

terminate this Agreement at any time until the Seller cures the Material Breach.

5.5 Delay Damages billing and payment – Idaho Power shall calculate and submit to the Seller any Delay Damages due Idaho Power within 15 days after the end of each month or within 30 days of the date this Agreement is terminated by Idaho Power.

5.6 Termination Damages billing and payment - Idaho Power shall calculate and submit to the Seller any Termination Damages due Idaho Power within 30 days after this Agreement has been terminated.

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

5.8 Security Deposit - Within thirty (30) days of the date of a final non-appealable Commission Order approving this Agreement as specified in Article XXI, the Seller shall post and maintain liquid security in a form as described in Appendix D equal to or exceeding the amount specified within this Agreement as the Security Deposit until such time as the Security Deposit is released by Idaho Power as specified in paragraph 5.8.1. Failure to post this Security Deposit in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.

5.8.1 Idaho Power shall release any remaining Security Deposit provided by Seller promptly after either the Facility has achieved its Operation Date or this Agreement has been terminated and only after all Delay and Termination Damages have been paid in full to Idaho Power.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

6.1 Net Energy Purchase and Delivery - 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.

6.2 Estimated Net Energy Amounts – shall be equal to Monthly estimated kWhs as specified in Appendix G and as listed below:

<u>Month</u>	<u>kWh</u>
January	1,314,286
February	2,003,141
March	3,186,438
April	3,861,919
May	4,568,573
June	4,858,265
July	5,113,854
August	4,727,683
September	3,801,097
October	2,979,852
November	1,361,029
December	<u>1,068,772</u>
Total	38,844,772

6.2.2 Seller’s Adjustment of Estimated Net Energy Amounts - After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the last business day of the Notification Month specified in the following schedule:

<u>Notification Month</u>	<u>Future monthly Estimated Net Energy Amounts eligible to be revised</u>
November	January and any future months
December	February and any future months
January	March and any future months
February	April and any future months
March	May and any future months
April	June and any future months
May	July and any future months
June	August and any future months
July	September and any future months
August	October and any future months

September

November and any future months

October

December and any future months

- a.) This written notice must be provided to Idaho Power in accordance with paragraph 25.1 or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices address specified in paragraph 25.1.
- b.) Failure to provide timely written notice of changed Estimated Net Energy Amounts will be deemed to be an election of no change from the most recently provided Estimated Net Energy Amounts.

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

Where:

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

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

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

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

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

TH = Actual total hours in the current month

Resulting formula being:

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

This Adjusted Estimated 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 Failure to Deliver Minimum Estimated Net Energy Amounts - 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 Monthly Estimated Generation shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the monthly Base Energy Heavy Load Purchase Price as specified in Appendix E.
- 7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the monthly Base Energy Light Load Purchase Price as specified in Appendix E.
- 7.3 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the Base Energy Light Load Purchase Price for that month, whichever is lower.

- 7.4 Price Adjustment - Upon acceptance of a Seller Adjustment of Estimated Net Energy Amounts as specified in paragraph 6.2.2, Idaho Power will calculate the Pricing Adjustment Percentage for the applicable month(s). All pricing contained within Appendix E for the applicable month(s) will be multiplied by the Pricing Adjustment and the resulting revised prices will replace the prices contained within Appendix E until such time as the Seller submits a new Seller Adjustment of Estimated Net Energy Amounts at which time a new Pricing Adjustment Percentage will be calculated and applied in accordance with this paragraph.
- 7.5 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for 2 consecutive months and/or in any 3 months during a Contract Year will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement within sixty (60) days after the Material Breach has occurred.
- 7.6 Payment Due Date – Undisputed Base Energy and Surplus Energy payments, less any payments due to Idaho Power will be disbursed to the Seller within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Base Energy and Surplus 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 Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated with the Facility and Seller will likewise retain 50% ownership of all of the Environmental

Attributes associated with the Facility. Title of 50% Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Surplus Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this agreement, unless the parties agree to extend in future agreements. If after the Effective Date any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this hydroelectric generation Facility.

8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.

8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental Attribute accounting and tracking system initially selected by Idaho Power is materially altered or discontinued during the Term of this Agreement, the Parties shall cooperate to identify an appropriate alternative Environmental Attribute accounting and tracking

process and enable the Environmental Attributes be processed through this alternative method.

8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.

8.2.3 If Idaho Power requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications required by Idaho Power for those Environmental Attributes delivered to Idaho Power from the Seller. If the Seller incurs cost, as a result of Idaho Power's request, and if the additional certification provides benefits to both parties, the parties shall share the costs in proportion to the additional benefits obtained. If Idaho Power elects to obtain its own certifications, then Seller shall fully cooperate with Idaho Power in obtaining such certification.

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 to the Idaho Power Point of Delivery for the full term of the Agreement in accordance with the GIA.

ARTICLE X:

METERING, METERING COMMUNICATIONS AND SCADA TELEMETRY

10.1 Metering - Idaho Power shall, provide, install, and maintain metering equipment needed for metering the electrical energy production from the Facility. The metering equipment will be capable of measuring, recording, retrieving and reporting the Facility's hourly gross electrical

energy production, Station Use, maximum energy deliveries (kW) and any other energy measurements at the Point of Delivery that Idaho Power needs to administer this Agreement and integrate this Facility's energy production into the Idaho Power electrical system. Specific equipment, installation details and requirements for this metering equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

10.2 Metering Communications - Seller shall, at the Seller's sole initial and ongoing expense, arrange for, provide, install, and maintain dedicated metering communications equipment capable of transmitting the metering data specified in paragraph 10.1 to Idaho Power in a frequency, manner and form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated metering communications equipment. Specific details and requirements for this metering communications equipment will be established in the GIA process and documented in the GIA.

10.3 Supervisory Control and Data Acquisition (SCADA) Telemetry – If the Facility's Nameplate Capacity exceeds 3 MW, in addition to the requirements of paragraph 10.1 and 10.2, Idaho Power may require telemetry equipment and telecommunications which will be capable of providing Idaho Power with continuous instantaneous SCADA telemetry of the Seller's Net Energy and Inadvertent Energy production in a form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated SCADA and telecommunications equipment. Specific details and requirements for this SCADA Telemetry and telecommunications equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

ARTICLE XI - RECORDS

11.1 Maintenance of Records - Seller shall maintain monthly records at the Facility or such other location mutually acceptable to the Parties. These records shall include total generation, Net

Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in (kW) and be records in a form and content acceptable to Idaho Power. Monthly records shall be retained for a period of not less than five years.

- 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 records pertaining to the Seller's Facility generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in kW.

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 the GIA.

- 12.2 Acceptance of Energy -

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:

- a.) If energy deliveries are interrupted due an event of Force Majeure or Forced Outage.
- b.) If interruption of energy deliveries is allowed by Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.304
- c.) If temporary disconnection and/or interruption of energy deliveries is in accordance with Schedule 72 or other provisions as specified within the GIA.
- d.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction, electrical system maintenance requirements, emergencies, electrical system

operating conditions, electrical system reliability emergencies on its system, or as otherwise required by Prudent Electrical Practices.

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

12.2.3 Under no circumstances will the Seller deliver 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 and must be cured immediately.

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

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a Forced Outage, and Seller initiates a Declared Suspension of Energy Deliveries, Seller shall, after giving notice as provided in paragraph 12.3.2 below, temporarily reduce deliveries of Net Energy (kW) to Idaho Power from the Facility to not exceed the reduced energy deliveries (kW) stated by the Seller in the initial declaration for a period of not less than 48 hours. ("Declared Suspension of Energy Deliveries"). The Seller's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller's telephone notification as specified in paragraph 12.3.2 and will continue for the time as specified

(not less than 48 hours) in the written notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Estimated Net Energy Amount will be adjusted as specified in paragraph 6.2.3.

12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries, a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries, and the reduced level (kW) of energy deliveries the Facility is requesting that will be set as the maximum energy deliveries to Idaho Power for the duration of the Declared Suspension of Energy Delivery event (not less than 48 hours). Idaho Power will review the documentation provided by the Seller to determine Idaho Power's acceptance of the described Forced Outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power's acceptance of the Seller's Forced Outage as an acceptable Forced Outage will be based upon the clear documentation provided by the Seller that the Forced Outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.

12.4 Scheduled Maintenance – On or before January 31st 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. If the Seller intends to perform planned maintenance at approximately the same time every year, the Seller may submit a maintenance schedule for the first calendar year and include a statement that this maintenance schedule shall be consistent for all future years, until such time as the Seller

notifies Idaho Power of a change to this schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

- 12.5 Idaho Power Maintenance Information – Upon receiving a written request from the Seller, Idaho Power shall provide publically available information in regards to Idaho Power planned maintenance information that may impact the Facility.
- 12.6 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

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

insurance as specified in Appendix F.

ARTICLE XIV: FORCE MAJEURE

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

- (1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.
- (2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.
- (3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

ARTICLE XV: LIABILITY; DEDICATION

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

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

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

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

ARTICLE XIX: DISPUTES AND DEFAULT

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

19.2 Notice of Default

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

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach or if a specific cure and/or inability to cure is identified by this Agreement for the specific Material Breach then that cure shall apply.

- 19.3 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 Appendix F. If Seller fails to comply, such failure will be a Material Breach.

- 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 / Permits / Determinations - During the full term of this Agreement, Seller shall maintain compliance with all permits, licenses and determinations described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits, licenses or determinations. 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, licenses and determinations 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 only 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. Neither this Agreement nor any rights or obligations of either Party hereunder may be assigned, in whole or in part, by operation of law or otherwise, without the prior written consent of both Parties, which 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. A transfer or change in the person or entities who control ten percent or more of the equity securities or voting interests of Seller (whether in a single or multiple separate transactions resulting in such a change in control of equity interests or voting securities) shall be deemed an assignment of this Agreement requiring prior written consent of Idaho Power for purposes of the foregoing. Any purported assignment in derogation of the foregoing shall be void. 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 AND AUTHORIZED AGENTS

- 25.1 Notices - 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:

Name: Robert A. Paul
Address: 515 N. 27th Street
Boise, Idaho 83702

Telephone: (760) 861-1104
Cell: (760) 861-1104
E-mail: robertapaul8@gmail.com

To Idaho Power:

Original document to:

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

Copy of document to:

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

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

25.2 Authorized Agent(s)

Name	Title
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Authorized Agents as listed above may be modified by the Seller by requesting and completing an Authorized Agent modification document provided by Idaho Power. This document at minimum will include the requested changes and require signature(s) from an authorized party of the Seller.

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.

- 26.2 Prior to the Seller executing this Agreement, the Seller shall have:
- a) Submitted an interconnection application for this Facility and is in compliance with all payments and requirements of the interconnection process.
 - b) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power Designated Network Resource. If final interconnection or transmission

studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Delay and Termination Damages associated with the project's failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission costs, processes or schedules.

- c) Provide acceptable and verifiable evidence to Idaho Power that demonstrates the Facility is eligible for the published avoided costs requested by the Seller and contained within this Agreement. Commission Order 32817 provides the current published avoided costs for Non-Seasonal Hydro Facilities, Seasonal Hydro Facilities, Other Facilities, Solar Facilities, and Wind Facilities.

26.3 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	-	Solar Facility Energy Prices
Appendix F	-	Insurance Requirements
Appendix G	-	Estimated Hourly Energy Production

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

Grand View PV Solar Three, LLC

By

By

Lisa A Grow
Sr. Vice President, Power Supply


Robert A. Paul
Managing Member

Dated

Dated

“Idaho Power”

“Seller”

APPENDIX A

A -1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

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

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

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

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

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

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 Energy Sales Agreement to which I am a Party.

Signature Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

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

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

A-3 SELLER CONTACT INFORMATION

Seller's Contact Information

Project Management

Name: Robert A. Paul
Telephone Number: (760) 861-1104
Cell Phone: (760) 861-1104
E-Mail: robertapaul8@gmail.com

24-Hour Project Operational Contact

Name: To be Provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

Project On-site Contact information

Name: To be Provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Grand View PV Solar Three

Project Number: _____

B-1 DESCRIPTION OF FACILITY

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

Grand View PV Solar Three is a 20 MW photovoltaic solar energy facility located 20 miles southwest of Mountain Home, Idaho. The facility will interconnect at 138kV through a shared substation with other projects.

Nameplate: 20 MW

Var Capability (Both leading and lagging) Leading is 0.95 Lagging is 0.95

B-2 LOCATION OF FACILITY

Near: Grand View, Idaho

Actual or nearest physical street address: Idaho Hwy 167 and Fredrickson Road

GPS Coordinates: Latitude Decimal Degrees 43.026

Longitude Decimal Degrees 116.017

State: Idaho County: Elmore

Description of Interconnection Location: Grand View PV Solar 2, 3, and 4 substation.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected November 1, 2015 as the Scheduled First Energy Date.

Seller has selected December 15, 2015 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 20 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. 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 energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA 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 Equipment 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 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until the Facility has achieved the status of being an Idaho Power designated network resource ("DNR"). Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application 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 DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **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 DNR 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/herself 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 referred to as the "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 Idaho Power Company Facility No. _____ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, said Project has been designed and built to appropriate standards, and 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 the full Contact Term of _____ years.

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/her knowledge and therefore sets his/her 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/herself 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 referred to as the "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 Idaho Power Company 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 _____ 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. The Engineer certifies, based on the Project's appearance and the information provided by the Project, that the Project's ongoing O&M has been completed in accordance with said O&M Policy; that it is in reasonably good operating condition; and it is in the Engineer's professional opinion 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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself/herself 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 Energy Sales Agreement, hereinafter referred to as the "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 Idaho Power Company 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/her knowledge and therefore sets his/her 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, 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 Security Deposit requirement 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 – Seller shall deposit cash in the amount of the required Security Deposit with Idaho Power. Idaho Power will not be responsible to calculate or pay any interest on these funds deposited with Idaho Power.
2. 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 Security Deposit. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).

3. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Security Deposit: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

SOLAR FACILITY ENERGY PRICES

(Prices based upon the energy shape and capacity specified in Appendix G)

E-1 Base Energy Purchase Prices – For all Base Energy received during Heavy Load Hours Idaho Power shall pay the Base Energy Heavy Load Purchase Price specified below and for all Base Energy received during Light Load Hours Idaho Power shall pay the Base Energy Light Load Purchase Price specified below. All of these prices are subject to revision as specified within paragraph 7.4.

<u>Month/Year</u>	<u>Base Energy Heavy Load Purchase Price (Mills/kWh)</u>	<u>Base Energy Light Load Purchase Price (Mills/kWh)</u>
Jan-15	\$49.95	\$49.57
Feb-15	\$49.32	\$50.21
Mar-15	\$50.27	\$47.99
Apr-15	\$40.50	\$31.95
May-15	\$48.61	\$42.66
Jun-15	\$47.03	\$39.14
Jul-15	\$62.56	\$53.27
Aug-15	\$61.09	\$52.05
Sep-15	\$55.80	\$49.79
Oct-15	\$49.77	\$49.64
Nov-15	\$51.62	\$50.08
Dec-15	\$50.90	\$49.64
Jan-16	\$53.44	\$52.63
Feb-16	\$53.72	\$52.92
Mar-16	\$51.26	\$49.09
Apr-16	\$48.06	\$46.67
May-16	\$50.57	\$46.33
Jun-16	\$51.01	\$41.57
Jul-16	\$63.69	\$58.00
Aug-16	\$64.29	\$59.68
Sep-16	\$58.09	\$54.29
Oct-16	\$56.37	\$56.15
Nov-16	\$57.30	\$56.49
Dec-16	\$58.22	\$58.99
Jan-17	\$56.82	\$56.07

Feb-17	\$55.87	\$54.72
Mar-17	\$53.87	\$52.88
Apr-17	\$49.24	\$44.13
May-17	\$54.14	\$51.65
Jun-17	\$54.12	\$45.51
Jul-17	\$66.78	\$60.83
Aug-17	\$67.81	\$62.96
Sep-17	\$61.98	\$57.21
Oct-17	\$60.08	\$58.75
Nov-17	\$60.67	\$59.43
Dec-17	\$60.61	\$60.40
Jan-18	\$59.66	\$58.24
Feb-18	\$59.22	\$56.03
Mar-18	\$52.36	\$50.58
Apr-18	\$50.36	\$50.27
May-18	\$54.95	\$50.27
Jun-18	\$53.66	\$49.79
Jul-18	\$66.40	\$66.78
Aug-18	\$70.83	\$65.29
Sep-18	\$65.37	\$62.65
Oct-18	\$61.93	\$61.79
Nov-18	\$62.50	\$61.89
Dec-18	\$61.93	\$61.89
Jan-19	\$61.34	\$56.97
Feb-19	\$61.02	\$57.58
Mar-19	\$49.23	\$48.70
Apr-19	\$48.41	\$48.23
May-19	\$53.55	\$46.98
Jun-19	\$54.61	\$48.40
Jul-19	\$67.97	\$64.79
Aug-19	\$71.60	\$66.08
Sep-19	\$66.42	\$64.51
Oct-19	\$63.33	\$63.27
Nov-19	\$63.59	\$63.25
Dec-19	\$63.27	\$63.27
Jan-20	\$64.04	\$62.48
Feb-20	\$57.97	\$56.20
Mar-20	\$47.83	\$48.60
Apr-20	\$47.29	\$47.08
May-20	\$51.28	\$46.26
Jun-20	\$55.01	\$48.47
Jul-20	\$69.59	\$66.22
Aug-20	\$73.36	\$66.85
Sep-20	\$64.60	\$59.70
Oct-20	\$64.50	\$64.51

Nov-20	\$64.79	\$64.51
Dec-20	\$64.55	\$64.51
Jan-21	\$66.05	\$65.57
Feb-21	\$62.27	\$55.39
Mar-21	\$53.63	\$51.57
Apr-21	\$49.64	\$49.63
May-21	\$55.36	\$49.63
Jun-21	\$58.28	\$50.95
Jul-21	\$72.29	\$68.27
Aug-21	\$76.44	\$68.41
Sep-21	\$67.98	\$63.76
Oct-21	\$66.28	\$66.18
Nov-21	\$66.67	\$66.18
Dec-21	\$66.49	\$66.20
Jan-22	\$68.45	\$66.89
Feb-22	\$68.99	\$66.85
Mar-22	\$61.09	\$55.45
Apr-22	\$54.15	\$54.04
May-22	\$57.80	\$53.96
Jun-22	\$62.00	\$54.36
Jul-22	\$74.95	\$72.02
Aug-22	\$80.55	\$72.94
Sep-22	\$74.10	\$69.07
Oct-22	\$69.80	\$69.72
Nov-22	\$69.85	\$69.72
Dec-22	\$70.57	\$69.72
Jan-23	\$71.20	\$68.48
Feb-23	\$71.91	\$69.09
Mar-23	\$67.57	\$63.31
Apr-23	\$57.96	\$56.25
May-23	\$61.73	\$58.06
Jun-23	\$63.07	\$57.36
Jul-23	\$78.64	\$76.94
Aug-23	\$83.41	\$78.37
Sep-23	\$78.41	\$72.67
Oct-23	\$73.31	\$73.12
Nov-23	\$73.38	\$72.82
Dec-23	\$74.31	\$73.22
Jan-24	\$75.31	\$74.22
Feb-24	\$74.63	\$71.03
Mar-24	\$65.85	\$63.94
Apr-24	\$55.44	\$54.32
May-24	\$60.09	\$54.45
Jun-24	\$63.18	\$59.22
Jul-24	\$84.23	\$80.46

