BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

| WINDLAND, INC. |) |
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| COMPLAINANT, |) CASE NO. PAC-E-10-05 |
| v. |) NOTICE OF COMPLAINT (and Contingent Motion to Dismiss) |
| PACIFICORP DBA ROCKY MOUNTAIN POWER, |) NOTICE OF APPLICATION |
| DEFENDANT. |)) NOTICE OF) MODIFIED PROCEDURE |
| IN THE MATTER OF THE APPLICATION |)) |
| OF PACIFICORP DBA ROCKY MOUNTAIN | NOTICE OF |
| POWER FOR APPROVAL OF POWER |) COMMENT/PROTEST DEADLINE |
| PURCHASE AGREEMENTS BETWEEN |) |
| PACIFICORP AND POWER COUNTY WIND |) |
| NORTH LLC AND POWER COUNTY WIND |) |
| SOUTH LLC |) |

YOU ARE HEREBY NOTIFIED that on April 6, 2010, Windland, Inc. (Windland) filed a complaint with the Idaho Public Utilities Commission (Commission) against PacifiCorp dba Rocky Mountain Power. Windland claimed entitlement to and requested that PacifiCorp be required to execute two standard PURPA Power Purchase Agreements for Windland's Power County Wind Park North and Power County Wind Park South small power generation projects at the published PURPA avoided cost rates in effect prior to March 12, 2009, i.e., the higher grandfathered rates of Order No. 30744.

On April 28, 2010, a Summons was issued by the Commission directing PacifiCorp to file an answer within 21 days. On April 29, 2010, PacifiCorp filed an answer with the Commission requesting a Commission determination that Windland's Power County wind projects are not entitled to grandfathered rates.

POWER PURCHASE AGREEMENTS (and Contingent Motion to Dismiss Complaint, Application ¶ 3)

On August 20, 2010, PacifiCorp filed an Application with the Commission requesting approval of two Power Purchase Agreements (PPAs; Agreements) entered into between

PacifiCorp dba Rocky Mountain Power and Power County Wind Park North LLC and Power County Wind Park South LLC dated August 18, 2010 (the LLCs). The locations of the two wind facilities are described as follows:

North: T8S, R31E, Section 13 and T8S, R32E, Sections 6, 7, 8, 17, 18, Power County, Idaho

South: T8S, R32E, Sections 19, 20, 29 and 30, Power County, Idaho Agreements, Exh. A.

The total nameplate capacity for each of the two small power wind generation facilities (QFs) is 21.780 MW. Agreements, Recital A. Average monthly output for each facility will be below 10 MW. Agreements, Exh. D. The estimated average annual net output of each facility is 67,311,441 kWh (North) and 60,523,733 kWh (South). Agreements, Recital D. The QFs have elected December 31, 2011 as the scheduled commercial operation date for their facilities.

Windland and the LLCs have waived their claims to grandfathered rights to the avoided cost rates contained in Order No. 30744. Application, ¶ 7. The Power Purchase Agreements contain the current non-levelized published avoided cost rates established in Order No. 31025. The \$6.50/MWh wind integration charge approved by the Commission (Order No. 31021) and all other applicable interconnection charges and monthly O&M charges under the generation interconnection agreement with PacifiCorp transmission will be assessed to the LLCs. Agreements, Section 5.1.

Section 11.1 of the PPAs provides for Delay Security of \$25 multiplied by the Maximum Facilities' Delivery Rate measured in kilowatts. This results in delay security of \$544,500 under each PPA. Pursuant to Section 11.1.4 one-quarter of the Delay Security amount is to be refunded to the QFs as each of four milestones are achieved. The approach to delay security has been agreed to by the parties in compromise of Windland's pending complaint in Case No. PAC-E-10-05 and is not intended to establish any precedent.

As reflected in Section 2.1 of the Agreements, the Agreements will not become effective until the Commission has approved all the Agreements' terms and conditions and declares that all payments that PacifiCorp makes to the wind projects for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes.

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filings of record in Case No. PAC-E-10-05. The Commission has preliminarily found that the public interest in this matter may not require a hearing to consider the issues presented and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the deadline for filing written comments or protests with respect to PacifiCorp's Application and the use of Modified Procedure in Case No. PAC-E-10-05 is Thursday, September 30, 2010.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. PAC-E-10-05 should be mailed to the Commission and the Company at the addresses reflected below.

Commission Secretary Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street Boise, ID 83702-5918

Ted Weston Idaho Regulatory Affairs Manager Daniel E. Solander, Senior Counsel Rocky Mountain Power 201 S. Main Street, Suite 2300 Salt Lake City, UT 84111

E-mail: daniel.solander@pacificorp.com ted.weston@pacificorp.com

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E-mail: <u>lovinger@lklaw.com</u> kaufmann@lklaw.com

All comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to PacifiCorp at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Complaint, Application and Agreements in Case No. PAC-E-10-05 may be viewed at www.puc.idaho.gov by clicking on "File Room" and "Electric Cases," or can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 W. Washington Street, Boise, Idaho and at the Idaho offices of PacifiCorp dba Rocky Mountain Power.

DATED at Boise, Idaho this 2^{nl}

day of September 2010.

MARSHA H. SMITH, COMMISSIONER

MACK A. REDFORD, COMMISSIONER

ATTEST:

Commission Secretary

bls/O:PAC-E-10-05 sw