Aug-24	\$94.29	\$77.98
Sep-24	\$79.82	\$77.81
Oct-24	\$76.13	\$75.99
Nov-24	\$76.64	\$75.59
Dec-24	\$77.09	\$75.99
Jan-25	\$78.47	\$78.67
Feb-25	\$77.33	\$73.84
Mar-25	\$70.59	\$67.80
Apr-25	\$56.45	\$54.63
May-25	\$66.13	\$63.00
Jun-25	\$68.81	\$64.32
Jul-25	\$91.55	\$81.47
Aug-25	\$96.40	\$80.91
Sep-25	\$82.98	\$79.45
Oct-25	\$78.78	\$78.67
Nov-25	\$80.28	\$78.67
Dec-25	\$82.42	\$80.85
Jan-26	\$81.96	\$81.50
Feb-26	\$81.69	\$80.62
Mar-26	\$66.38	\$58.45
Apr-26	\$57.67	\$58.11
May-26	\$72.19	\$70.89
Jun-26	\$71.91	\$67.95
Jul-26	\$94.59	\$83.71
Aug-26	\$100.51	\$85.95
Sep-26	\$87.96	\$84.05
Oct-26	\$82.09	\$81.95
Nov-26	\$82.59	\$82.09
Dec-26	\$88.05	\$84.16
Jan-27	\$83.95	\$82.81
Feb-27	\$84.58	\$81.89
Mar-27	\$75.32	\$73.95
Apr-27	\$65.62	\$61.29
May-27	\$69.01	\$67.58
Jun-27	\$76.00	\$74.42
Jul-27	\$98.60	\$87.62
Aug-27	\$102.97	\$87.82
Sep-27	\$90.29	\$87.05
Oct-27	\$84.74	\$84.53
Nov-27	\$85.23	\$84.80
Dec-27	\$93.77	\$87.23
Jan-28	\$87.76	\$84.01
Feb-28	\$88.01	\$84.85
Mar-28	\$71.32	\$71.51
Apr-28	\$66.84	\$67.44

May-28	\$77.13	\$76.57
Jun-28	\$78.59	\$75.59
Jul-28	\$103.95	\$91.96
Aug-28	\$106.91	\$90.53
Sep-28	\$93.44	\$91.10
Oct-28	\$88.29	\$87.94
Nov-28	\$88.78	\$88.21
Dec-28	\$103.16	\$92.51
Jan-29	\$90.73	\$85.59
Feb-29	\$90.74	\$88.65
Mar-29	\$78.15	\$68.59
Apr-29	\$64.96	\$67.13
May-29	\$79.23	\$78.50
Jun-29	\$79.30	\$77.80
Jul-29	\$114.55	\$101.54
Aug-29	\$117.31	\$93.92
Sep-29	\$97.91	\$94.26
Oct-29	\$91.40	\$91.28
Nov-29	\$92.53	\$91.28
Dec-29	\$103.24	\$94.23
Jan-30	\$94.31	\$92.20
Feb-30	\$93.70	\$90.45
Mar-30	\$79.35	\$75.83
Apr-30	\$65.77	\$61.47
May-30	\$70.26	\$62.91
Jun-30	\$81.66	\$81.19
Jul-30	\$123.75	\$109.18
Aug-30	\$120.06	\$97.63
Sep-30	\$101.58	\$97.89
Oct-30	\$94.77	\$94.59
Nov-30	\$96.60	\$94.63
Dec-30	\$110.76	\$98.57
Jan-31	\$108.97	\$102.49
Feb-31	\$105.67	\$96.08
Mar-31	\$93.49	\$89.74
Apr-31	\$75.12	\$67.52
May-31	\$93.48	\$84.26
Jun-31	\$87.15	\$85.37
Jul-31	\$140.01	\$122.76
Aug-31	\$130.12	\$102.51
Sep-31	\$109.04	\$105.53
Oct-31	\$113.26	\$101.26
Nov-31	\$115.32	\$111.99
Dec-31	\$125.83	\$118.89
Jan-32	\$112.73	\$107.28

Feb-32	\$110.52	\$97.47
Mar-32	\$101.86	\$92.57
Apr-32	\$86.07	\$79.97
May-32	\$95.38	\$92.88
Jun-32	\$91.03	\$88.46
Jul-32	\$152.03	\$128.83
Aug-32	\$137.07	\$108.19
Sep-32	\$112.76	\$109.94
Oct-32	\$120.19	\$109.13
Nov-32	\$124.35	\$122.68
Dec-32	\$127.18	\$123.88
Jan-33	\$115.55	\$109.93
Feb-33	\$113.27	\$99.83
Mar-33	\$104.35	\$94.78
Apr-33	\$88.09	\$81.81
May-33	\$97.68	\$95.10
Jun-33	\$93.20	\$90.55
Jul-33	\$156.03	\$132.13
Aug-33	\$140.62	\$110.87
Sep-33	\$115.58	\$112.67
Oct-33	\$123.23	\$111.84
Nov-33	\$127.52	\$125.80
Dec-33	\$130.43	\$127.03
Jan-34	\$118.39	\$112.61
Feb-34	\$116.05	\$102.21
Mar-34	\$106.86	\$97.01
Apr-34	\$90.11	\$83.64
May-34	\$99.99	\$97.34
Jun-34	\$95.37	\$92.65
Jul-34	\$160.09	\$135.48
Aug-34	\$144.22	\$113.58
Sep-34	\$118.43	\$115.43
Oct-34	\$126.31	\$114.58
Nov-34	\$130.72	\$128.95
Dec-34	\$133.72	\$130.22

APPENDIX F

INSURANCE REQUIREMENTS

The Seller shall secure and continuously carry insurance as specified within this Appendix for the term of the Agreement.

Insurance Requirements:

1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of A- or better.
2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within 5 days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
3. Prior to the First Energy date and subsequently within 10 days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
4. The Certificate of Insurance shall evidence the appropriate insurance coverage of 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.

Idaho Power Company

Appendix G Estimated Hourly Generation

Project Name: Grand View PV Solar Three
 AC Project Nameplate (MW): 20
 Project Estimated Online Date: Dec-15
 Project Estimated Annual Capacity Factor (%): 22.17%

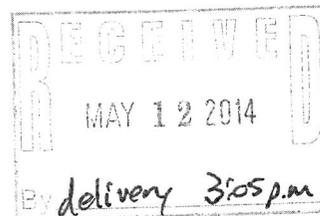
Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time

Hour Start	Hour End	Hour	January	February	March	April	May	June	July	August	September	October	November	December
12:00 AM	1:00 AM	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1:00 AM	2:00 AM	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2:00 AM	3:00 AM	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3:00 AM	4:00 AM	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4:00 AM	5:00 AM	5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5:00 AM	6:00 AM	6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6:00 AM	7:00 AM	7	0.0	0.0	0.0	0.0	0.1	0.5	0.2	0.0	0.0	0.0	0.0	0.0
7:00 AM	8:00 AM	8	0.0	0.0	0.2	1.0	2.6	3.4	3.0	1.9	0.1	0.0	0.0	0.0
8:00 AM	9:00 AM	9	0.6	2.7	2.5	4.2	6.4	8.2	7.7	5.3	4.3	1.8	2.1	0.8
9:00 AM	10:00 AM	10	3.3	6.8	7.4	10.5	12.0	13.7	13.9	12.6	10.6	6.6	5.2	3.1
10:00 AM	11:00 AM	11	5.1	8.1	11.2	13.0	14.3	15.4	15.7	15.3	14.7	11.6	6.1	5.0
11:00 AM	12:00 PM	12	5.1	9.1	11.1	13.6	14.3	15.2	15.7	15.7	14.3	11.5	6.0	4.4
12:00 PM	1:00 PM	13	5.6	8.2	11.0	13.6	13.6	14.9	16.1	15.2	13.6	11.5	5.5	4.6
1:00 PM	2:00 PM	14	5.8	7.8	10.6	13.6	14.8	14.9	15.9	15.0	13.7	10.5	6.6	4.8
2:00 PM	3:00 PM	15	5.9	8.5	11.7	13.7	14.6	15.1	15.8	14.2	12.7	10.3	6.5	5.7
3:00 PM	4:00 PM	16	6.4	9.5	11.8	14.1	14.1	14.8	14.7	14.8	13.1	11.7	5.6	6.0
4:00 PM	5:00 PM	17	4.3	8.8	11.5	11.4	14.3	14.6	14.4	14.7	12.5	12.3	1.7	0.0
5:00 PM	6:00 PM	18	0.3	2.1	8.8	10.5	13.0	13.7	13.9	13.4	11.2	7.4	0.2	0.0
6:00 PM	7:00 PM	19	0.0	0.0	4.6	6.7	8.4	10.7	11.2	9.7	5.7	1.0	0.0	0.0
7:00 PM	8:00 PM	20	0.0	0.0	0.5	2.9	4.6	5.1	5.5	4.3	0.2	0.0	0.0	0.0
8:00 PM	9:00 PM	21	0.0	0.0	0.0	0.0	0.3	1.8	1.3	0.3	0.0	0.0	0.0	0.0
9:00 PM	10:00 PM	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10:00 PM	11:00 PM	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11:00 PM	12:00 AM	24	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Daily estimated MWh			42.4	71.5	102.8	128.7	147.4	161.9	165.0	152.5	126.7	96.1	45.4	34.5
Days in month			31	28	31	30	31	30	31	31	30	31	30	31
Monthly estimated MWh			1,314	2,003	3,186	3,862	4,569	4,858	5,114	4,728	3,801	2,980	1,361	1,069
Monthly estimated kWh			1,314,286	2,003,141	3,186,438	3,861,919	4,568,573	4,858,265	5,113,854	4,727,673	3,801,097	2,979,852	1,361,029	1,068,772
Annual														38,845
														38,844,900

Grand View PV Solar Three

ALTERNATIVE POWER DEVELOPMENT

Robert A. Paul
515 N. 27th Street
Boise, Idaho 83702
Robertapaul8@gmail.com
(760) 861-1104



May 11, 2014

Michael Darrington
SR Energy Contracts Coordinator
Idaho Power/Power Supply
1221 West Idaho Street
Boise, Idaho 83702
HAND DELIVERY

Re: Grand View PV Solar Four, LLC

Dear Mr. Darrington:

Last week you provided, what you termed, a draft Energy Sales Agreement (ESA) to Black Sands Solar. By way of clarification, Black Sands Solar is an authorized assumed business name of Grand View PV Solar Five A, LLC. In turn, Grand View PV Solar Five A, LLC (herein GV5A) is wholly owned by Alternative Power Development Northwest, LLC (APD) of which I am the managing member. APD is also the owner of Grand View PV Solar Four, LLC (GV4).

Attached hereto you will find three 'originals' of the identical ESA you provided to Black Sands Solar containing the same rates, terms and conditions. These originals are fully and duly executed by me in my capacity as managing member of GV4. Three are provided for your convenience; one may be retained for your files, one may be lodged with the Commission and the final original should be returned to me for our files. The ESA executed by GV4 includes all of the specific information requested of the project for Idaho Power to begin accepting deliveries.

While your transmittal email suggested that no contractual obligation of any kind can be created before the ESA is signed by both parties and is approved by the Idaho PUC, this is contrary to the law regarding Qualified Facilities under the Public Utilities Regulatory Policies Act (PURPA). By executing and tendering the attached ESA, GV4 has unequivocally committed GV to a legally enforceable obligation to sell the output of its generation to Idaho Power over the life of the ESA.

GV4 is ready, willing and able to supply power to Idaho Power and has demonstrated the feasibility of doing so by completing Idaho Power's feasibility study process as well as the system impact study process and the facility study process. GV4 has completed all of the permitting and site evaluation work to begin supplying power and has no outstanding issue preventing it from moving forward post haste. GV4's obligations under the attached ESA would NOT be contingent upon any outside event or approvals.

To reiterate, GV4 is hereby making a binding and unconditional offer to sell its output to Idaho Power. This comprehensive offer comports with all of the Idaho PUC's rulings on the creation of a legally enforceable obligation on Idaho Power's part to purchase, and a legally enforceable obligation on the part of GV4 to sell, all of its output for the life of the ESA.

As you know, the Idaho PUC has just recently recognized in a settlement of a lawsuit against it by the Federal Energy Regulatory Commission that the legally enforceable obligation relationship between Idaho Power and GV4 is a valid and common vehicle for QFs to use to compel utilities to purchase the output of their projects.

One final matter, GV4 is simultaneously formally withdrawing its complaint matter against Idaho Power before the Idaho Public Utilities Commission in reliance on the creation of its legally enforceable obligation created herein.

We are looking forward a long and mutually beneficial relationship with Idaho Power.



Sincerely

Robert A. Paul
Managing Member
Grand View PV Solar Four, LLC

ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
GRAND VIEW PV SOLAR FOUR, 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, Metering Communications and SCADA 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 and Authorized Agents
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	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 - Solar Facility Energy Prices
	Appendix F - Insurance Requirements
	Appendix G - Estimated Hourly Energy Production

ENERGY SALES AGREEMENT
(Solar PV Project with a Nameplate rating greater than 100 kW)

Project Name: Grand View PV Solar Four, LLC

Project Number: _____

THIS ENERGY SALES AGREEMENT (“AGREEMENT”), entered into on this 11th day of May 2014 between Grand View PV Solar Four, 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 required to purchase, electric energy produced by a PURPA Qualifying 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 Estimated Net Energy Amount” – the Estimated Net Energy Amount specified in paragraph 6.2 including any adjustments that have been made in accordance with paragraphs 6.2.2 or 6.2.3.
- 1.2 “Authorized Agent” – a person or persons specified within paragraph 25.2 of this Agreement as being authorized and empowered, for and on behalf of the Seller, to execute instruments,

agreements, certificates, and other documents (collectively “Documents”) and to take actions on behalf of the Seller, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Seller for all purposes, until such time as an authorized officer of the Seller shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall no longer be an agent on behalf of the Seller. Any Documents executed by such persons shall be deemed duly authorized by the Seller for all purposes.

- 1.3 “Base Energy” – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.39.
- 1.4 “Commission” – The Idaho Public Utilities Commission.
- 1.5 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.6 “Delay Cure Period” – 120 days immediately following the Scheduled Operation Date.
- 1.7 “Delay Damages” – ((Current month’s Estimated Net Energy Amount as specified in paragraph 6.2 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month’s Delay Price.
- 1.8 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date or the Agreement is terminated by Idaho Power.
- 1.9 “Delay Price” – The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price as specified in Appendix E of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.10 “Designated Dispatch Facility” – Idaho Power’s Load Serving Operations, or any subsequent group designated by Idaho Power.
- 1.11 “Effective Date” – The date stated in the opening paragraph of this Energy Sales Agreement representing the date upon which this Energy Sales Agreement was fully executed by both Parties.

1.12 “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 (SO_x), nitrogen oxides (NO_x), 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 REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser’s discretion, and include without limitation those REC 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. RECs are accumulated on a MWh basis and one REC 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)

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.

emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.13 “Facility” – That electric generation facility described in Appendix B of this Agreement.
- 1.14 “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 after the Seller requested First Energy Date.
- 1.15 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance, or 2) responding to a transmission provider curtailment order, or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period, or 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility.
- 1.16 “Generation Interconnection Agreement (GIA)” – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system, which will include but not be limited to all requirements as specified by Schedule 72.
- 1.17 “Generation Unit” – a complete solar pv electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility.
- 1.18 “Heavy Load Hours” – The daily hours from hour ending 0700 - 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.19 “Hourly Energy Estimates” – the hourly energy estimates provided by the Seller and included in Appendix G of this Agreement. These hourly energy estimates are a material input used in the calculation of the energy prices specified in Appendix E.

- 1.20 "Interconnection Facilities" – All equipment specified in the GIA.
- 1.21 "Light Load Hours" – The daily hours from hour ending 2300 – 0600 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 point where the Facility's energy is metered and Facility's Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 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 "Mid- Columbia Market Energy Cost" – 82.4% of the monthly arithmetic average of the Intercontinental Exchange ("ICE") daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg reported prices. The actual calculation being:
- Mid-Columbia Market Energy Cost = $.824 * (((ICE \text{ Mid-C Peak Avg} * \text{Heavy Load Hours for each day of the month}) + (ICE \text{ Mid-C Off-Peak Avg} * \text{Light Load Hours for each day of the month})) / \text{total hours in the month})$
- If the ICE Mid-Columbia Index reporting is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.27 "Monthly Estimated Generation" – the monthly estimated generation as specified in Appendix G identified as the Monthly estimated kWh.
- 1.28 "Monthly Nameplate Energy" – Nameplate Capacity multiplied by the hours in the applicable month.

- 1.29 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.30 “Net Energy” – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility 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.
- 1.31 “Estimated Net Energy Amount Adjustment Percentage” – (Adjusted Estimated Net Energy Amount divided by the applicable month’s Monthly Estimated Generation) times 100. If this calculation results in a value greater than 100%, the result of this calculation will be 100%.
- 1.32 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.33 “Point of Delivery” – The location specified in the GIA and referenced in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.34 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus 2%. If this calculation results in a value greater than 100%, the result of this calculation will be 100% or if this calculation results in a value less than 90%, the result of this calculation will be 90%.
- 1.35 “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.

- 1.36 “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.
- 1.37 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller’s Facility shall achieve the Operation Date.
- 1.38 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.39 “Security Deposit” - \$45 per kW Nameplate Capacity of the entire Facility.
- 1.40 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.
- 1.41 “Surplus Energy” – Is (1) Net Energy produced by the Seller’s Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Estimated 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 Estimated 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, or (4) all monthly Net Energy that exceeds the Monthly Nameplate Energy.
- 1.42 “Termination Damages” – Financial damages the non defaulting party has incurred as a result of termination of this Agreement.

ARTICLE II: NO RELIANCE ON IDAHO POWER

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

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility's Qualifying Facility status and associated support and compliance documents at anytime during the term of this Agreement.
- 3.3 Solar Project Qualifications - Seller warrants that the Facility is a "Solar Project," as that term is used in Commission Order 32697. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Solar Project status during the full term of this Agreement and

Seller's failure to maintain Solar Project status will be a Material Breach of this Agreement.

Idaho Power reserves the right to review the Facility's Solar Project status and associated support and compliance documents at anytime during the term of this Agreement.

- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix G are accurate estimates of the Facility's expected hourly energy production based on the characteristics of the solar generation equipment being installed, configuration and orientation of the equipment installation, location specific solar radiation and any other information available. Material deviations from these Hourly Energy Estimates will be a Material Breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:
- 4.1.1 Submit proof to Idaho Power that all licenses, permits, determinations or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility and evidence of compliance with the eligibility to be classified as a Solar Project as referenced in Commission Order 32697.
- 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, determinations 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 Commission Approval - Confirm with Idaho Power that Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- 4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility and the total of these units to determine the Facility Nameplate Capacity rating. 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 Completion certificate - Submit a certificate executed by an authorized agent of the Seller attesting that all mechanical and electrical equipment of the designated Generation Unit(s) of the Facility has been completed to enable the Generation Unit(s) to beginning testing and delivery of Test Energy in a safe manner.
- 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 business unit that administers the GIA that Seller has satisfied all interconnection and testing requirements that will enable the Facility to be safely connected to the Idaho Power electrical system.
- 4.1.8 Network Resource Designation – Confirm that the Seller's Facility has been designated as an Idaho Power network resource capable of delivering energy up to the amount of the Maximum Capacity at the Point of Delivery.
 - 4.1.8.1 As specified in Appendix B item 7 of this Agreement, the Seller's Facility must have achieved the status of being an Idaho Power Designated Network Resource (DNR) prior to Idaho Power accepting any energy from this Facility. Appendix

B item 7 provides information on the initial application process required to enable Idaho Power to determine if network transmission capacity is available for this Facility's Maximum Capacity Amount and/or if Idaho Power transmission network upgrades will be required. The results of this study process and any associated costs will be included in the GIA for this Facility.

4.1.8.2 Only after the Facility has completed all requirements of the GIA that enable the Facility to come online can Idaho Power begin the final process of designating this resource as an Idaho Power Network Resource. The final process must be initiated at a minimum 30 days prior to the First Energy Date. Therefore, Idaho Power will begin this process 30 days prior to the Scheduled First Energy Date specified in Appendix B of this Agreement and only after Idaho Power has received confirmation that the GIA requirements have been completed. If the Seller estimates that the actual First Energy is expected to be different than the Scheduled First Energy Date specified in Appendix B of this Agreement, the Seller must notify Idaho Power of this revised date no later than 30 days prior to Scheduled First Energy Date. Under no circumstances will the project be able to deliver any energy to Idaho Power until such time as Idaho Power has designated this Facility as an Idaho Power Network Resource.

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

ARTICLE V: TERM AND OPERATION DATE

5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of twenty (20) *(not*

to exceed 20 years) Contract Years from the Operation Date.

5.2 Operation Date – A single Operation Date will be granted for the entire Facility and may occur only after the Facility has achieved all of the following:

- a) At the minimum, 75% of the Generation Units planned for this Facility have achieved their First Energy Date.
- b) Seller has demonstrated to Idaho Power's satisfaction that all mechanical and electrical testing has been completed satisfactorily and the Facility is able to provide energy in a consistent, reliable and safe manner.
- c) 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.
- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process (This includes any delay in making the required deposit payments set forth in the Facility's GIA) that **are not** caused by Idaho Power or Force Majeure events accepted by both Parties, **shall not** prevent Delay Damages or Termination Damages from being due and owing as calculated in accordance with this Agreement.

5.4 Termination - If Seller fails to achieve the Operation Date prior to the Scheduled Operation Date or within the Delay Cure Period, such failure will be a Material Breach and Idaho Power may

terminate this Agreement at any time until the Seller cures the Material Breach.

- 5.5 Delay Damages billing and payment – Idaho Power shall calculate and submit to the Seller any Delay Damages due Idaho Power within 15 days after the end of each month or within 30 days of the date this Agreement is terminated by Idaho Power.
- 5.6 Termination Damages billing and payment - Idaho Power shall calculate and submit to the Seller any Termination Damages due Idaho Power within 30 days after this Agreement has been terminated.
- 5.7 Seller Payment - Seller shall pay Idaho Power any calculated Delay or Termination Damages within 7 days of when Idaho Power presents these billings to the Seller. Seller's failure to pay these damages within the specified time will be a Material Breach of this Agreement and Idaho Power shall draw funds from the Security Deposit provided by the Seller in an amount equal to the calculated damages.
- 5.8 Security Deposit - Within thirty (30) days of the date of a final non-appealable Commission Order approving this Agreement as specified in Article XXI, the Seller shall post and maintain liquid security in a form as described in Appendix D equal to or exceeding the amount specified within this Agreement as the Security Deposit until such time as the Security Deposit is released by Idaho Power as specified in paragraph 5.8.1. Failure to post this Security Deposit in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.
- 5.8.1 Idaho Power shall release any remaining Security Deposit provided by Seller promptly after either the Facility has achieved its Operation Date or this Agreement has been terminated and only after all Delay and Termination Damages have been paid in full to Idaho Power.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Net Energy Purchase and Delivery - 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.

6.2 Estimated Net Energy Amounts – shall be equal to Monthly estimated kWhs as specified in Appendix G and as listed below:

<u>Month</u>	<u>kWh</u>
January	1,314,286
February	2,003,141
March	3,186,438
April	3,861,919
May	4,568,573
June	4,858,265
July	5,113,854
August	4,727,683
September	3,801,097
October	2,979,852
November	1,361,029
December	<u>1,068,772</u>
Total	38,844,772

6.2.2 Seller’s Adjustment of Estimated Net Energy Amounts - After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the last business day of the Notification Month specified in the following schedule:

<u>Notification Month</u>	<u>Future monthly Estimated Net Energy Amounts eligible to be revised</u>
November	January and any future months
December	February and any future months
January	March and any future months
February	April and any future months
March	May and any future months
April	June and any future months
May	July and any future months
June	August and any future months
July	September and any future months
August	October and any future months

September
October

November and any future months
December and any future months

- a.) This written notice must be provided to Idaho Power in accordance with paragraph 25.1 or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices address specified in paragraph 25.1.
- b.) Failure to provide timely written notice of changed Estimated Net Energy Amounts will be deemed to be an election of no change from the most recently provided Estimated Net Energy Amounts.

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

Where:

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

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

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

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

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

TH = Actual total hours in the current month

Resulting formula being:

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

This Adjusted Estimated 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 Failure to Deliver Minimum Estimated Net Energy Amounts - 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 Monthly Estimated Generation shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the monthly Base Energy Heavy Load Purchase Price as specified in Appendix E.
- 7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the monthly Base Energy Light Load Purchase Price as specified in Appendix E.
- 7.3 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the Base Energy Light Load Purchase Price for that month, whichever is lower.

- 7.4 Price Adjustment - Upon acceptance of a Seller Adjustment of Estimated Net Energy Amounts as specified in paragraph 6.2.2, Idaho Power will calculate the Pricing Adjustment Percentage for the applicable month(s). All pricing contained within Appendix E for the applicable month(s) will be multiplied by the Pricing Adjustment and the resulting revised prices will replace the prices contained within Appendix E until such time as the Seller submits a new Seller Adjustment of Estimated Net Energy Amounts at which time a new Pricing Adjustment Percentage will be calculated and applied in accordance with this paragraph.
- 7.5 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for 2 consecutive months and/or in any 3 months during a Contract Year will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement within sixty (60) days after the Material Breach has occurred.
- 7.6 Payment Due Date – Undisputed Base Energy and Surplus Energy payments, less any payments due to Idaho Power will be disbursed to the Seller within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Base Energy and Surplus 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 Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated with the Facility and Seller will likewise retain 50% ownership of all of the Environmental

Attributes associated with the Facility. Title of 50% Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Surplus Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this agreement, unless the parties agree to extend in future agreements. If after the Effective Date any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this hydroelectric generation Facility.

8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.

8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental Attribute accounting and tracking system initially selected by Idaho Power is materially altered or discontinued during the Term of this Agreement, the Parties shall cooperate to identify an appropriate alternative Environmental Attribute accounting and tracking

process and enable the Environmental Attributes be processed through this alternative method.

8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.

8.2.3 If Idaho Power requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications required by Idaho Power for those Environmental Attributes delivered to Idaho Power from the Seller. If the Seller incurs cost, as a result of Idaho Power's request, and if the additional certification provides benefits to both parties, the parties shall share the costs in proportion to the additional benefits obtained. If Idaho Power elects to obtain its own certifications, then Seller shall fully cooperate with Idaho Power in obtaining such certification.

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 to the Idaho Power Point of Delivery for the full term of the Agreement in accordance with the GIA.

ARTICLE X:

METERING, METERING COMMUNICATIONS AND SCADA TELEMETRY

10.1 Metering - Idaho Power shall, provide, install, and maintain metering equipment needed for metering the electrical energy production from the Facility. The metering equipment will be capable of measuring, recording, retrieving and reporting the Facility's hourly gross electrical

energy production, Station Use, maximum energy deliveries (kW) and any other energy measurements at the Point of Delivery that Idaho Power needs to administer this Agreement and integrate this Facility's energy production into the Idaho Power electrical system. Specific equipment, installation details and requirements for this metering equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

10.2 Metering Communications - Seller shall, at the Seller's sole initial and ongoing expense, arrange for, provide, install, and maintain dedicated metering communications equipment capable of transmitting the metering data specified in paragraph 10.1 to Idaho Power in a frequency, manner and form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated metering communications equipment. Specific details and requirements for this metering communications equipment will be established in the GIA process and documented in the GIA.

10.3 Supervisory Control and Data Acquisition (SCADA) Telemetry – If the Facility's Nameplate Capacity exceeds 3 MW, in addition to the requirements of paragraph 10.1 and 10.2, Idaho Power may require telemetry equipment and telecommunications which will be capable of providing Idaho Power with continuous instantaneous SCADA telemetry of the Seller's Net Energy and Inadvertent Energy production in a form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated SCADA and telecommunications equipment. Specific details and requirements for this SCADA Telemetry and telecommunications equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

ARTICLE XI - RECORDS

11.1 Maintenance of Records - Seller shall maintain monthly records at the Facility or such other location mutually acceptable to the Parties. These records shall include total generation, Net

Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in (kW) and be records in a form and content acceptable to Idaho Power. Monthly records shall be retained for a period of not less than five years.

- 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 records pertaining to the Seller's Facility generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in kW.

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 the GIA.

- 12.2 Acceptance of Energy -

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:

- a.) If energy deliveries are interrupted due an event of Force Majeure or Forced Outage.
- b.) If interruption of energy deliveries is allowed by Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.304
- c.) If temporary disconnection and/or interruption of energy deliveries is in accordance with Schedule 72 or other provisions as specified within the GIA.
- d.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction, electrical system maintenance requirements, emergencies, electrical system

operating conditions, electrical system reliability emergencies on its system, or as otherwise required by Prudent Electrical Practices.

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

12.2.3 Under no circumstances will the Seller deliver 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 and must be cured immediately.

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

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a Forced Outage, and Seller initiates a Declared Suspension of Energy Deliveries, Seller shall, after giving notice as provided in paragraph 12.3.2 below, temporarily reduce deliveries of Net Energy (kW) to Idaho Power from the Facility to not exceed the reduced energy deliveries (kW) stated by the Seller in the initial declaration for a period of not less than 48 hours. ("Declared Suspension of Energy Deliveries"). The Seller's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller's telephone notification as specified in paragraph 12.3.2 and will continue for the time as specified

(not less than 48 hours) in the written notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Estimated Net Energy Amount will be adjusted as specified in paragraph 6.2.3.

- 12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries, a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries, and the reduced level (kW) of energy deliveries the Facility is requesting that will be set as the maximum energy deliveries to Idaho Power for the duration of the Declared Suspension of Energy Delivery event (not less than 48 hours). Idaho Power will review the documentation provided by the Seller to determine Idaho Power's acceptance of the described Forced Outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power's acceptance of the Seller's Forced Outage as an acceptable Forced Outage will be based upon the clear documentation provided by the Seller that the Forced Outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.
- 12.4 Scheduled Maintenance – On or before January 31st 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. If the Seller intends to perform planned maintenance at approximately the same time every year, the Seller may submit a maintenance schedule for the first calendar year and include a statement that this maintenance schedule shall be consistent for all future years, until such time as the Seller

notifies Idaho Power of a change to this schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

12.5 Idaho Power Maintenance Information – Upon receiving a written request from the Seller, Idaho Power shall provide publically available information in regards to Idaho Power planned maintenance information that may impact the Facility.

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

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

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

insurance as specified in Appendix F.

ARTICLE XIV: FORCE MAJEURE

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

- (1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.
- (2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.
- (3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

ARTICLE XV: LIABILITY; DEDICATION

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

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

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

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

ARTICLE XIX: DISPUTES AND DEFAULT

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

19.2 Notice of Default

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

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach or if a specific cure and/or inability to cure is identified by this Agreement for the specific Material Breach then that cure shall apply.

19.3 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 Appendix F. If Seller fails to comply, such failure will be a Material Breach.

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 / Permits / Determinations - During the full term of this Agreement, Seller shall maintain compliance with all permits, licenses and determinations described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits, licenses or determinations. 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, licenses and determinations 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 only 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. Neither this Agreement nor any rights or obligations of either Party hereunder may be assigned, in whole or in part, by operation of law or otherwise, without the prior written consent of both Parties, which 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. A transfer or change in the person or entities who control ten percent or more of the equity securities or voting interests of Seller (whether in a single or multiple separate transactions resulting in such a change in control of equity interests or voting securities) shall be deemed an assignment of this Agreement requiring prior written consent of Idaho Power for purposes of the foregoing. Any purported assignment in derogation of the foregoing shall be void. 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 AND AUTHORIZED AGENTS

- 25.1 Notices - 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:

Name: Robert A. Paul
Address: 515 N. 27th Street
Boise, Idaho 83702

Telephone: (760) 861-1104
Cell: (760) 861-1104
E-mail: robertapaul8@gmail.com

To Idaho Power:

Original document to:

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

Copy of document to:

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

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

25.2 Authorized Agent(s)

Name	Title

Authorized Agents as listed above may be modified by the Seller by requesting and completing an Authorized Agent modification document provided by Idaho Power. This document at minimum will include the requested changes and require signature(s) from an authorized party of the Seller.

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.

- 26.2 Prior to the Seller executing this Agreement, the Seller shall have:
- a) Submitted an interconnection application for this Facility and is in compliance with all payments and requirements of the interconnection process.
 - b) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power Designated Network Resource. If final interconnection or transmission

studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Delay and Termination Damages associated with the project's failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission costs, processes or schedules.

- c) Provide acceptable and verifiable evidence to Idaho Power that demonstrates the Facility is eligible for the published avoided costs requested by the Seller and contained within this Agreement. Commission Order 32817 provides the current published avoided costs for Non-Seasonal Hydro Facilities, Seasonal Hydro Facilities, Other Facilities, Solar Facilities, and Wind Facilities.

26.3 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	-	Solar Facility Energy Prices
Appendix F	-	Insurance Requirements
Appendix G	-	Estimated Hourly Energy Production

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

Grand View PV Solar Four, LLC

By

By

Lisa A Grow
Sr. Vice President, Power Supply

Robert A. Paul
Managing Member

Dated

Dated

“Idaho Power”

5-14-2014

“Seller”

APPENDIX A

A -1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

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

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

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

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

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

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 Energy Sales Agreement to which I am a Party.

Signature _____
Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

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

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

A-3 SELLER CONTACT INFORMATION

Seller's Contact Information

Project Management

Name: _____
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

24-Hour Project Operational Contact

Name: _____
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

Project On-site Contact information

Name: _____
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Grand View PV Solar Four

Project Number: _____

B-1 DESCRIPTION OF FACILITY

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

Grand View PV Solar Four is a 20 MW photovoltaic solar energy facility located 20 miles southwest of Mountain Home, Idaho. The facility will interconnect at 138kV through a shared substation with other parties.

Nameplate: 20 MW

Var Capability (Both leading and lagging) Leading is 0.95 Lagging is 0.95.

B-2 LOCATION OF FACILITY

Near: Grand View, Idaho

Actual or nearest physical street address: State Hwy 167 and Fredrickson Road

GPS Coordinates: Latitude Decimal Degrees 43.026

Longitude Decimal Degrees 116.017

State: Idaho County: Elmore

Description of Interconnection Location: Grand View PV Solar 2, 3 and 4 substation.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected November 1, 2015 as the Scheduled First Energy Date.

Seller has selected December 15, 2015 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 20 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. 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 energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA 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 Equipment 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 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until the Facility has achieved the status of being an Idaho Power designated network resource ("DNR"). Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application 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 DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **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 DNR 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/herself 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 referred to as the "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 Idaho Power Company Facility No. _____ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the _____ Project, is located in Section ____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, said Project has been designed and built to appropriate standards, and 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 the full Contact Term of _____ years.

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/her knowledge and therefore sets his/her 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/herself 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 referred to as the "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 Idaho Power Company 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 _____ 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. The Engineer certifies, based on the Project's appearance and the information provided by the Project, that the Project's ongoing O&M has been completed in accordance with said O&M Policy; that it is in reasonably good operating condition; and it is in the Engineer's professional opinion 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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself/herself 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 Energy Sales Agreement, hereinafter referred to as the "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 Idaho Power Company 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/her knowledge and therefore sets his/her 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, 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 Security Deposit requirement 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 – Seller shall deposit cash in the amount of the required Security Deposit with Idaho Power. Idaho Power will not be responsible to calculate or pay any interest on these funds deposited with Idaho Power.

2. 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 Security Deposit. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).

3. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Security Deposit: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

SOLAR FACILITY ENERGY PRICES

(Prices based upon the energy shape and capacity specified in Appendix G)

E-1 Base Energy Purchase Prices – For all Base Energy received during Heavy Load Hours Idaho Power shall pay the Base Energy Heavy Load Purchase Price specified below and for all Base Energy received during Light Load Hours Idaho Power shall pay the Base Energy Light Load Purchase Price specified below. All of these prices are subject to revision as specified within paragraph 7.4.

<u>Month/Year</u>	Base Energy Heavy Load Purchase Price (Mills/kWh)	Base Energy Light Load Purchase Price (Mills/kWh)
Jan-15	\$49.95	\$49.57
Feb-15	\$49.32	\$50.21
Mar-15	\$50.27	\$47.99
Apr-15	\$40.50	\$31.95
May-15	\$48.61	\$42.66
Jun-15	\$47.03	\$39.14
Jul-15	\$62.56	\$53.27
Aug-15	\$61.09	\$52.05
Sep-15	\$55.80	\$49.79
Oct-15	\$49.77	\$49.64
Nov-15	\$51.62	\$50.08
Dec-15	\$50.90	\$49.64
Jan-16	\$53.44	\$52.63
Feb-16	\$53.72	\$52.92
Mar-16	\$51.26	\$49.09
Apr-16	\$48.06	\$46.67
May-16	\$50.57	\$46.33
Jun-16	\$51.01	\$41.57
Jul-16	\$63.69	\$58.00
Aug-16	\$64.29	\$59.68
Sep-16	\$58.09	\$54.29
Oct-16	\$56.37	\$56.15
Nov-16	\$57.30	\$56.49
Dec-16	\$58.22	\$58.99
Jan-17	\$56.82	\$56.07

Feb-17	\$55.87	\$54.72
Mar-17	\$53.87	\$52.88
Apr-17	\$49.24	\$44.13
May-17	\$54.14	\$51.65
Jun-17	\$54.12	\$45.51
Jul-17	\$66.78	\$60.83
Aug-17	\$67.81	\$62.96
Sep-17	\$61.98	\$57.21
Oct-17	\$60.08	\$58.75
Nov-17	\$60.67	\$59.43
Dec-17	\$60.61	\$60.40
Jan-18	\$59.66	\$58.24
Feb-18	\$59.22	\$56.03
Mar-18	\$52.36	\$50.58
Apr-18	\$50.36	\$50.27
May-18	\$54.95	\$50.27
Jun-18	\$53.66	\$49.79
Jul-18	\$66.40	\$66.78
Aug-18	\$70.83	\$65.29
Sep-18	\$65.37	\$62.65
Oct-18	\$61.93	\$61.79
Nov-18	\$62.50	\$61.89
Dec-18	\$61.93	\$61.89
Jan-19	\$61.34	\$56.97
Feb-19	\$61.02	\$57.58
Mar-19	\$49.23	\$48.70
Apr-19	\$48.41	\$48.23
May-19	\$53.55	\$46.98
Jun-19	\$54.61	\$48.40
Jul-19	\$67.97	\$64.79
Aug-19	\$71.60	\$66.08
Sep-19	\$66.42	\$64.51
Oct-19	\$63.33	\$63.27
Nov-19	\$63.59	\$63.25
Dec-19	\$63.27	\$63.27
Jan-20	\$64.04	\$62.48
Feb-20	\$57.97	\$56.20
Mar-20	\$47.83	\$48.60
Apr-20	\$47.29	\$47.08
May-20	\$51.28	\$46.26
Jun-20	\$55.01	\$48.47
Jul-20	\$69.59	\$66.22
Aug-20	\$73.36	\$66.85
Sep-20	\$64.60	\$59.70
Oct-20	\$64.50	\$64.51

Nov-20	\$64.79	\$64.51
Dec-20	\$64.55	\$64.51
Jan-21	\$66.05	\$65.57
Feb-21	\$62.27	\$55.39
Mar-21	\$53.63	\$51.57
Apr-21	\$49.64	\$49.63
May-21	\$55.36	\$49.63
Jun-21	\$58.28	\$50.95
Jul-21	\$72.29	\$68.27
Aug-21	\$76.44	\$68.41
Sep-21	\$67.98	\$63.76
Oct-21	\$66.28	\$66.18
Nov-21	\$66.67	\$66.18
Dec-21	\$66.49	\$66.20
Jan-22	\$68.45	\$66.89
Feb-22	\$68.99	\$66.85
Mar-22	\$61.09	\$55.45
Apr-22	\$54.15	\$54.04
May-22	\$57.80	\$53.96
Jun-22	\$62.00	\$54.36
Jul-22	\$74.95	\$72.02
Aug-22	\$80.55	\$72.94
Sep-22	\$74.10	\$69.07
Oct-22	\$69.80	\$69.72
Nov-22	\$69.85	\$69.72
Dec-22	\$70.57	\$69.72
Jan-23	\$71.20	\$68.48
Feb-23	\$71.91	\$69.09
Mar-23	\$67.57	\$63.31
Apr-23	\$57.96	\$56.25
May-23	\$61.73	\$58.06
Jun-23	\$63.07	\$57.36
Jul-23	\$78.64	\$76.94
Aug-23	\$83.41	\$78.37
Sep-23	\$78.41	\$72.67
Oct-23	\$73.31	\$73.12
Nov-23	\$73.38	\$72.82
Dec-23	\$74.31	\$73.22
Jan-24	\$75.31	\$74.22
Feb-24	\$74.63	\$71.03
Mar-24	\$65.85	\$63.94
Apr-24	\$55.44	\$54.32
May-24	\$60.09	\$54.45
Jun-24	\$63.18	\$59.22
Jul-24	\$84.23	\$80.46

Aug-24	\$94.29	\$77.98
Sep-24	\$79.82	\$77.81
Oct-24	\$76.13	\$75.99
Nov-24	\$76.64	\$75.59
Dec-24	\$77.09	\$75.99
Jan-25	\$78.47	\$78.67
Feb-25	\$77.33	\$73.84
Mar-25	\$70.59	\$67.80
Apr-25	\$56.45	\$54.63
May-25	\$66.13	\$63.00
Jun-25	\$68.81	\$64.32
Jul-25	\$91.55	\$81.47
Aug-25	\$96.40	\$80.91
Sep-25	\$82.98	\$79.45
Oct-25	\$78.78	\$78.67
Nov-25	\$80.28	\$78.67
Dec-25	\$82.42	\$80.85
Jan-26	\$81.96	\$81.50
Feb-26	\$81.69	\$80.62
Mar-26	\$66.38	\$58.45
Apr-26	\$57.67	\$58.11
May-26	\$72.19	\$70.89
Jun-26	\$71.91	\$67.95
Jul-26	\$94.59	\$83.71
Aug-26	\$100.51	\$85.95
Sep-26	\$87.96	\$84.05
Oct-26	\$82.09	\$81.95
Nov-26	\$82.59	\$82.09
Dec-26	\$88.05	\$84.16
Jan-27	\$83.95	\$82.81
Feb-27	\$84.58	\$81.89
Mar-27	\$75.32	\$73.95
Apr-27	\$65.62	\$61.29
May-27	\$69.01	\$67.58
Jun-27	\$76.00	\$74.42
Jul-27	\$98.60	\$87.62
Aug-27	\$102.97	\$87.82
Sep-27	\$90.29	\$87.05
Oct-27	\$84.74	\$84.53
Nov-27	\$85.23	\$84.80
Dec-27	\$93.77	\$87.23
Jan-28	\$87.76	\$84.01
Feb-28	\$88.01	\$84.85
Mar-28	\$71.32	\$71.51
Apr-28	\$66.84	\$67.44

May-28	\$77.13	\$76.57
Jun-28	\$78.59	\$75.59
Jul-28	\$103.95	\$91.96
Aug-28	\$106.91	\$90.53
Sep-28	\$93.44	\$91.10
Oct-28	\$88.29	\$87.94
Nov-28	\$88.78	\$88.21
Dec-28	\$103.16	\$92.51
Jan-29	\$90.73	\$85.59
Feb-29	\$90.74	\$88.65
Mar-29	\$78.15	\$68.59
Apr-29	\$64.96	\$67.13
May-29	\$79.23	\$78.50
Jun-29	\$79.30	\$77.80
Jul-29	\$114.55	\$101.54
Aug-29	\$117.31	\$93.92
Sep-29	\$97.91	\$94.26
Oct-29	\$91.40	\$91.28
Nov-29	\$92.53	\$91.28
Dec-29	\$103.24	\$94.23
Jan-30	\$94.31	\$92.20
Feb-30	\$93.70	\$90.45
Mar-30	\$79.35	\$75.83
Apr-30	\$65.77	\$61.47
May-30	\$70.26	\$62.91
Jun-30	\$81.66	\$81.19
Jul-30	\$123.75	\$109.18
Aug-30	\$120.06	\$97.63
Sep-30	\$101.58	\$97.89
Oct-30	\$94.77	\$94.59
Nov-30	\$96.60	\$94.63
Dec-30	\$110.76	\$98.57
Jan-31	\$108.97	\$102.49
Feb-31	\$105.67	\$96.08
Mar-31	\$93.49	\$89.74
Apr-31	\$75.12	\$67.52
May-31	\$93.48	\$84.26
Jun-31	\$87.15	\$85.37
Jul-31	\$140.01	\$122.76
Aug-31	\$130.12	\$102.51
Sep-31	\$109.04	\$105.53
Oct-31	\$113.26	\$101.26
Nov-31	\$115.32	\$111.99
Dec-31	\$125.83	\$118.89
Jan-32	\$112.73	\$107.28

Feb-32	\$110.52	\$97.47
Mar-32	\$101.86	\$92.57
Apr-32	\$86.07	\$79.97
May-32	\$95.38	\$92.88
Jun-32	\$91.03	\$88.46
Jul-32	\$152.03	\$128.83
Aug-32	\$137.07	\$108.19
Sep-32	\$112.76	\$109.94
Oct-32	\$120.19	\$109.13
Nov-32	\$124.35	\$122.68
Dec-32	\$127.18	\$123.88
Jan-33	\$115.55	\$109.93
Feb-33	\$113.27	\$99.83
Mar-33	\$104.35	\$94.78
Apr-33	\$88.09	\$81.81
May-33	\$97.68	\$95.10
Jun-33	\$93.20	\$90.55
Jul-33	\$156.03	\$132.13
Aug-33	\$140.62	\$110.87
Sep-33	\$115.58	\$112.67
Oct-33	\$123.23	\$111.84
Nov-33	\$127.52	\$125.80
Dec-33	\$130.43	\$127.03
Jan-34	\$118.39	\$112.61
Feb-34	\$116.05	\$102.21
Mar-34	\$106.86	\$97.01
Apr-34	\$90.11	\$83.64
May-34	\$99.99	\$97.34
Jun-34	\$95.37	\$92.65
Jul-34	\$160.09	\$135.48
Aug-34	\$144.22	\$113.58
Sep-34	\$118.43	\$115.43
Oct-34	\$126.31	\$114.58
Nov-34	\$130.72	\$128.95
Dec-34	\$133.72	\$130.22

APPENDIX F

INSURANCE REQUIREMENTS

The Seller shall secure and continuously carry insurance as specified within this Appendix for the term of the Agreement.

Insurance Requirements:

1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of A- or better.
2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within 5 days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
3. Prior to the First Energy date and subsequently within 10 days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
4. The Certificate of Insurance shall evidence the appropriate insurance coverage of 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.

Idaho Power Company

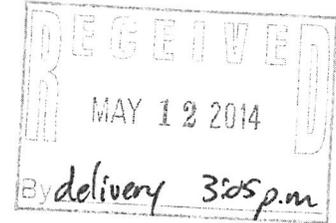
Appendix G Estimated Hourly Generation

Project Name: Grand View PV Solar Four
 AC Project Nameplate (MW): 20
 Project Estimated Online Date: Dec-15
 Project Estimated Annual Capacity Factor (%): 22.17%

Hour Start	Hour End	Hour	Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time															
			January	February	March	April	May	June	July	August	September	October	November	December				
12:00 AM	1:00 AM	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1:00 AM	2:00 AM	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
2:00 AM	3:00 AM	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
3:00 AM	4:00 AM	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
4:00 AM	5:00 AM	5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
5:00 AM	6:00 AM	6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
6:00 AM	7:00 AM	7	0.0	0.0	0.0	0.0	0.0	0.1	0.5	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0	
7:00 AM	8:00 AM	8	0.0	0.0	0.2	1.0	2.6	3.4	3.4	3.0	3.0	1.9	0.1	0.0	0.0	0.0	0.0	
8:00 AM	9:00 AM	9	0.6	2.7	2.5	4.2	6.4	8.2	7.7	7.7	5.3	4.3	1.8	2.1	0.8	0.0	0.0	
9:00 AM	10:00 AM	10	3.3	6.8	7.4	11.2	12.0	12.0	13.7	13.9	12.6	10.6	6.6	5.2	3.1	0.0	0.0	
10:00 AM	11:00 AM	11	5.1	8.1	11.2	13.0	14.3	15.4	15.4	15.7	15.3	14.7	11.6	6.1	5.0	0.0	0.0	
11:00 AM	12:00 PM	12	5.1	9.1	11.1	13.6	14.3	15.2	15.7	15.7	15.7	14.3	11.5	6.0	4.4	0.0	0.0	
12:00 PM	1:00 PM	13	5.6	8.2	11.0	13.6	13.6	14.9	16.1	16.1	15.2	13.6	11.5	5.5	4.6	0.0	0.0	
1:00 PM	2:00 PM	14	5.8	7.8	10.6	13.6	14.8	14.9	15.9	15.9	15.0	13.7	10.5	6.6	4.8	0.0	0.0	
2:00 PM	3:00 PM	15	5.9	8.5	11.7	13.7	14.6	15.1	15.8	14.2	14.2	12.7	10.3	6.5	5.7	0.0	0.0	
3:00 PM	4:00 PM	16	6.4	9.5	11.8	14.1	14.1	14.8	14.7	14.8	14.8	13.1	11.7	5.6	6.0	0.0	0.0	
4:00 PM	5:00 PM	17	4.3	8.8	11.5	11.4	14.3	14.6	14.4	14.7	14.7	12.5	12.3	1.7	0.0	0.0	0.0	
5:00 PM	6:00 PM	18	0.3	2.1	8.8	10.5	13.0	13.7	13.9	13.4	13.4	11.2	7.4	0.2	0.0	0.0	0.0	
6:00 PM	7:00 PM	19	0.0	0.0	4.6	6.7	8.4	10.7	11.2	9.7	9.7	5.7	1.0	0.0	0.0	0.0	0.0	
7:00 PM	8:00 PM	20	0.0	0.0	0.5	2.9	4.6	5.1	5.5	4.3	4.3	0.2	0.0	0.0	0.0	0.0	0.0	
8:00 PM	9:00 PM	21	0.0	0.0	0.0	0.0	0.3	1.8	1.3	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	
9:00 PM	10:00 PM	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
10:00 PM	11:00 PM	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
11:00 PM	12:00 AM	24	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Daily estimated MWh			42.4	71.5	102.8	128.7	147.4	161.9	165.0	152.5	126.7	96.1	45.4	34.5				
Days in month			31	28	31	30	31	30	31	31	30	31	30	31				
Monthly estimated MWh			1,314	2,003	3,186	3,862	4,569	4,858	5,114	4,728	3,801	2,980	1,361	1,069				
Monthly estimated kWh			1,314,286	2,003,141	3,186,438	3,861,919	4,568,573	4,858,265	5,113,854	4,727,673	3,801,097	2,979,852	1,361,029	1,068,772				
Annual																	38,845	
																		38,844,900

ALTERNATIVE POWER DEVELOPMENT

Robert A. Paul
515 N. 27th Street
Boise, Idaho 83702
Robertapaul8@gmail.com
(760) 861-1104



May 11, 2014

Michael Darrington
SR Energy Contracts Coordinator
Idaho Power/Power Supply
1221 West Idaho Street
Boise, Idaho 83702
HAND DELIVERY

Re: Grand View PV Solar Five, LLC

Dear Mr. Darrington:

Last week you provided, what you termed, a draft Energy Sales Agreement (ESA) to Black Sands Solar. By way of clarification, Black Sands Solar is an authorized assumed business name of Grand View PV Solar Five, LLC. In turn, Grand View PV Solar Five, LLC (herein GV5) is wholly owned by Alternative Power Development Northwest, LLC of which I am the managing member.

Attached hereto you will find three 'originals' of the ESA fully and duly executed by me in my capacity as managing member of GV5. Three are provided for your convenience; one may be retained for your files, one may be lodged with the Commission and the final original should be returned to me for our files. The ESA executed by GV5 includes all of the specific information requested of the project for Idaho Power to begin accepting deliveries.

While your transmittal email suggested that no contractual obligation of any kind can be created before the ESA is signed by both parties and is approved by the Idaho PUC, this is contrary to the law regarding Qualified Facilities under the Public Utilities Regulatory Policies Act (PURPA). By executing and tendering the attached ESA, GV5 has unequivocally committed GV5 to a legally enforceable obligation to sell the output of its generation to Idaho Power over the life of the ESA.

GV5 is ready, willing and able to supply power to Idaho Power and has demonstrated the feasibility of doing so by completing Idaho Power's feasibility study process as well as the system impact study process. GV5 has completed all of the permitting and site evaluation work to begin supplying power and has no outstanding issue preventing it from moving forward post haste. GV5's obligations under the attached ESA would NOT be contingent upon any outside event or approvals.

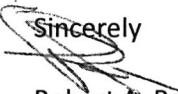
To reiterate, GV5 is hereby making a binding and unconditional offer to sell its output to Idaho Power. This comprehensive offer comports with all of the Idaho PUC's rulings on the creation of a legally

enforceable obligation on Idaho Power's part to purchase, and a legally enforceable obligation on the part of GV5 to sell, all of its output for the life of the ESA.

As you know, the Idaho PUC has just recently recognized in a settlement of a lawsuit against it by the Federal Energy Regulatory Commission that the legally enforceable obligation relationship between Idaho Power and GV5 is a valid and common vehicle for QFs to use to compel utilities to purchase the output of their projects.

We are looking forward a long and mutually beneficial relationship with Idaho Power.

Sincerely



Robert A. Paul
Managing Member
Grand View PV Solar Five, LLC

ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
GRAND VIEW PV SOLAR FIVE, 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, Metering Communications and SCADA 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 and Authorized Agents
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	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 - Solar Facility Energy Prices
	Appendix F - Insurance Requirements
	Appendix G - Estimated Hourly Energy Production

ENERGY SALES AGREEMENT
(Solar PV Project with a Nameplate rating greater than 100 kW)

Project Name: Grand View PV Solar Five, LLC

Project Number: _____

THIS ENERGY SALES AGREEMENT (“AGREEMENT”), entered into on this 11th day of May 2014 between Grand View PV Solar Five, 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 required to purchase, electric energy produced by a PURPA Qualifying 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 Estimated Net Energy Amount” – the Estimated Net Energy Amount specified in paragraph 6.2 including any adjustments that have been made in accordance with paragraphs 6.2.2 or 6.2.3.
- 1.2 “Authorized Agent” – a person or persons specified within paragraph 25.2 of this Agreement as being authorized and empowered, for and on behalf of the Seller, to execute instruments,

agreements, certificates, and other documents (collectively “Documents”) and to take actions on behalf of the Seller, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Seller for all purposes, until such time as an authorized officer of the Seller shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall no longer be an agent on behalf of the Seller. Any Documents executed by such persons shall be deemed duly authorized by the Seller for all purposes.

- 1.3 “Base Energy” – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.39.
- 1.4 “Commission” – The Idaho Public Utilities Commission.
- 1.5 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.6 “Delay Cure Period” – 120 days immediately following the Scheduled Operation Date.
- 1.7 “Delay Damages” – ((Current month’s Estimated Net Energy Amount as specified in paragraph 6.2 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month’s Delay Price.
- 1.8 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date or the Agreement is terminated by Idaho Power.
- 1.9 “Delay Price” – The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price as specified in Appendix E of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.10 “Designated Dispatch Facility” – Idaho Power’s Load Serving Operations, or any subsequent group designated by Idaho Power.
- 1.11 “Effective Date” – The date stated in the opening paragraph of this Energy Sales Agreement representing the date upon which this Energy Sales Agreement was fully executed by both Parties.

1.12 “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 REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser’s discretion, and include without limitation those REC 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. RECs are accumulated on a MWh basis and one REC 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)

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.

emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.13 “Facility” – That electric generation facility described in Appendix B of this Agreement.
- 1.14 “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 after the Seller requested First Energy Date.
- 1.15 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance, or 2) responding to a transmission provider curtailment order, or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period, or 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility.
- 1.16 “Generation Interconnection Agreement (GIA)” – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system, which will include but not be limited to all requirements as specified by Schedule 72.
- 1.17 “Generation Unit” – a complete solar pv electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility.
- 1.18 “Heavy Load Hours” – The daily hours from hour ending 0700 - 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.19 “Hourly Energy Estimates” – the hourly energy estimates provided by the Seller and included in Appendix G of this Agreement. These hourly energy estimates are a material input used in the calculation of the energy prices specified in Appendix E.

- 1.20 "Interconnection Facilities" – All equipment specified in the GIA.
- 1.21 "Light Load Hours" – The daily hours from hour ending 2300 – 0600 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 point where the Facility's energy is metered and Facility's Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 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 "Mid- Columbia Market Energy Cost" – 82.4% of the monthly arithmetic average of the Intercontinental Exchange ("ICE") daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg reported prices. The actual calculation being:

Mid-Columbia Market Energy Cost = .824 * (((ICE Mid-C Peak Avg * Heavy Load Hours for each day of the month) + (ICE Mid-C Off-Peak Avg * Light Load Hours for each day of the month)) / total hours in the month)

If the ICE Mid-Columbia Index reporting is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.27 "Monthly Estimated Generation" – the monthly estimated generation as specified in Appendix G identified as the Monthly estimated kWh.
- 1.28 "Monthly Nameplate Energy" – Nameplate Capacity multiplied by the hours in the applicable month.

- 1.29 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.30 “Net Energy” – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility 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.
- 1.31 “Estimated Net Energy Amount Adjustment Percentage” – (Adjusted Estimated Net Energy Amount divided by the applicable month’s Monthly Estimated Generation) times 100. If this calculation results in a value greater than 100%, the result of this calculation will be 100%.
- 1.32 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.33 “Point of Delivery” – The location specified in the GIA and referenced in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.34 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus 2%. If this calculation results in a value greater than 100%, the result of this calculation will be 100% or if this calculation results in a value less than 90%, the result of this calculation will be 90%.
- 1.35 “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.

- 1.36 “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.
- 1.37 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller’s Facility shall achieve the Operation Date.
- 1.38 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.39 “Security Deposit” - \$45 per kW Nameplate Capacity of the entire Facility.
- 1.40 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.
- 1.41 “Surplus Energy” – Is (1) Net Energy produced by the Seller’s Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Estimated 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 Estimated 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, or (4) all monthly Net Energy that exceeds the Monthly Nameplate Energy.
- 1.42 “Termination Damages” – Financial damages the non defaulting party has incurred as a result of termination of this Agreement.

ARTICLE II: NO RELIANCE ON IDAHO POWER

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

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility's Qualifying Facility status and associated support and compliance documents at anytime during the term of this Agreement.
- 3.3 Solar Project Qualifications - Seller warrants that the Facility is a "Solar Project," as that term is used in Commission Order 32697. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Solar Project status during the full term of this Agreement and

Seller's failure to maintain Solar Project status will be a Material Breach of this Agreement.

Idaho Power reserves the right to review the Facility's Solar Project status and associated support and compliance documents at anytime during the term of this Agreement.

- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix G are accurate estimates of the Facility's expected hourly energy production based on the characteristics of the solar generation equipment being installed, configuration and orientation of the equipment installation, location specific solar radiation and any other information available. Material deviations from these Hourly Energy Estimates will be a Material Breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:
- 4.1.1 Submit proof to Idaho Power that all licenses, permits, determinations or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility and evidence of compliance with the eligibility to be classified as a Solar Project as referenced in Commission Order 32697.
- 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, determinations 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 Commission Approval - Confirm with Idaho Power that Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- 4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility and the total of these units to determine the Facility Nameplate Capacity rating. 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 Completion certificate - Submit a certificate executed by an authorized agent of the Seller attesting that all mechanical and electrical equipment of the designated Generation Unit(s) of the Facility has been completed to enable the Generation Unit(s) to beginning testing and delivery of Test Energy in a safe manner.
- 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 business unit that administers the GIA that Seller has satisfied all interconnection and testing requirements that will enable the Facility to be safely connected to the Idaho Power electrical system.
- 4.1.8 Network Resource Designation – Confirm that the Seller's Facility has been designated as an Idaho Power network resource capable of delivering energy up to the amount of the Maximum Capacity at the Point of Delivery.
 - 4.1.8.1 As specified in Appendix B item 7 of this Agreement, the Seller's Facility must have achieved the status of being an Idaho Power Designated Network Resource (DNR) prior to Idaho Power accepting any energy from this Facility. Appendix

B item 7 provides information on the initial application process required to enable Idaho Power to determine if network transmission capacity is available for this Facility's Maximum Capacity Amount and/or if Idaho Power transmission network upgrades will be required. The results of this study process and any associated costs will be included in the GIA for this Facility.

4.1.8.2 Only after the Facility has completed all requirements of the GIA that enable the Facility to come online can Idaho Power begin the final process of designating this resource as an Idaho Power Network Resource. The final process must be initiated at a minimum 30 days prior to the First Energy Date. Therefore, Idaho Power will begin this process 30 days prior to the Scheduled First Energy Date specified in Appendix B of this Agreement and only after Idaho Power has received confirmation that the GIA requirements have been completed. If the Seller estimates that the actual First Energy is expected to be different than the Scheduled First Energy Date specified in Appendix B of this Agreement, the Seller must notify Idaho Power of this revised date no later than 30 days prior to Scheduled First Energy Date. Under no circumstances will the project be able to deliver any energy to Idaho Power until such time as Idaho Power has designated this Facility as an Idaho Power Network Resource.

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

ARTICLE V: TERM AND OPERATION DATE

5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of Twenty (20) *(not*

to exceed 20 years) Contract Years from the Operation Date.

5.2 Operation Date – A single Operation Date will be granted for the entire Facility and may occur only after the Facility has achieved all of the following:

- a) At the minimum, 75% of the Generation Units planned for this Facility have achieved their First Energy Date.
- b) Seller has demonstrated to Idaho Power's satisfaction that all mechanical and electrical testing has been completed satisfactorily and the Facility is able to provide energy in a consistent, reliable and safe manner.
- c) 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.
- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process (This includes any delay in making the required deposit payments set forth in the Facility's GIA) that **are not** caused by Idaho Power or Force Majeure events accepted by both Parties, **shall not** prevent Delay Damages or Termination Damages from being due and owing as calculated in accordance with this Agreement.

5.4 Termination - If Seller fails to achieve the Operation Date prior to the Scheduled Operation Date or within the Delay Cure Period, such failure will be a Material Breach and Idaho Power may

terminate this Agreement at any time until the Seller cures the Material Breach.

- 5.5 Delay Damages billing and payment – Idaho Power shall calculate and submit to the Seller any Delay Damages due Idaho Power within 15 days after the end of each month or within 30 days of the date this Agreement is terminated by Idaho Power.
- 5.6 Termination Damages billing and payment - Idaho Power shall calculate and submit to the Seller any Termination Damages due Idaho Power within 30 days after this Agreement has been terminated.
- 5.7 Seller Payment - Seller shall pay Idaho Power any calculated Delay or Termination Damages within 7 days of when Idaho Power presents these billings to the Seller. Seller's failure to pay these damages within the specified time will be a Material Breach of this Agreement and Idaho Power shall draw funds from the Security Deposit provided by the Seller in an amount equal to the calculated damages.
- 5.8 Security Deposit - Within thirty (30) days of the date of a final non-appealable Commission Order approving this Agreement as specified in Article XXI, the Seller shall post and maintain liquid security in a form as described in Appendix D equal to or exceeding the amount specified within this Agreement as the Security Deposit until such time as the Security Deposit is released by Idaho Power as specified in paragraph 5.8.1. Failure to post this Security Deposit in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.
- 5.8.1 Idaho Power shall release any remaining Security Deposit provided by Seller promptly after either the Facility has achieved its Operation Date or this Agreement has been terminated and only after all Delay and Termination Damages have been paid in full to Idaho Power.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Net Energy Purchase and Delivery - 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.

6.2 Estimated Net Energy Amounts – shall be equal to Monthly estimated kWhs as specified in Appendix G and as listed below:

<u>Month</u>	<u>kWh</u>
January	657,200
February	1,002,615
March	1,594,950
April	1,932,616
May	2,285,010
June	2,430,000
July	2,557,500
August	2,270,750
September	1,900,500
October	1,419,100
November	682,502
December	<u>533,975</u>
Total	19,388,719

6.2.2 Seller’s Adjustment of Estimated Net Energy Amounts - After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the last business day of the Notification Month specified in the following schedule:

<u>Notification Month</u>	<u>Future monthly Estimated Net Energy Amounts eligible to be revised</u>
November	January and any future months
December	February and any future months
January	March and any future months
February	April and any future months
March	May and any future months
April	June and any future months
May	July and any future months
June	August and any future months
July	September and any future months

August	October and any future months
September	November and any future months
October	December and any future months

- a.) This written notice must be provided to Idaho Power in accordance with paragraph 25.1 or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices address specified in paragraph 25.1.
- b.) Failure to provide timely written notice of changed Estimated Net Energy Amounts will be deemed to be an election of no change from the most recently provided Estimated Net Energy Amounts.

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

Where:

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

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

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

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

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

TH = Actual total hours in the current month

Resulting formula being:

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

This Adjusted Estimated 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 Failure to Deliver Minimum Estimated Net Energy Amounts - 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 Monthly Estimated Generation shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the monthly Base Energy Heavy Load Purchase Price as specified in Appendix E.
- 7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the monthly Base Energy Light Load Purchase Price as specified in Appendix E.
- 7.3 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the Base Energy Light Load Purchase Price for that

month, whichever is lower.

- 7.4 Price Adjustment - Upon acceptance of a Seller Adjustment of Estimated Net Energy Amounts as specified in paragraph 6.2.2, Idaho Power will calculate the Pricing Adjustment Percentage for the applicable month(s). All pricing contained within Appendix E for the applicable month(s) will be multiplied by the Pricing Adjustment and the resulting revised prices will replace the prices contained within Appendix E until such time as the Seller submits a new Seller Adjustment of Estimated Net Energy Amounts at which time a new Pricing Adjustment Percentage will be calculated and applied in accordance with this paragraph.
- 7.5 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for 2 consecutive months and/or in any 3 months during a Contract Year will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement within sixty (60) days after the Material Breach has occurred.
- 7.6 Payment Due Date – Undisputed Base Energy and Surplus Energy payments, less any payments due to Idaho Power will be disbursed to the Seller within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Base Energy and Surplus 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 Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated

with the Facility and Seller will likewise retain 50% ownership of all of the Environmental Attributes associated with the Facility. Title of 50% Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Surplus Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this agreement, unless the parties agree to extend in future agreements. If after the Effective Date any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this hydroelectric generation Facility.

8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.

8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental Attribute accounting and tracking system initially selected by Idaho Power is materially altered or discontinued during the Term of this Agreement, the Parties shall cooperate to

identify an appropriate alternative Environmental Attribute accounting and tracking process and enable the Environmental Attributes be processed through this alternative method.

8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.

8.2.3 If Idaho Power requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications required by Idaho Power for those Environmental Attributes delivered to Idaho Power from the Seller. If the Seller incurs cost, as a result of Idaho Power's request, and if the additional certification provides benefits to both parties, the parties shall share the costs in proportion to the additional benefits obtained. If Idaho Power elects to obtain its own certifications, then Seller shall fully cooperate with Idaho Power in obtaining such certification.

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 to the Idaho Power Point of Delivery for the full term of the Agreement in accordance with the GIA.

ARTICLE X:

METERING, METERING COMMUNICATIONS AND SCADA TELEMETRY

10.1 Metering - Idaho Power shall, provide, install, and maintain metering equipment needed for metering the electrical energy production from the Facility. The metering equipment will be

capable of measuring, recording, retrieving and reporting the Facility's hourly gross electrical energy production, Station Use, maximum energy deliveries (kW) and any other energy measurements at the Point of Delivery that Idaho Power needs to administer this Agreement and integrate this Facility's energy production into the Idaho Power electrical system. Specific equipment, installation details and requirements for this metering equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

10.2 Metering Communications - Seller shall, at the Seller's sole initial and ongoing expense, arrange for, provide, install, and maintain dedicated metering communications equipment capable of transmitting the metering data specified in paragraph 10.1 to Idaho Power in a frequency, manner and form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated metering communications equipment. Specific details and requirements for this metering communications equipment will be established in the GIA process and documented in the GIA.

10.3 Supervisory Control and Data Acquisition (SCADA) Telemetry – If the Facility's Nameplate Capacity exceeds 3 MW, in addition to the requirements of paragraph 10.1 and 10.2, Idaho Power may require telemetry equipment and telecommunications which will be capable of providing Idaho Power with continuous instantaneous SCADA telemetry of the Seller's Net Energy and Inadvertent Energy production in a form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated SCADA and telecommunications equipment. Specific details and requirements for this SCADA Telemetry and telecommunications equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

ARTICLE XI - RECORDS

11.1 Maintenance of Records - Seller shall maintain monthly records at the Facility or such other

location mutually acceptable to the Parties. These records shall include total generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in (kW) and be records in a form and content acceptable to Idaho Power. Monthly records shall be retained for a period of not less than five years.

- 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 records pertaining to the Seller's Facility generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in kW.

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 the GIA.

- 12.2 Acceptance of Energy –

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:

- a.) If energy deliveries are interrupted due an event of Force Majeure or Forced Outage.
- b.) If interruption of energy deliveries is allowed by Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.304
- c.) If temporary disconnection and/or interruption of energy deliveries is in accordance with Schedule 72 or other provisions as specified within the GIA.
- d.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction, electrical

system maintenance requirements, emergencies, electrical system operating conditions, electrical system reliability emergencies on its system, or as otherwise required by Prudent Electrical Practices.

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

12.2.3 Under no circumstances will the Seller deliver 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 and must be cured immediately.

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

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a Forced Outage, and Seller initiates a Declared Suspension of Energy Deliveries, Seller shall, after giving notice as provided in paragraph 12.3.2 below, temporarily reduce deliveries of Net Energy (kW) to Idaho Power from the Facility to not exceed the reduced energy deliveries (kW) stated by the Seller in the initial declaration for a period of not less than 48 hours. ("Declared Suspension of Energy Deliveries"). The Seller's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller's telephone

notification as specified in paragraph 12.3.2 and will continue for the time as specified (not less than 48 hours) in the written notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Estimated Net Energy Amount will be adjusted as specified in paragraph 6.2.3.

12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries, a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries, and the reduced level (kW) of energy deliveries the Facility is requesting that will be set as the maximum energy deliveries to Idaho Power for the duration of the Declared Suspension of Energy Delivery event (not less than 48 hours). Idaho Power will review the documentation provided by the Seller to determine Idaho Power's acceptance of the described Forced Outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power's acceptance of the Seller's Forced Outage as an acceptable Forced Outage will be based upon the clear documentation provided by the Seller that the Forced Outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.

12.4 Scheduled Maintenance – On or before January 31st 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. If the Seller intends to perform planned maintenance at approximately the same time every year, the Seller may submit a maintenance schedule for the first calendar year and include a statement

that this maintenance schedule shall be consistent for all future years, until such time as the Seller notifies Idaho Power of a change to this schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

- 12.5 Idaho Power Maintenance Information – Upon receiving a written request from the Seller, Idaho Power shall provide publically available information in regards to Idaho Power planned maintenance information that may impact the Facility.
- 12.6 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

- 13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

- 13.2 Insurance - During the term of this Agreement, Seller shall secure and continuously carry insurance as specified in Appendix F.

ARTICLE XIV: FORCE MAJEURE

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

- (1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.
- (2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.
- (3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

ARTICLE XV: LIABILITY; DEDICATION

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

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

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

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

ARTICLE XIX: DISPUTES AND DEFAULT

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

19.2 Notice of Default

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

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach or if a specific cure and/or inability to cure is identified by this Agreement for the specific Material Breach then that cure shall apply.

19.3 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 Appendix F. If Seller fails to comply, such failure will be a Material Breach.

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 / Permits / Determinations - During the full term of this Agreement, Seller shall maintain compliance with all permits, licenses and determinations described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits, licenses or determinations. 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, licenses and determinations 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 only 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. Neither this Agreement nor any rights or obligations of either Party hereunder may be assigned, in whole or in part, by operation of law or otherwise, without the prior written consent of both Parties, which 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. A transfer or change in the person or entities who control ten percent or more of the equity securities or voting interests of Seller (whether in a single or multiple separate transactions resulting in such a change in control of equity interests or voting securities) shall be deemed an assignment of this Agreement requiring prior written consent of Idaho Power for purposes of the foregoing. Any purported assignment in derogation of the foregoing shall be void. 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 AND AUTHORIZED AGENTS

- 25.1 Notices - 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:

Name: Robert A. Paul
Address: 515 N. 27th Street
Boise, Idaho 83702

Telephone: (760) 861-1104
Cell: (760) 861-1104
E-mail: robertapaul8@gmail.com

To Idaho Power:

Original document to:

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

Copy of document to:

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

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

25.2 Authorized Agent(s)

Name	Title

Authorized Agents as listed above may be modified by the Seller by requesting and completing an Authorized Agent modification document provided by Idaho Power. This document at minimum will include the requested changes and require signature(s) from an authorized party of the Seller.

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.

- 26.2 Prior to the Seller executing this Agreement, the Seller shall have:
- a) Submitted an interconnection application for this Facility and is in compliance with all payments and requirements of the interconnection process.
 - b) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power Designated Network Resource. If final interconnection or transmission

studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Delay and Termination Damages associated with the project's failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission costs, processes or schedules.

- c) Provide acceptable and verifiable evidence to Idaho Power that demonstrates the Facility is eligible for the published avoided costs requested by the Seller and contained within this Agreement. Commission Order 32817 provides the current published avoided costs for Non-Seasonal Hydro Facilities, Seasonal Hydro Facilities, Other Facilities, Solar Facilities, and Wind Facilities.

26.3 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	-	Solar Facility Energy Prices
Appendix F	-	Insurance Requirements
Appendix G	-	Estimated Hourly Energy Production

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.

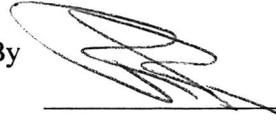
IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed in their respective names on the dates set forth below:

Idaho Power Company

Grand View PV Solar Five, LLC

By

By



Lisa A Grow
Sr. Vice President, Power Supply

Robert A. Paul
Managing Member

Dated

Dated

5-14-2014

“Idaho Power”

“Seller”

APPENDIX A

A -1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

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

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

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

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

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

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 Energy Sales Agreement to which I am a Party.

Signature Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

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

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

A-3 SELLER CONTACT INFORMATION

Seller's Contact Information

Project Management

Name: Robert A. Paul
Telephone Number: (760) 861-1104
Cell Phone: (760) 861-1104
E-Mail: robertapaul8@gmail.com

24-Hour Project Operational Contact

Name: To be Provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

Project On-site Contact information

Name: To be Provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Grand View PV Solar Five

Project Number: _____

B-1 DESCRIPTION OF FACILITY

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

Grand View PV Solar Five is a 10 MW photovoltaic solar energy facility located 20 miles southwest of Mountain Home, Idaho. The facility will interconnect at the 34.4kV level, see the Generator Interconnection System Impact Study Report dated March 28, 2014 for Q#411 and Q#418.

Nameplate: 10 MW

Var Capability (Both leading and lagging) Leading is 0.95 Lagging is 0.95

B-2 LOCATION OF FACILITY

Near: Grand View, Idaho

Actual or nearest physical street address: Idaho Hwy 167 and Fredrickson Road

GPS Coordinates: Latitude Decimal Degrees 43.026

Longitude Decimal Degrees 116.017

State: Idaho County: Elmore

Description of Interconnection Location: Reference the GISI Study Report dated March 28, 2014.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected November 1, 2015 as the Scheduled First Energy Date.

Seller has selected December 15, 2015 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 20 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. 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 energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA 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 Equipment 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 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until the Facility has achieved the status of being an Idaho Power designated network resource ("DNR"). Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application 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 DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **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 DNR 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/herself 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 referred to as the "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 Idaho Power Company Facility No. _____ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, said Project has been designed and built to appropriate standards, and 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 the full Contact Term of _____ years.

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/her knowledge and therefore sets his/her 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/herself 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 referred to as the "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 Idaho Power Company 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 _____ 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. The Engineer certifies, based on the Project's appearance and the information provided by the Project, that the Project's ongoing O&M has been completed in accordance with said O&M Policy; that it is in reasonably good operating condition; and it is in the Engineer's professional opinion 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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself/herself 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 Energy Sales Agreement, hereinafter referred to as the "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 Idaho Power Company 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/her knowledge and therefore sets his/her 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, 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 Security Deposit requirement 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 – Seller shall deposit cash in the amount of the required Security Deposit with Idaho Power. Idaho Power will not be responsible to calculate or pay any interest on these funds deposited with Idaho Power.
2. 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 Security Deposit. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).

3. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Security Deposit: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

SOLAR FACILITY ENERGY PRICES

(Prices based upon the energy shape and capacity specified in Appendix G)

E-1 Base Energy Purchase Prices – For all Base Energy received during Heavy Load Hours Idaho Power shall pay the Base Energy Heavy Load Purchase Price specified below and for all Base Energy received during Light Load Hours Idaho Power shall pay the Base Energy Light Load Purchase Price specified below. All of these prices are subject to revision as specified within paragraph 7.4.

<u>Month/Year</u>	<u>Base Energy Heavy Load Purchase Price (Mills/kWh)</u>	<u>Base Energy Light Load Purchase Price (Mills/kWh)</u>
Jan-15	\$49.95	\$49.57
Feb-15	\$49.32	\$50.21
Mar-15	\$50.27	\$47.99
Apr-15	\$40.50	\$31.95
May-15	\$48.61	\$42.66
Jun-15	\$47.03	\$39.14
Jul-15	\$62.56	\$53.27
Aug-15	\$61.09	\$52.05
Sep-15	\$55.80	\$49.79
Oct-15	\$49.77	\$49.64
Nov-15	\$51.62	\$50.08
Dec-15	\$50.90	\$49.64
Jan-16	\$53.44	\$52.63
Feb-16	\$53.72	\$52.92
Mar-16	\$51.26	\$49.09
Apr-16	\$48.06	\$46.67
May-16	\$50.57	\$46.33
Jun-16	\$51.01	\$41.57
Jul-16	\$63.69	\$58.00
Aug-16	\$64.29	\$59.68
Sep-16	\$58.09	\$54.29
Oct-16	\$56.37	\$56.15
Nov-16	\$57.30	\$56.49
Dec-16	\$58.22	\$58.99
Jan-17	\$56.82	\$56.07

Feb-17	\$55.87	\$54.72
Mar-17	\$53.87	\$52.88
Apr-17	\$49.24	\$44.13
May-17	\$54.14	\$51.65
Jun-17	\$54.12	\$45.51
Jul-17	\$66.78	\$60.83
Aug-17	\$67.81	\$62.96
Sep-17	\$61.98	\$57.21
Oct-17	\$60.08	\$58.75
Nov-17	\$60.67	\$59.43
Dec-17	\$60.61	\$60.40
Jan-18	\$59.66	\$58.24
Feb-18	\$59.22	\$56.03
Mar-18	\$52.36	\$50.58
Apr-18	\$50.36	\$50.27
May-18	\$54.95	\$50.27
Jun-18	\$53.66	\$49.79
Jul-18	\$66.40	\$66.78
Aug-18	\$70.83	\$65.29
Sep-18	\$65.37	\$62.65
Oct-18	\$61.93	\$61.79
Nov-18	\$62.50	\$61.89
Dec-18	\$61.93	\$61.89
Jan-19	\$61.34	\$56.97
Feb-19	\$61.02	\$57.58
Mar-19	\$49.23	\$48.70
Apr-19	\$48.41	\$48.23
May-19	\$53.55	\$46.98
Jun-19	\$54.61	\$48.40
Jul-19	\$67.97	\$64.79
Aug-19	\$71.60	\$66.08
Sep-19	\$66.42	\$64.51
Oct-19	\$63.33	\$63.27
Nov-19	\$63.59	\$63.25
Dec-19	\$63.27	\$63.27
Jan-20	\$64.04	\$62.48
Feb-20	\$57.97	\$56.20
Mar-20	\$47.83	\$48.60
Apr-20	\$47.29	\$47.08
May-20	\$51.28	\$46.26
Jun-20	\$55.01	\$48.47
Jul-20	\$69.59	\$66.22
Aug-20	\$73.36	\$66.85
Sep-20	\$64.60	\$59.70
Oct-20	\$64.50	\$64.51

Nov-20	\$64.79	\$64.51
Dec-20	\$64.55	\$64.51
Jan-21	\$66.05	\$65.57
Feb-21	\$62.27	\$55.39
Mar-21	\$53.63	\$51.57
Apr-21	\$49.64	\$49.63
May-21	\$55.36	\$49.63
Jun-21	\$58.28	\$50.95
Jul-21	\$72.29	\$68.27
Aug-21	\$76.44	\$68.41
Sep-21	\$67.98	\$63.76
Oct-21	\$66.28	\$66.18
Nov-21	\$66.67	\$66.18
Dec-21	\$66.49	\$66.20
Jan-22	\$68.45	\$66.89
Feb-22	\$68.99	\$66.85
Mar-22	\$61.09	\$55.45
Apr-22	\$54.15	\$54.04
May-22	\$57.80	\$53.96
Jun-22	\$62.00	\$54.36
Jul-22	\$74.95	\$72.02
Aug-22	\$80.55	\$72.94
Sep-22	\$74.10	\$69.07
Oct-22	\$69.80	\$69.72
Nov-22	\$69.85	\$69.72
Dec-22	\$70.57	\$69.72
Jan-23	\$71.20	\$68.48
Feb-23	\$71.91	\$69.09
Mar-23	\$67.57	\$63.31
Apr-23	\$57.96	\$56.25
May-23	\$61.73	\$58.06
Jun-23	\$63.07	\$57.36
Jul-23	\$78.64	\$76.94
Aug-23	\$83.41	\$78.37
Sep-23	\$78.41	\$72.67
Oct-23	\$73.31	\$73.12
Nov-23	\$73.38	\$72.82
Dec-23	\$74.31	\$73.22
Jan-24	\$75.31	\$74.22
Feb-24	\$74.63	\$71.03
Mar-24	\$65.85	\$63.94
Apr-24	\$55.44	\$54.32
May-24	\$60.09	\$54.45
Jun-24	\$63.18	\$59.22
Jul-24	\$84.23	\$80.46

Aug-24	\$94.29	\$77.98
Sep-24	\$79.82	\$77.81
Oct-24	\$76.13	\$75.99
Nov-24	\$76.64	\$75.59
Dec-24	\$77.09	\$75.99
Jan-25	\$78.47	\$78.67
Feb-25	\$77.33	\$73.84
Mar-25	\$70.59	\$67.80
Apr-25	\$56.45	\$54.63
May-25	\$66.13	\$63.00
Jun-25	\$68.81	\$64.32
Jul-25	\$91.55	\$81.47
Aug-25	\$96.40	\$80.91
Sep-25	\$82.98	\$79.45
Oct-25	\$78.78	\$78.67
Nov-25	\$80.28	\$78.67
Dec-25	\$82.42	\$80.85
Jan-26	\$81.96	\$81.50
Feb-26	\$81.69	\$80.62
Mar-26	\$66.38	\$58.45
Apr-26	\$57.67	\$58.11
May-26	\$72.19	\$70.89
Jun-26	\$71.91	\$67.95
Jul-26	\$94.59	\$83.71
Aug-26	\$100.51	\$85.95
Sep-26	\$87.96	\$84.05
Oct-26	\$82.09	\$81.95
Nov-26	\$82.59	\$82.09
Dec-26	\$88.05	\$84.16
Jan-27	\$83.95	\$82.81
Feb-27	\$84.58	\$81.89
Mar-27	\$75.32	\$73.95
Apr-27	\$65.62	\$61.29
May-27	\$69.01	\$67.58
Jun-27	\$76.00	\$74.42
Jul-27	\$98.60	\$87.62
Aug-27	\$102.97	\$87.82
Sep-27	\$90.29	\$87.05
Oct-27	\$84.74	\$84.53
Nov-27	\$85.23	\$84.80
Dec-27	\$93.77	\$87.23
Jan-28	\$87.76	\$84.01
Feb-28	\$88.01	\$84.85
Mar-28	\$71.32	\$71.51
Apr-28	\$66.84	\$67.44

May-28	\$77.13	\$76.57
Jun-28	\$78.59	\$75.59
Jul-28	\$103.95	\$91.96
Aug-28	\$106.91	\$90.53
Sep-28	\$93.44	\$91.10
Oct-28	\$88.29	\$87.94
Nov-28	\$88.78	\$88.21
Dec-28	\$103.16	\$92.51
Jan-29	\$90.73	\$85.59
Feb-29	\$90.74	\$88.65
Mar-29	\$78.15	\$68.59
Apr-29	\$64.96	\$67.13
May-29	\$79.23	\$78.50
Jun-29	\$79.30	\$77.80
Jul-29	\$114.55	\$101.54
Aug-29	\$117.31	\$93.92
Sep-29	\$97.91	\$94.26
Oct-29	\$91.40	\$91.28
Nov-29	\$92.53	\$91.28
Dec-29	\$103.24	\$94.23
Jan-30	\$94.31	\$92.20
Feb-30	\$93.70	\$90.45
Mar-30	\$79.35	\$75.83
Apr-30	\$65.77	\$61.47
May-30	\$70.26	\$62.91
Jun-30	\$81.66	\$81.19
Jul-30	\$123.75	\$109.18
Aug-30	\$120.06	\$97.63
Sep-30	\$101.58	\$97.89
Oct-30	\$94.77	\$94.59
Nov-30	\$96.60	\$94.63
Dec-30	\$110.76	\$98.57
Jan-31	\$108.97	\$102.49
Feb-31	\$105.67	\$96.08
Mar-31	\$93.49	\$89.74
Apr-31	\$75.12	\$67.52
May-31	\$93.48	\$84.26
Jun-31	\$87.15	\$85.37
Jul-31	\$140.01	\$122.76
Aug-31	\$130.12	\$102.51
Sep-31	\$109.04	\$105.53
Oct-31	\$113.26	\$101.26
Nov-31	\$115.32	\$111.99
Dec-31	\$125.83	\$118.89
Jan-32	\$112.73	\$107.28

Feb-32	\$110.52	\$97.47
Mar-32	\$101.86	\$92.57
Apr-32	\$86.07	\$79.97
May-32	\$95.38	\$92.88
Jun-32	\$91.03	\$88.46
Jul-32	\$152.03	\$128.83
Aug-32	\$137.07	\$108.19
Sep-32	\$112.76	\$109.94
Oct-32	\$120.19	\$109.13
Nov-32	\$124.35	\$122.68
Dec-32	\$127.18	\$123.88
Jan-33	\$115.55	\$109.93
Feb-33	\$113.27	\$99.83
Mar-33	\$104.35	\$94.78
Apr-33	\$88.09	\$81.81
May-33	\$97.68	\$95.10
Jun-33	\$93.20	\$90.55
Jul-33	\$156.03	\$132.13
Aug-33	\$140.62	\$110.87
Sep-33	\$115.58	\$112.67
Oct-33	\$123.23	\$111.84
Nov-33	\$127.52	\$125.80
Dec-33	\$130.43	\$127.03
Jan-34	\$118.39	\$112.61
Feb-34	\$116.05	\$102.21
Mar-34	\$106.86	\$97.01
Apr-34	\$90.11	\$83.64
May-34	\$99.99	\$97.34
Jun-34	\$95.37	\$92.65
Jul-34	\$160.09	\$135.48
Aug-34	\$144.22	\$113.58
Sep-34	\$118.43	\$115.43
Oct-34	\$126.31	\$114.58
Nov-34	\$130.72	\$128.95
Dec-34	\$133.72	\$130.22

APPENDIX F

INSURANCE REQUIREMENTS

The Seller shall secure and continuously carry insurance as specified within this Appendix for the term of the Agreement.

Insurance Requirements:

1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of A- or better.
2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within 5 days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
3. Prior to the First Energy date and subsequently within 10 days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
4. The Certificate of Insurance shall evidence the appropriate insurance coverage of 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.

Idaho Power Company

Appendix G Estimated Hourly Generation

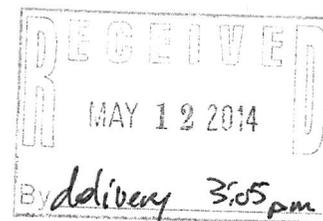
Project Name: Grand View PV Solar Five
 AC Project Nameplate (MW): 20
 Project Estimated Online Date: Dec-15
 Project Estimated Annual Capacity Factor (%): 22.17%

		Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time												
Hour Start	Hour End	Hour	January	February	March	April	May	June	July	August	September	October	November	December
12:00 AM	1:00 AM	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1:00 AM	2:00 AM	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2:00 AM	3:00 AM	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3:00 AM	4:00 AM	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4:00 AM	5:00 AM	5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5:00 AM	6:00 AM	6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6:00 AM	7:00 AM	7	0.0	0.0	0.0	0.0	0.1	0.3	0.1	0.0	0.0	0.0	0.0	0.0
7:00 AM	8:00 AM	8	0.0	0.0	0.1	0.5	1.3	1.7	1.5	1.0	0.1	0.0	0.0	0.0
8:00 AM	9:00 AM	9	0.3	1.4	1.3	2.1	3.2	4.1	3.9	5.3/2	2.2	0.9	1.1	0.4
9:00 AM	10:00 AM	10	1.7	3.4	3.7	5.3	6.0	6.9	7.0	6.0	5.3	3.3	2.6	1.6
10:00 AM	11:00 AM	11	2.6	4.1	5.6	6.5	7.2	7.7	7.9	7.7	7.4	5.8	3.1	2.5
11:00 AM	12:00 PM	12	2.6	4.6	5.6	6.8	7.2	7.6	7.9	7.9	7.2	5.8	3.0	2.2
12:00 PM	1:00 PM	13	2.8	4.1	5.5	6.8	6.8	7.5	8.1	7.6	6.8	5.8	2.8	2.3
1:00 PM	2:00 PM	14	2.9	3.9	5.3	6.8	7.4	7.5	8.0	7.5	6.9	5.3	3.3	2.4
2:00 PM	3:00 PM	15	3.0	4.3	5.9	6.9	7.3	7.6	7.9	7.1	6.4	5.2	3.3	2.9
3:00 PM	4:00 PM	16	3.2	4.8	5.9	7.1	7.1	7.4	7.4	7.4	6.6	5.9	2.8	3.0
4:00 PM	5:00 PM	17	2.2	4.4	5.8	5.7	7.2	7.3	7.2	7.4	6.3	6.2	0.9	0.0
5:00 PM	6:00 PM	18	0.2	1.1	4.4	5.3	6.5	6.9	7.0	6.7	5.6	3.7	0.1	0.0
6:00 PM	7:00 PM	19	0.0	0.0	2.3	3.4	4.2	5.4	5.6	4.9	2.9	0.5	0.0	0.0
7:00 PM	8:00 PM	20	0.0	0.0	0.3	1.5	2.3	2.6	2.8	2.2	0.1	0.0	0.0	0.0
8:00 PM	9:00 PM	21	0.0	0.0	0.0	0.0	0.2	0.9	0.7	0.2	0.0	0.0	0.0	0.0
9:00 PM	10:00 PM	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10:00 PM	11:00 PM	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11:00 PM	12:00 AM	24	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Daily estimated MWh	21.2	35.8	51.5	64.4	73.7	81.0	82.5	73.3	63.4	48.1	22.8	17.2	Annual
Days in month	31	28	31	30	31	30	31	31	30	31	30	31	19,339
Monthly estimated MWh	657	1,003	1,595	1,933	2,285	2,430	2,558	2,271	1,901	1,491	683	534	19,338,719
Monthly estimated kWh	657,200	1,002,615	1,594,950	1,932,616	2,285,010	2,430,000	2,557,500	2,270,750	1,900,500	1,491,100	682,502	533,975	

ALTERNATIVE POWER DEVELOPMENT

Robert A. Paul
515 N. 27th Street
Boise, Idaho 83702
Robertapaul8@gmail.com
(760) 861-1104



May 11, 2014

Michael Darrington
SR Energy Contracts Coordinator
Idaho Power/Power Supply
1221 West Idaho Street
Boise, Idaho 83702
HAND DELIVERY

Re: Grand View PV Solar Five A, LLC

Dear Mr. Darrington:

Last week you provided, what you termed, a draft Energy Sales Agreement (ESA) to Black Sands Solar. By way of clarification, Black Sands Solar is an authorized assumed business name of Grand View PV Solar Five A, LLC. In turn, Grand View PV Solar Five A, LLC (herein GV5A) is wholly owned by Alternative Power Development Northwest, LLC of which I am the managing member.

Attached hereto you will find three 'originals' of the ESA fully and duly executed by me in my capacity as managing member of GV5A. Three are provided for your convenience; one may be retained for your files, one may be lodged with the Commission and the final original should be returned to me for our files. The ESA executed by GV5A includes all of the specific information requested of the project for Idaho Power to begin accepting deliveries.

While your transmittal email suggested that no contractual obligation of any kind can be created before the ESA is signed by both parties and is approved by the Idaho PUC, this is contrary to the law regarding Qualified Facilities under the Public Utilities Regulatory Policies Act (PURPA). By executing and tendering the attached ESA, GV5A has unequivocally committed GV5A to a legally enforceable obligation to sell the output of its generation to Idaho Power over the life of the ESA.

GV5 is ready, willing and able to supply power to Idaho Power and has demonstrated the feasibility of doing so by completing Idaho Power's feasibility study process as well as the system impact study process. GV5 has completed all of the permitting and site evaluation work to begin supplying power and has no outstanding issue preventing it from moving forward post haste. GV5A's obligations under the attached ESA would NOT be contingent upon any outside event or approvals.

To reiterate, GV5A is hereby making a binding and unconditional offer to sell its output to Idaho Power. This comprehensive offer comports with all of the Idaho PUC's rulings on the creation of a legally

enforceable obligation on Idaho Power's part to purchase, and a legally enforceable obligation on the part of GV5A to sell, all of its output for the life of the ESA.

As you know, the Idaho PUC has just recently recognized in a settlement of a lawsuit against it by the Federal Energy Regulatory Commission that the legally enforceable obligation relationship between Idaho Power and GV5A is a valid and common vehicle for QFs to use to compel utilities to purchase the output of their projects.

We are looking forward a long and mutually beneficial relationship with Idaho Power.

Sincerely



Robert A. Paul
Managing Member
Grand View PV Solar Five A, LLC

ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
GRAND VIEW PV SOLAR FIVE A, 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, Metering Communications and SCADA 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 and Authorized Agents
26	Additional Terms and Conditions
27	Severability
28	Counterparts
29	Entire Agreement Signatures
	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 - Solar Facility Energy Prices
	Appendix F - Insurance Requirements
	Appendix G - Estimated Hourly Energy Production

ENERGY SALES AGREEMENT
(Solar PV Project with a Nameplate rating greater than 100 kW)

Project Name: Grand View PV Solar Five A, LLC

Project Number: _____

THIS ENERGY SALES AGREEMENT (“AGREEMENT”), entered into on this 11th day of May 2014 between Grand View PV Solar Five A, 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 required to purchase, electric energy produced by a PURPA Qualifying 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 Estimated Net Energy Amount” – the Estimated Net Energy Amount specified in paragraph 6.2 including any adjustments that have been made in accordance with paragraphs 6.2.2 or 6.2.3.
- 1.2 “Authorized Agent” – a person or persons specified within paragraph 25.2 of this Agreement as being authorized and empowered, for and on behalf of the Seller, to execute instruments,

agreements, certificates, and other documents (collectively “Documents”) and to take actions on behalf of the Seller, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Seller for all purposes, until such time as an authorized officer of the Seller shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall no longer be an agent on behalf of the Seller. Any Documents executed by such persons shall be deemed duly authorized by the Seller for all purposes.

- 1.3 “Base Energy” – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.39.
- 1.4 “Commission” – The Idaho Public Utilities Commission.
- 1.5 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.6 “Delay Cure Period” – 120 days immediately following the Scheduled Operation Date.
- 1.7 “Delay Damages” – ((Current month’s Estimated Net Energy Amount as specified in paragraph 6.2 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month’s Delay Price.
- 1.8 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date or the Agreement is terminated by Idaho Power.
- 1.9 “Delay Price” – The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price as specified in Appendix E of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.10 “Designated Dispatch Facility” – Idaho Power’s Load Serving Operations, or any subsequent group designated by Idaho Power.
- 1.11 “Effective Date” – The date stated in the opening paragraph of this Energy Sales Agreement representing the date upon which this Energy Sales Agreement was fully executed by both Parties.

1.12 “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 REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser’s discretion, and include without limitation those REC 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. RECs are accumulated on a MWh basis and one REC 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)

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.

emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.13 “Facility” – That electric generation facility described in Appendix B of this Agreement.
- 1.14 “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 after the Seller requested First Energy Date.
- 1.15 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance, or 2) responding to a transmission provider curtailment order, or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period, or 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility.
- 1.16 “Generation Interconnection Agreement (GIA)” – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system, which will include but not be limited to all requirements as specified by Schedule 72.
- 1.17 “Generation Unit” – a complete solar pv electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility.
- 1.18 “Heavy Load Hours” – The daily hours from hour ending 0700 - 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.19 “Hourly Energy Estimates” – the hourly energy estimates provided by the Seller and included in Appendix G of this Agreement. These hourly energy estimates are a material input used in the calculation of the energy prices specified in Appendix E.

- 1.20 "Interconnection Facilities" – All equipment specified in the GIA.
- 1.21 "Light Load Hours" – The daily hours from hour ending 2300 – 0600 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 point where the Facility's energy is metered and Facility's Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 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 "Mid- Columbia Market Energy Cost" – 82.4% of the monthly arithmetic average of the Intercontinental Exchange ("ICE") daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg reported prices. The actual calculation being:
- $$\text{Mid-Columbia Market Energy Cost} = .824 * (((\text{ICE Mid-C Peak Avg} * \text{Heavy Load Hours for each day of the month}) + (\text{ICE Mid-C Off-Peak Avg} * \text{Light Load Hours for each day of the month})) / \text{total hours in the month})$$
- If the ICE Mid-Columbia Index reporting is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.27 "Monthly Estimated Generation" – the monthly estimated generation as specified in Appendix G identified as the Monthly estimated kWh.
- 1.28 "Monthly Nameplate Energy" – Nameplate Capacity multiplied by the hours in the applicable month.

- 1.29 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.30 “Net Energy” – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility 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.
- 1.31 “Estimated Net Energy Amount Adjustment Percentage” – (Adjusted Estimated Net Energy Amount divided by the applicable month’s Monthly Estimated Generation) times 100. If this calculation results in a value greater than 100%, the result of this calculation will be 100%.
- 1.32 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.33 “Point of Delivery” – The location specified in the GIA and referenced in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.34 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus 2%. If this calculation results in a value greater than 100%, the result of this calculation will be 100% or if this calculation results in a value less than 90%, the result of this calculation will be 90%.
- 1.35 “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.

- 1.36 “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.
- 1.37 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller’s Facility shall achieve the Operation Date.
- 1.38 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.39 “Security Deposit” - \$45 per kW Nameplate Capacity of the entire Facility.
- 1.40 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.
- 1.41 “Surplus Energy” – Is (1) Net Energy produced by the Seller’s Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Estimated 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 Estimated 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, or (4) all monthly Net Energy that exceeds the Monthly Nameplate Energy.
- 1.42 “Termination Damages” – Financial damages the non defaulting party has incurred as a result of termination of this Agreement.

ARTICLE II: NO RELIANCE ON IDAHO POWER

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

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility's Qualifying Facility status and associated support and compliance documents at anytime during the term of this Agreement.
- 3.3 Solar Project Qualifications - Seller warrants that the Facility is a "Solar Project," as that term is used in Commission Order 32697. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Solar Project status during the full term of this Agreement and

Seller's failure to maintain Solar Project status will be a Material Breach of this Agreement.

Idaho Power reserves the right to review the Facility's Solar Project status and associated support and compliance documents at anytime during the term of this Agreement.

- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix G are accurate estimates of the Facility's expected hourly energy production based on the characteristics of the solar generation equipment being installed, configuration and orientation of the equipment installation, location specific solar radiation and any other information available. Material deviations from these Hourly Energy Estimates will be a Material Breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:
- 4.1.1 Submit proof to Idaho Power that all licenses, permits, determinations or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility and evidence of compliance with the eligibility to be classified as a Solar Project as referenced in Commission Order 32697.
- 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, determinations 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 Commission Approval - Confirm with Idaho Power that Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- 4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility and the total of these units to determine the Facility Nameplate Capacity rating. 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 Completion certificate - Submit a certificate executed by an authorized agent of the Seller attesting that all mechanical and electrical equipment of the designated Generation Unit(s) of the Facility has been completed to enable the Generation Unit(s) to beginning testing and delivery of Test Energy in a safe manner.
- 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 business unit that administers the GIA that Seller has satisfied all interconnection and testing requirements that will enable the Facility to be safely connected to the Idaho Power electrical system.
- 4.1.8 Network Resource Designation – Confirm that the Seller's Facility has been designated as an Idaho Power network resource capable of delivering energy up to the amount of the Maximum Capacity at the Point of Delivery.
 - 4.1.8.1 As specified in Appendix B item 7 of this Agreement, the Seller's Facility must have achieved the status of being an Idaho Power Designated Network Resource (DNR) prior to Idaho Power accepting any energy from this Facility. Appendix

B item 7 provides information on the initial application process required to enable Idaho Power to determine if network transmission capacity is available for this Facility's Maximum Capacity Amount and/or if Idaho Power transmission network upgrades will be required. The results of this study process and any associated costs will be included in the GIA for this Facility.

4.1.8.2 Only after the Facility has completed all requirements of the GIA that enable the Facility to come online can Idaho Power begin the final process of designating this resource as an Idaho Power Network Resource. The final process must be initiated at a minimum 30 days prior to the First Energy Date. Therefore, Idaho Power will begin this process 30 days prior to the Scheduled First Energy Date specified in Appendix B of this Agreement and only after Idaho Power has received confirmation that the GIA requirements have been completed. If the Seller estimates that the actual First Energy is expected to be different than the Scheduled First Energy Date specified in Appendix B of this Agreement, the Seller must notify Idaho Power of this revised date no later than 30 days prior to Scheduled First Energy Date. Under no circumstances will the project be able to deliver any energy to Idaho Power until such time as Idaho Power has designated this Facility as an Idaho Power Network Resource.

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

ARTICLE V: TERM AND OPERATION DATE

5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of Twenty (20) (*not*

to exceed 20 years) Contract Years from the Operation Date.

5.2 Operation Date – A single Operation Date will be granted for the entire Facility and may occur only after the Facility has achieved all of the following:

- a) At the minimum, 75% of the Generation Units planned for this Facility have achieved their First Energy Date.
- b) Seller has demonstrated to Idaho Power's satisfaction that all mechanical and electrical testing has been completed satisfactorily and the Facility is able to provide energy in a consistent, reliable and safe manner.
- c) 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.
- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process (This includes any delay in making the required deposit payments set forth in the Facility's GIA) that **are not** caused by Idaho Power or Force Majeure events accepted by both Parties, **shall not** prevent Delay Damages or Termination Damages from being due and owing as calculated in accordance with this Agreement.

5.4 Termination - If Seller fails to achieve the Operation Date prior to the Scheduled Operation Date or within the Delay Cure Period, such failure will be a Material Breach and Idaho Power may

terminate this Agreement at any time until the Seller cures the Material Breach.

- 5.5 Delay Damages billing and payment – Idaho Power shall calculate and submit to the Seller any Delay Damages due Idaho Power within 15 days after the end of each month or within 30 days of the date this Agreement is terminated by Idaho Power.
- 5.6 Termination Damages billing and payment - Idaho Power shall calculate and submit to the Seller any Termination Damages due Idaho Power within 30 days after this Agreement has been terminated.
- 5.7 Seller Payment - Seller shall pay Idaho Power any calculated Delay or Termination Damages within 7 days of when Idaho Power presents these billings to the Seller. Seller's failure to pay these damages within the specified time will be a Material Breach of this Agreement and Idaho Power shall draw funds from the Security Deposit provided by the Seller in an amount equal to the calculated damages.
- 5.8 Security Deposit - Within thirty (30) days of the date of a final non-appealable Commission Order approving this Agreement as specified in Article XXI, the Seller shall post and maintain liquid security in a form as described in Appendix D equal to or exceeding the amount specified within this Agreement as the Security Deposit until such time as the Security Deposit is released by Idaho Power as specified in paragraph 5.8.1. Failure to post this Security Deposit in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.
- 5.8.1 Idaho Power shall release any remaining Security Deposit provided by Seller promptly after either the Facility has achieved its Operation Date or this Agreement has been terminated and only after all Delay and Termination Damages have been paid in full to Idaho Power.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Net Energy Purchase and Delivery - 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.

6.2 Estimated Net Energy Amounts – shall be equal to Monthly estimated kWhs as specified in Appendix G and as listed below:

<u>Month</u>	<u>kWh</u>
January	657,200
February	1,002,615
March	1,594,950
April	1,932,616
May	2,285,010
June	2,430,000
July	2,557,500
August	2,270,750
September	1,900,500
October	1,419,100
November	682,502
December	<u>533,975</u>
Total	19,388,719

6.2.2 Seller’s Adjustment of Estimated Net Energy Amounts - After the Operation Date, the Seller may revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 PM Mountain Standard time on the last business day of the Notification Month specified in the following schedule:

<u>Notification Month</u>	<u>Future monthly Estimated Net Energy Amounts eligible to be revised</u>
November	January and any future months
December	February and any future months
January	March and any future months
February	April and any future months
March	May and any future months
April	June and any future months
May	July and any future months
June	August and any future months
July	September and any future months

August	October and any future months
September	November and any future months
October	December and any future months

- a.) This written notice must be provided to Idaho Power in accordance with paragraph 25.1 or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices address specified in paragraph 25.1.
- b.) Failure to provide timely written notice of changed Estimated Net Energy Amounts will be deemed to be an election of no change from the most recently provided Estimated Net Energy Amounts.

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

Where:

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

- SGU =
- a.) If Idaho Power is excused from accepting the Seller’s Net Energy as specified in paragraph 12.2.1 this value will be equal to the percentage of curtailment as specified by Idaho Power multiplied by the TGU as defined below.
 - b.) If the Seller declares a Suspension of Energy Deliveries as specified in paragraph 12.3.1 this value will be the sum of the individual Generation Units size ratings as specified in Appendix B that are impacted by the circumstances causing the Seller to declare a Suspension of Energy Deliveries.

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

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

TH = Actual total hours in the current month

Resulting formula being:

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

This Adjusted Estimated 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 Failure to Deliver Minimum Estimated Net Energy Amounts - 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 Monthly Estimated Generation shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the monthly Base Energy Heavy Load Purchase Price as specified in Appendix E.
- 7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the monthly Base Energy Light Load Purchase Price as specified in Appendix E.
- 7.3 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the Base Energy Light Load Purchase Price for that

month, whichever is lower.

- 7.4 Price Adjustment - Upon acceptance of a Seller Adjustment of Estimated Net Energy Amounts as specified in paragraph 6.2.2, Idaho Power will calculate the Pricing Adjustment Percentage for the applicable month(s). All pricing contained within Appendix E for the applicable month(s) will be multiplied by the Pricing Adjustment and the resulting revised prices will replace the prices contained within Appendix E until such time as the Seller submits a new Seller Adjustment of Estimated Net Energy Amounts at which time a new Pricing Adjustment Percentage will be calculated and applied in accordance with this paragraph.
- 7.5 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for 2 consecutive months and/or in any 3 months during a Contract Year will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement within sixty (60) days after the Material Breach has occurred.
- 7.6 Payment Due Date – Undisputed Base Energy and Surplus Energy payments, less any payments due to Idaho Power will be disbursed to the Seller within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Base Energy and Surplus 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 Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated

with the Facility and Seller will likewise retain 50% ownership of all of the Environmental Attributes associated with the Facility. Title of 50% Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Surplus Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this agreement, unless the parties agree to extend in future agreements. If after the Effective Date any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this hydroelectric generation Facility.

8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.

8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental Attribute accounting and tracking system initially selected by Idaho Power is materially altered or discontinued during the Term of this Agreement, the Parties shall cooperate to

identify an appropriate alternative Environmental Attribute accounting and tracking process and enable the Environmental Attributes be processed through this alternative method.

8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.

8.2.3 If Idaho Power requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications required by Idaho Power for those Environmental Attributes delivered to Idaho Power from the Seller. If the Seller incurs cost, as a result of Idaho Power's request, and if the additional certification provides benefits to both parties, the parties shall share the costs in proportion to the additional benefits obtained. If Idaho Power elects to obtain its own certifications, then Seller shall fully cooperate with Idaho Power in obtaining such certification.

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 to the Idaho Power Point of Delivery for the full term of the Agreement in accordance with the GIA.

ARTICLE X:

METERING, METERING COMMUNICATIONS AND SCADA TELEMETRY

10.1 Metering - Idaho Power shall, provide, install, and maintain metering equipment needed for metering the electrical energy production from the Facility. The metering equipment will be

capable of measuring, recording, retrieving and reporting the Facility's hourly gross electrical energy production, Station Use, maximum energy deliveries (kW) and any other energy measurements at the Point of Delivery that Idaho Power needs to administer this Agreement and integrate this Facility's energy production into the Idaho Power electrical system. Specific equipment, installation details and requirements for this metering equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

10.2 Metering Communications - Seller shall, at the Seller's sole initial and ongoing expense, arrange for, provide, install, and maintain dedicated metering communications equipment capable of transmitting the metering data specified in paragraph 10.1 to Idaho Power in a frequency, manner and form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated metering communications equipment. Specific details and requirements for this metering communications equipment will be established in the GIA process and documented in the GIA.

10.3 Supervisory Control and Data Acquisition (SCADA) Telemetry – If the Facility's Nameplate Capacity exceeds 3 MW, in addition to the requirements of paragraph 10.1 and 10.2, Idaho Power may require telemetry equipment and telecommunications which will be capable of providing Idaho Power with continuous instantaneous SCADA telemetry of the Seller's Net Energy and Inadvertent Energy production in a form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated SCADA and telecommunications equipment. Specific details and requirements for this SCADA Telemetry and telecommunications equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

ARTICLE XI - RECORDS

11.1 Maintenance of Records - Seller shall maintain monthly records at the Facility or such other

location mutually acceptable to the Parties. These records shall include total generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in (kW) and be records in a form and content acceptable to Idaho Power. Monthly records shall be retained for a period of not less than five years.

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 records pertaining to the Seller's Facility generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in kW.

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 the GIA.

12.2 Acceptance of Energy -

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:

- a.) If energy deliveries are interrupted due an event of Force Majeure or Forced Outage.
- b.) If interruption of energy deliveries is allowed by Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.304
- c.) If temporary disconnection and/or interruption of energy deliveries is in accordance with Schedule 72 or other provisions as specified within the GIA.
- d.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction, electrical

system maintenance requirements, emergencies, electrical system operating conditions, electrical system reliability emergencies on its system, or as otherwise required by Prudent Electrical Practices.

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

12.2.3 Under no circumstances will the Seller deliver 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 and must be cured immediately.

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

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a Forced Outage, and Seller initiates a Declared Suspension of Energy Deliveries, Seller shall, after giving notice as provided in paragraph 12.3.2 below, temporarily reduce deliveries of Net Energy (kW) to Idaho Power from the Facility to not exceed the reduced energy deliveries (kW) stated by the Seller in the initial declaration for a period of not less than 48 hours. ("Declared Suspension of Energy Deliveries"). The Seller's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller's telephone

notification as specified in paragraph 12.3.2 and will continue for the time as specified (not less than 48 hours) in the written notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Estimated Net Energy Amount will be adjusted as specified in paragraph 6.2.3.

12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries, a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries, and the reduced level (kW) of energy deliveries the Facility is requesting that will be set as the maximum energy deliveries to Idaho Power for the duration of the Declared Suspension of Energy Delivery event (not less than 48 hours). Idaho Power will review the documentation provided by the Seller to determine Idaho Power's acceptance of the described Forced Outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power's acceptance of the Seller's Forced Outage as an acceptable Forced Outage will be based upon the clear documentation provided by the Seller that the Forced Outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.

12.4 Scheduled Maintenance – On or before January 31st 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. If the Seller intends to perform planned maintenance at approximately the same time every year, the Seller may submit a maintenance schedule for the first calendar year and include a statement

that this maintenance schedule shall be consistent for all future years, until such time as the Seller notifies Idaho Power of a change to this schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

12.5 Idaho Power Maintenance Information – Upon receiving a written request from the Seller, Idaho Power shall provide publically available information in regards to Idaho Power planned maintenance information that may impact the Facility.

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

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

- 13.2 Insurance - During the term of this Agreement, Seller shall secure and continuously carry insurance as specified in Appendix F.

ARTICLE XIV: FORCE MAJEURE

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

- (1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.
- (2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.
- (3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

ARTICLE XV: LIABILITY; DEDICATION

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

ARTICLE XVI: SEVERAL OBLIGATIONS

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

ARTICLE XVII: WAIVER

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

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

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

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

ARTICLE XIX: DISPUTES AND DEFAULT

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

19.2 Notice of Default

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

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach or if a specific cure and/or inability to cure is identified by this Agreement for the specific Material Breach then that cure shall apply.

19.3 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 Appendix F. If Seller fails to comply, such failure will be a Material Breach.

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 / Permits / Determinations - During the full term of this Agreement, Seller shall maintain compliance with all permits, licenses and determinations described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits, licenses or determinations. 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, licenses and determinations 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 only 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. Neither this Agreement nor any rights or obligations of either Party hereunder may be assigned, in whole or in part, by operation of law or otherwise, without the prior written consent of both Parties, which 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. A transfer or change in the person or entities who control ten percent or more of the equity securities or voting interests of Seller (whether in a single or multiple separate transactions resulting in such a change in control of equity interests or voting securities) shall be deemed an assignment of this Agreement requiring prior written consent of Idaho Power for purposes of the foregoing. Any purported assignment in derogation of the foregoing shall be void. 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 AND AUTHORIZED AGENTS

- 25.1 Notices - 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:

Name: Robert A. Paul
Address: 515 N. 27th Street
Boise, Idaho 83702

Telephone: (760) 861-1104
Cell: (760) 861-1104
E-mail: robertapaul8@gmail.com

To Idaho Power:

Original document to:

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

Copy of document to:

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

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

25.2 Authorized Agent(s)

Name	Title
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Authorized Agents as listed above may be modified by the Seller by requesting and completing an Authorized Agent modification document provided by Idaho Power. This document at minimum will include the requested changes and require signature(s) from an authorized party of the Seller.

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.

- 26.2 Prior to the Seller executing this Agreement, the Seller shall have:
- a) Submitted an interconnection application for this Facility and is in compliance with all payments and requirements of the interconnection process.
 - b) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power Designated Network Resource. If final interconnection or transmission

studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Delay and Termination Damages associated with the project's failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission costs, processes or schedules.

- c) Provide acceptable and verifiable evidence to Idaho Power that demonstrates the Facility is eligible for the published avoided costs requested by the Seller and contained within this Agreement. Commission Order 32817 provides the current published avoided costs for Non-Seasonal Hydro Facilities, Seasonal Hydro Facilities, Other Facilities, Solar Facilities, and Wind Facilities.

26.3 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	-	Solar Facility Energy Prices
Appendix F	-	Insurance Requirements
Appendix G	-	Estimated Hourly Energy Production

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

Grand View PV Solar Five A, LLC

By

By

Lisa A Grow
Sr. Vice President, Power Supply

Robert A. Paul
Managing Member

Dated

Dated

"Idaho Power"

5-14-2014
"Seller"

APPENDIX A

A-1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

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

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

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

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

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

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 Energy Sales Agreement to which I am a Party.

Signature Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

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

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

A-3 SELLER CONTACT INFORMATION

Seller's Contact Information

Project Management

Name: Robert A. Paul
Telephone Number: (760) 861-1104
Cell Phone: (760) 861-1104
E-Mail: robertapaul8@gmail.com

24-Hour Project Operational Contact

Name: To be Provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

Project On-site Contact information

Name: To be Provided
Telephone Number: _____
Cell Phone: _____
E-Mail: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Grand View PV Solar Five A

Project Number: _____

B-1 DESCRIPTION OF FACILITY

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

Grand View PV Solar Five A is a 10 MW photovoltaic solar energy facility located 20 miles southwest of Mountain Home, Idaho. The facility will interconnect at the 34.4kV level, see the Generator Interconnection System Impact Study Report dated March 28, 2014 for Q#411 and Q#418.

Nameplate: 10 MW

Var Capability (Both leading and lagging) Leading is 0.95 Lagging is 0.95

B-2 LOCATION OF FACILITY

Near: Grand View, Idaho

Actual or nearest physical street address: Idaho Hwy 167 and Fredrickson Road

GPS Coordinates: Latitude Decimal Degrees 43.026

Longitude Decimal Degrees 116.017

State: Idaho County: Elmore

Description of Interconnection Location: Reference the GISI Study Report dated March 28, 2014.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected November 1, 2015 as the Scheduled First Energy Date.

Seller has selected December 15, 2015 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 20 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. 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 energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA 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 Equipment 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 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until the Facility has achieved the status of being an Idaho Power designated network resource ("DNR"). Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application 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 DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **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 DNR 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/herself 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 referred to as the "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 Idaho Power Company Facility No. _____ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the _____ Project, is located in Section ____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, said Project has been designed and built to appropriate standards, and 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 the full Contact Term of _____ years.

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/her knowledge and therefore sets his/her 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/herself 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 referred to as the "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 Idaho Power Company 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 _____ 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. The Engineer certifies, based on the Project's appearance and the information provided by the Project, that the Project's ongoing O&M has been completed in accordance with said O&M Policy; that it is in reasonably good operating condition; and it is in the Engineer's professional opinion 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/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself/herself 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 Energy Sales Agreement, hereinafter referred to as the "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 Idaho Power Company 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/her knowledge and therefore sets his/her 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, 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 Security Deposit requirement 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 – Seller shall deposit cash in the amount of the required Security Deposit with Idaho Power. Idaho Power will not be responsible to calculate or pay any interest on these funds deposited with Idaho Power.
2. 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 Security Deposit. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).

3. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Security Deposit: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

APPENDIX E

SOLAR FACILITY ENERGY PRICES

(Prices based upon the energy shape and capacity specified in Appendix G)

E-1 Base Energy Purchase Prices – For all Base Energy received during Heavy Load Hours Idaho Power shall pay the Base Energy Heavy Load Purchase Price specified below and for all Base Energy received during Light Load Hours Idaho Power shall pay the Base Energy Light Load Purchase Price specified below. All of these prices are subject to revision as specified within paragraph 7.4.

<u>Month/Year</u>	<u>Base Energy Heavy Load Purchase Price (Mills/kWh)</u>	<u>Base Energy Light Load Purchase Price (Mills/kWh)</u>
Jan-15	\$49.95	\$49.57
Feb-15	\$49.32	\$50.21
Mar-15	\$50.27	\$47.99
Apr-15	\$40.50	\$31.95
May-15	\$48.61	\$42.66
Jun-15	\$47.03	\$39.14
Jul-15	\$62.56	\$53.27
Aug-15	\$61.09	\$52.05
Sep-15	\$55.80	\$49.79
Oct-15	\$49.77	\$49.64
Nov-15	\$51.62	\$50.08
Dec-15	\$50.90	\$49.64
Jan-16	\$53.44	\$52.63
Feb-16	\$53.72	\$52.92
Mar-16	\$51.26	\$49.09
Apr-16	\$48.06	\$46.67
May-16	\$50.57	\$46.33
Jun-16	\$51.01	\$41.57
Jul-16	\$63.69	\$58.00
Aug-16	\$64.29	\$59.68
Sep-16	\$58.09	\$54.29
Oct-16	\$56.37	\$56.15
Nov-16	\$57.30	\$56.49
Dec-16	\$58.22	\$58.99
Jan-17	\$56.82	\$56.07

Feb-17	\$55.87	\$54.72
Mar-17	\$53.87	\$52.88
Apr-17	\$49.24	\$44.13
May-17	\$54.14	\$51.65
Jun-17	\$54.12	\$45.51
Jul-17	\$66.78	\$60.83
Aug-17	\$67.81	\$62.96
Sep-17	\$61.98	\$57.21
Oct-17	\$60.08	\$58.75
Nov-17	\$60.67	\$59.43
Dec-17	\$60.61	\$60.40
Jan-18	\$59.66	\$58.24
Feb-18	\$59.22	\$56.03
Mar-18	\$52.36	\$50.58
Apr-18	\$50.36	\$50.27
May-18	\$54.95	\$50.27
Jun-18	\$53.66	\$49.79
Jul-18	\$66.40	\$66.78
Aug-18	\$70.83	\$65.29
Sep-18	\$65.37	\$62.65
Oct-18	\$61.93	\$61.79
Nov-18	\$62.50	\$61.89
Dec-18	\$61.93	\$61.89
Jan-19	\$61.34	\$56.97
Feb-19	\$61.02	\$57.58
Mar-19	\$49.23	\$48.70
Apr-19	\$48.41	\$48.23
May-19	\$53.55	\$46.98
Jun-19	\$54.61	\$48.40
Jul-19	\$67.97	\$64.79
Aug-19	\$71.60	\$66.08
Sep-19	\$66.42	\$64.51
Oct-19	\$63.33	\$63.27
Nov-19	\$63.59	\$63.25
Dec-19	\$63.27	\$63.27
Jan-20	\$64.04	\$62.48
Feb-20	\$57.97	\$56.20
Mar-20	\$47.83	\$48.60
Apr-20	\$47.29	\$47.08
May-20	\$51.28	\$46.26
Jun-20	\$55.01	\$48.47
Jul-20	\$69.59	\$66.22
Aug-20	\$73.36	\$66.85
Sep-20	\$64.60	\$59.70
Oct-20	\$64.50	\$64.51

Nov-20	\$64.79	\$64.51
Dec-20	\$64.55	\$64.51
Jan-21	\$66.05	\$65.57
Feb-21	\$62.27	\$55.39
Mar-21	\$53.63	\$51.57
Apr-21	\$49.64	\$49.63
May-21	\$55.36	\$49.63
Jun-21	\$58.28	\$50.95
Jul-21	\$72.29	\$68.27
Aug-21	\$76.44	\$68.41
Sep-21	\$67.98	\$63.76
Oct-21	\$66.28	\$66.18
Nov-21	\$66.67	\$66.18
Dec-21	\$66.49	\$66.20
Jan-22	\$68.45	\$66.89
Feb-22	\$68.99	\$66.85
Mar-22	\$61.09	\$55.45
Apr-22	\$54.15	\$54.04
May-22	\$57.80	\$53.96
Jun-22	\$62.00	\$54.36
Jul-22	\$74.95	\$72.02
Aug-22	\$80.55	\$72.94
Sep-22	\$74.10	\$69.07
Oct-22	\$69.80	\$69.72
Nov-22	\$69.85	\$69.72
Dec-22	\$70.57	\$69.72
Jan-23	\$71.20	\$68.48
Feb-23	\$71.91	\$69.09
Mar-23	\$67.57	\$63.31
Apr-23	\$57.96	\$56.25
May-23	\$61.73	\$58.06
Jun-23	\$63.07	\$57.36
Jul-23	\$78.64	\$76.94
Aug-23	\$83.41	\$78.37
Sep-23	\$78.41	\$72.67
Oct-23	\$73.31	\$73.12
Nov-23	\$73.38	\$72.82
Dec-23	\$74.31	\$73.22
Jan-24	\$75.31	\$74.22
Feb-24	\$74.63	\$71.03
Mar-24	\$65.85	\$63.94
Apr-24	\$55.44	\$54.32
May-24	\$60.09	\$54.45
Jun-24	\$63.18	\$59.22
Jul-24	\$84.23	\$80.46

Aug-24	\$94.29	\$77.98
Sep-24	\$79.82	\$77.81
Oct-24	\$76.13	\$75.99
Nov-24	\$76.64	\$75.59
Dec-24	\$77.09	\$75.99
Jan-25	\$78.47	\$78.67
Feb-25	\$77.33	\$73.84
Mar-25	\$70.59	\$67.80
Apr-25	\$56.45	\$54.63
May-25	\$66.13	\$63.00
Jun-25	\$68.81	\$64.32
Jul-25	\$91.55	\$81.47
Aug-25	\$96.40	\$80.91
Sep-25	\$82.98	\$79.45
Oct-25	\$78.78	\$78.67
Nov-25	\$80.28	\$78.67
Dec-25	\$82.42	\$80.85
Jan-26	\$81.96	\$81.50
Feb-26	\$81.69	\$80.62
Mar-26	\$66.38	\$58.45
Apr-26	\$57.67	\$58.11
May-26	\$72.19	\$70.89
Jun-26	\$71.91	\$67.95
Jul-26	\$94.59	\$83.71
Aug-26	\$100.51	\$85.95
Sep-26	\$87.96	\$84.05
Oct-26	\$82.09	\$81.95
Nov-26	\$82.59	\$82.09
Dec-26	\$88.05	\$84.16
Jan-27	\$83.95	\$82.81
Feb-27	\$84.58	\$81.89
Mar-27	\$75.32	\$73.95
Apr-27	\$65.62	\$61.29
May-27	\$69.01	\$67.58
Jun-27	\$76.00	\$74.42
Jul-27	\$98.60	\$87.62
Aug-27	\$102.97	\$87.82
Sep-27	\$90.29	\$87.05
Oct-27	\$84.74	\$84.53
Nov-27	\$85.23	\$84.80
Dec-27	\$93.77	\$87.23
Jan-28	\$87.76	\$84.01
Feb-28	\$88.01	\$84.85
Mar-28	\$71.32	\$71.51
Apr-28	\$66.84	\$67.44

May-28	\$77.13	\$76.57
Jun-28	\$78.59	\$75.59
Jul-28	\$103.95	\$91.96
Aug-28	\$106.91	\$90.53
Sep-28	\$93.44	\$91.10
Oct-28	\$88.29	\$87.94
Nov-28	\$88.78	\$88.21
Dec-28	\$103.16	\$92.51
Jan-29	\$90.73	\$85.59
Feb-29	\$90.74	\$88.65
Mar-29	\$78.15	\$68.59
Apr-29	\$64.96	\$67.13
May-29	\$79.23	\$78.50
Jun-29	\$79.30	\$77.80
Jul-29	\$114.55	\$101.54
Aug-29	\$117.31	\$93.92
Sep-29	\$97.91	\$94.26
Oct-29	\$91.40	\$91.28
Nov-29	\$92.53	\$91.28
Dec-29	\$103.24	\$94.23
Jan-30	\$94.31	\$92.20
Feb-30	\$93.70	\$90.45
Mar-30	\$79.35	\$75.83
Apr-30	\$65.77	\$61.47
May-30	\$70.26	\$62.91
Jun-30	\$81.66	\$81.19
Jul-30	\$123.75	\$109.18
Aug-30	\$120.06	\$97.63
Sep-30	\$101.58	\$97.89
Oct-30	\$94.77	\$94.59
Nov-30	\$96.60	\$94.63
Dec-30	\$110.76	\$98.57
Jan-31	\$108.97	\$102.49
Feb-31	\$105.67	\$96.08
Mar-31	\$93.49	\$89.74
Apr-31	\$75.12	\$67.52
May-31	\$93.48	\$84.26
Jun-31	\$87.15	\$85.37
Jul-31	\$140.01	\$122.76
Aug-31	\$130.12	\$102.51
Sep-31	\$109.04	\$105.53
Oct-31	\$113.26	\$101.26
Nov-31	\$115.32	\$111.99
Dec-31	\$125.83	\$118.89
Jan-32	\$112.73	\$107.28

Feb-32	\$110.52	\$97.47
Mar-32	\$101.86	\$92.57
Apr-32	\$86.07	\$79.97
May-32	\$95.38	\$92.88
Jun-32	\$91.03	\$88.46
Jul-32	\$152.03	\$128.83
Aug-32	\$137.07	\$108.19
Sep-32	\$112.76	\$109.94
Oct-32	\$120.19	\$109.13
Nov-32	\$124.35	\$122.68
Dec-32	\$127.18	\$123.88
Jan-33	\$115.55	\$109.93
Feb-33	\$113.27	\$99.83
Mar-33	\$104.35	\$94.78
Apr-33	\$88.09	\$81.81
May-33	\$97.68	\$95.10
Jun-33	\$93.20	\$90.55
Jul-33	\$156.03	\$132.13
Aug-33	\$140.62	\$110.87
Sep-33	\$115.58	\$112.67
Oct-33	\$123.23	\$111.84
Nov-33	\$127.52	\$125.80
Dec-33	\$130.43	\$127.03
Jan-34	\$118.39	\$112.61
Feb-34	\$116.05	\$102.21
Mar-34	\$106.86	\$97.01
Apr-34	\$90.11	\$83.64
May-34	\$99.99	\$97.34
Jun-34	\$95.37	\$92.65
Jul-34	\$160.09	\$135.48
Aug-34	\$144.22	\$113.58
Sep-34	\$118.43	\$115.43
Oct-34	\$126.31	\$114.58
Nov-34	\$130.72	\$128.95
Dec-34	\$133.72	\$130.22

APPENDIX F

INSURANCE REQUIREMENTS

The Seller shall secure and continuously carry insurance as specified within this Appendix for the term of the Agreement.

Insurance Requirements:

1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of A- or better.
2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within 5 days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
3. Prior to the First Energy date and subsequently within 10 days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
4. The Certificate of Insurance shall evidence the appropriate insurance coverage of 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.

Idaho Power Company

Appendix G Estimated Hourly Generation

Project Name: Grand View PV Solar Five A
 AC Project Nameplate (MW): 20
 Project Estimated Online Date: Dec-15
 Project Estimated Annual Capacity Factor (%): 22.17%

Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time

Hour Start	Hour End	Hour	January	February	March	April	May	June	July	August	September	October	November	December
12:00 AM	1:00 AM	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1:00 AM	2:00 AM	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2:00 AM	3:00 AM	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3:00 AM	4:00 AM	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4:00 AM	5:00 AM	5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5:00 AM	6:00 AM	6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6:00 AM	7:00 AM	7	0.0	0.0	0.0	0.0	0.1	0.3	0.1	0.0	0.0	0.0	0.0	0.0
7:00 AM	8:00 AM	8	0.0	0.0	0.1	0.5	1.3	1.7	1.5	1.0	0.1	0.0	0.0	0.0
8:00 AM	9:00 AM	9	0.3	1.4	1.3	2.1	3.2	4.1	3.9	5.32	2.2	0.9	1.1	0.4
9:00 AM	10:00 AM	10	1.7	3.4	3.7	5.3	6.0	6.9	7.0	6.0	5.3	3.3	2.6	1.6
10:00 AM	11:00 AM	11	2.6	4.1	5.6	6.5	7.2	7.7	7.9	7.7	7.4	5.8	3.1	2.5
11:00 AM	12:00 PM	12	2.6	4.6	5.6	6.8	7.2	7.6	7.9	7.9	7.2	5.8	3.0	2.2
12:00 PM	1:00 PM	13	2.8	4.1	5.5	6.8	6.8	7.5	8.1	7.6	6.8	5.8	2.8	2.3
1:00 PM	2:00 PM	14	2.9	3.9	5.3	6.8	7.4	7.5	8.0	7.5	6.9	5.3	3.3	2.4
2:00 PM	3:00 PM	15	3.0	4.3	5.9	6.9	7.3	7.6	7.9	7.1	6.4	5.2	3.3	2.9
3:00 PM	4:00 PM	16	3.2	4.8	5.9	7.1	7.1	7.4	7.4	7.4	6.6	5.9	2.8	3.0
4:00 PM	5:00 PM	17	2.2	4.4	5.8	5.7	7.2	7.3	7.2	7.4	6.3	6.2	0.9	0.0
5:00 PM	6:00 PM	18	0.2	1.1	4.4	5.3	6.5	6.9	7.0	6.7	5.6	3.7	0.1	0.0
6:00 PM	7:00 PM	19	0.0	0.0	2.3	3.4	4.2	5.4	5.6	4.9	2.9	0.5	0.0	0.0
7:00 PM	8:00 PM	20	0.0	0.0	0.3	1.5	2.3	2.6	2.8	2.2	0.1	0.0	0.0	0.0
8:00 PM	9:00 PM	21	0.0	0.0	0.0	0.0	0.2	0.9	0.7	0.2	0.0	0.0	0.0	0.0
9:00 PM	10:00 PM	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10:00 PM	11:00 PM	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11:00 PM	12:00 AM	24	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Daily estimated MWh			21.2	35.8	51.5	64.4	73.7	81.0	82.5	73.3	63.4	48.1	22.8	17.2
Days in month			31	28	31	30	31	30	31	31	30	31	30	31
Monthly estimated MWh			657	1,003	1,595	1,933	2,285	2,430	2,558	2,271	1,901	1,491	683	534
Monthly estimated kWh			657,200	1,002,615	1,594,950	1,932,616	2,285,010	2,430,000	2,557,500	2,270,750	1,900,500	1,491,100	682,502	533,975
													Annual	19,339
														19,338,719

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 8



RICHARDSON ADAMS, PLLC
ATTORNEYS AT LAW

richardsonadams.com
Tel: 208-938-7900 Fax: 208-938-7904
P.O. Box 7218 Boise, ID 83707 - 515 N. 27th St. Boise, ID 83702

May 14, 2014

Donovan Walker
Senior Counsel
Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702
Via:
dwalker@idahopower.com
HAND DELIVERY

Re: The Grand View PV Solar Projects¹

Dear Donovan:

I write to inquire as to Idaho Power's intentions with regard to the Grand View contracts tendered to you yesterday. Notwithstanding Idaho Power's filing yesterday in Docket No. IPC-E-14-09 requesting the Idaho Public Utilities Commission (Commission) suspend your obligation under PURPA to purchase energy from solar projects – that obligation has not been suspended. Indeed, one wonders whether the Commission may legally do so in the first place.

Nevertheless, the standard process in Idaho has been, following the submission of executed PURPA contracts evidencing the creation of a legally enforceable obligation, for Idaho Power to execute and lodge the same with the Idaho Commission. I trust Idaho Power will continue to follow that process for our projects. We would like our contracts executed by Idaho Power and lodged with the Commission as soon as possible. Therefore, please confirm that Idaho Power will continue to process our contracts in the usual fashion. May I hear from you by Friday of this week as to the Company's intentions?

Sincerely

Peter Richardson

¹ Grand View PV Solar Two, LLC; Grand View PV Solar Three, LLC; Grand View PV Solar Four, LLC; Grand View PV Solar Five, LLC and Grand View PV Solar Five A, LLC.

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-14-09

IDAHO POWER COMPANY

ATTACHMENT 9

DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

May 16, 2014

VIA E-MAIL AND U.S. MAIL

Peter J. Richardson
RICHARDSON ADAMS, PLLC
515 North 27th Street
P.O. Box 7218
Boise, Idaho 83707

Re: Response to Grand View Solar Letters Received May 12 and May 14, 2014

Peter:

In your May 14, 2014, letter you ask me to “confirm that Idaho Power will continue to process our contracts in the usual fashion.” I can confirm that Idaho Power Company (“Idaho Power” or “Company”) will process such contracts in the usual fashion. However, you know as well as anyone that what you describe in your letter is not the “usual fashion”; is not the standard process followed with numerous other contracts/projects that you have brought forth in the past; and it is not the standard process in Idaho. The representations in both the May 11 and May 14 letters are not the state of the law in Idaho regarding legally enforceable obligations and the process recently reaffirmed by the Idaho Supreme Court by which the Commission establishes if, when, and how a legally enforceable obligation is incurred.

The May 11 letters state that the submittal for the Grand View Solar projects “comports with all of the Idaho PUC’s rulings on the creation of a legally enforceable obligation on Idaho Power’s part to purchase, and a legally enforceable obligation on the part of GV2 to sell, all of its output for the life of the ESA.” This statement is simply not true. The Commission’s authority and process for establishing a legally enforceable obligation was recently examined, summarized, and reaffirmed by the Idaho Supreme Court. The Idaho Supreme Court affirmed that the “IPUC has authority under state and federal law, to require that before a developer can lock in a certain rate, there must be either a signed contract to sell at that rate or a meritorious complaint alleging that the project is mature and that the developer has attempted and failed to negotiate a contract with the utility; that is, there would be a contract but for the conduct of the

utility.” *Idaho Power Co., v. Idaho Public Utilities Comm’n.*, 155 Idaho 780, 316 P.3d 1278, 1285 (2013) (“*Grouse Creek*”).

If a Qualifying Facility (“QF”) project feels that the utility is refusing to contract for the purchase of its generation, then it may seek a legally enforceable obligation determination from the Commission to bind the utility and its customers to the purchase, even in the absence of a contract. The misinterpretation of this concept and procedure is evident in the several letters from each Grand View Solar project, which are held out as establishing legally enforceable obligations. Such a procedure, and such a concept as a legally enforceable obligation, exists to prevent a situation where the utility refuses to purchase from the QF. *Grouse Creek*, 316 P.3d at 1280, 1285. It does not exist so that the QF can pick and choose what contractual terms, conditions, and rates it unilaterally wishes to impose on the utility and its customers. Those items, most particularly the rates, are determined by the Commission, not by the QF, and not by the utility. PURPA requires that the utility purchase. The Commission determines the terms and conditions of the purchase and the appropriate price.

Your subterfuge of initiating your inquiry with a phantom project, Black Sands Solar, and then turning around and submitting Black Sands Solar’s outdated, superseded, non-final, and non-agreed to discussion draft on behalf of Grand View Solar Two, Three, Four, Five, and Five A, and demanding and claiming that you established a legally enforceable obligation for these entities is not only deceitful, but is entirely misplaced, as it does not comport with PURPA or with Idaho law. As you are well aware, since your proposed projects are solar projects over 100 kilowatts they are not eligible for standard, or published, avoided cost rates. The projects are entitled to negotiated avoided cost rates, and a negotiated contract. There is not a standard form contract in the state of Idaho.

You know from your extensive past dealings on behalf of numerous proposed QF projects that a draft agreement, for discussion and negotiation purposes, is initially forwarded to a project by Idaho Power at the project’s request. Once the project has provided all of the required, project specific information for the contract, and both parties are in agreement as to the terms and conditions contained therein, the Company drafts a final and agreed to execution draft of the agreement for both parties’ signatures. Once both parties have executed the agreement, Idaho Power files the agreement with the Commission for its independent review and approval or rejection. As you are also well aware, such agreements are of no force and effect unless and until approved by the Commission.

My e-mail communication to you regarding Black Sands Solar on May 12, 2014, at 3:00 p.m. specifically provided a superseding draft contract to the Black Sands Solar draft contract. The superseding draft contract included provisions providing for a solar integration charge and was intended for our continued discussion and negotiation. My separate e-mail communication to you regarding Grand View Five on May 12, 2014, at

Peter J. Richardson

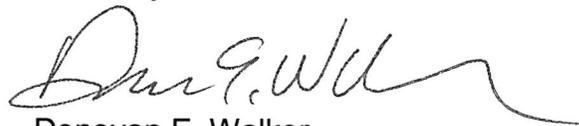
May 16, 2014

Page 3 of 3

3:00 p.m. specifically stated that the previous two draft agreements and indicative pricing runs were outdated with the acceptance by the Commission of the 2013 Integrated Resource Plan ("IRP") and informed you that if you wished to continue to pursue the project that new pricing and new contract terms and conditions could be provided at your request. These communications were sent to you prior to receiving the submission on behalf of Grand View Two, Three, Four, Five, and Five A at approximately 3:05 p.m. on May 12, 2014. Idaho Power had not heard from you regarding Grand View Two since before the Commission's final determination in Case No. IPC-E-11-15 on January 31, 2014, that the project was not entitled to your previously claimed legally enforceable obligation, nor entitled to ownership of all the Renewable Energy Credits/Certificates. It has been well over a year or more since the Company had any communication from you whatsoever with regard to Grand View Three and Four. The last information you provided with regard to Grand View Five A was that you were pursuing a PURPA QF off-system sale to Northwestern, not to Idaho Power. You made no attempt to negotiate current purchase agreements for these projects. You instead undertook a ruse involving Black Sands Solar, and the attempted "surprise" delivery of signed, non-agreed to, superseded, draft documents with a claim of legally enforceable obligations. Idaho Power has not refused to negotiate and has not refused to contract.

If you wish to request current rates and draft agreements in order to negotiate rates and contracts for Idaho Power's purchase of generation from your proposed PURPA QF projects, please, for each proposed project, supply Idaho Power with the required one-year of hourly generation profile data so that the incremental cost IRP methodology may be run to calculate the starting point for the appropriate negotiated avoided cost rate. Additionally, as you are aware, Idaho Power will need you to designate the maximum nameplate generation capacity, estimated on-line date, annual average capacity factor, location, and name of each project.

Sincerely,

A handwritten signature in black ink, appearing to read "Donovan E. Walker", with a long, sweeping horizontal flourish extending to the right.

Donovan E. Walker

DEW:csb

cc: Randy Allphin (via e-mail)