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COMPANY NAME:

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Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 3930 Fairview Industrial Drive SE, Salem, OR 97302.

DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

October 16, 2015

VIA ELECTRONIC FILING

Attention: Filing Center
Public Utility Commission of Oregon
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97308-1088

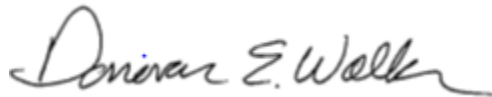
Re: Docket RE 141
Informational Filing on Qualifying Facility Transaction – Malheur River
Solar Energy Sales Agreement

Dear Filing Center:

Pursuant to OAR 860-029-0020(1), Idaho Power Company (“Idaho Power”) hereby files a copy of the executed Oregon Energy Sales Agreement between Idaho Power Company and Gardner Capital Solar Development, LLC, for the Malheur River Solar project. This agreement was entered into pursuant to the Public Utility Regulatory Policies Act of 1978 (“PURPA”). Under OAR 860-029-0020(1), a public utility must file a true copy of an executed agreement between the utility and PURPA qualifying facility. Idaho Power has been instructed by the Public Utility Commission of Oregon to make all such filings in Docket No. RE 141.

If you have any questions regarding the attached agreement or this letter, please do not hesitate to contact me at (208) 388-5317.

Sincerely,



Donovan E. Walker

DEW:csb
Attachment

cc: Brittany Andrus – w/attach (via e-mail)
Lisa F. Rackner – w/attach (via e-mail)
Randy Allphin – w/attach (via e-mail)
Mike Youngblood – w/attach (via e-mail)

ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
GARDNER CAPITAL SOLAR DEVELOPMENT, LLC

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ENERGY SALES AGREEMENT
(Solar PV Project)

Project Name: Malheur River Solar

Project Number: 12617110

This Energy Sales Agreement (“AGREEMENT”), entered into on this 12 day of October 2015 between Gardner Capital Solar Development, LLC, a Missouri limited liability company (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as “Parties” or individually as “Party.”

WITNESSETH:

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

WHEREAS, Seller wishes to sell, and Idaho Power is 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 6.2.1 or 6.2.2 and any applicable Solar Panel Degradation adjustments.
- 1.2 “Authorized Agent” – a person or persons specified within paragraph 24.2 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 1.41.
- 1.4 “Commission” – The Oregon Public Utility Commission.
- 1.5 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending three hundred sixty four (364) days thereafter.
- 1.6 “Delay Cure Period” – One hundred twenty (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 Purchase Price as specified in the Appendix E of this Agreement. If this calculation results in a value less than zero (0), the result of this calculation will be zero (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 or investment 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.

- 1.13 "Estimated Net Energy Amount Adjustment Percentage" – (Price Adjustment Adjusted Estimated Net Energy Amount divided by the applicable month's Monthly Estimated Generation) expressed as a percentage. If this calculation results in a value greater than one hundred percent (100%), the result of this calculation will be one hundred percent (100%).
- 1.14 "Facility" – That electric generation facility described in Appendix B of this Agreement.

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

- 1.15 "First Energy Date" – The day commencing at 00:01 hours, Mountain Standard Time, following the day that Seller has satisfied the requirements of Article IV and after the Seller requested First Energy Date.
- 1.16 "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 as consistent with Prudent Electrical Practices, 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.
- 1.17 "Generation Interconnection Agreement (GIA)" – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system.
- 1.18 "Generation Unit" – a complete solar photovoltaic (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.
- 1.19 "Hourly Energy Estimates" – the hourly energy estimates provided by the Seller and included in Appendix H 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 "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.
- 1.22 "Market Energy Reference Price" – Eighty five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.23 "Material Breach" – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.

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

1.25 “Mid-Columbia Market Energy Cost” – is eighty two point four percent (82.4%) of the monthly arithmetic average of each day’s Intercontinental Exchange (“ICE”) daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg index prices in the month as follows:

The actual calculation being:

$$.824 * \left(\sum_{X=1}^n \{(\text{ICE Mid-C Peak Avg}_x * \text{HL hours for day}) + (\text{ICE Mid-C Off-Peak Avg}_x * \text{LL hours for day})\} / (n*24) \right)$$

Where n = number of days in the month

If the ICE Mid-C Index prices are not reported for a particular day or days, prices derived from the respective averages of HL and LL prices for the immediately preceding and following reporting periods or days shall be substituted into the formula stated in this definition and shall therefore be multiplied by the appropriate respective numbers of HL and LL Hours for such particular day or days with the result that each hour in such month shall have a related price in such formula. If the day for which prices are not reported has in it only LL Hours (for example a Sunday), the respective averages shall use only prices reported for LL hours in the immediately preceding and following reporting periods or days. If the day for which prices are not reported is a Saturday or Monday or is adjacent on the calendar to a holiday, the prices used for HL Hours shall be those for HL hours in the nearest (forward or backward) reporting periods or days for which HL prices are reported.

1.26 “Monthly Estimated Generation” – the monthly estimated generation as specified in Appendix H identified as the kWh per month adjusted for any applicable Solar Panel Degradation.

1.27 “Monthly Nameplate Energy” – Nameplate Capacity multiplied by the hours in the applicable month.

1.28 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a Generation Unit 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. This value is established for the term of this

Agreement in Appendix B, item B-1 of this Agreement and validated in paragraph 4.1.3 of this Agreement.

- 1.29 “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.
- 1.30 “Operation Date” – The day commencing at 00:01 Mountain Standard Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.31 “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.
- 1.32 “Price Adjustment 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 6.2.1 and any applicable Solar Panel Degradation adjustments.
- 1.33 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus two percent (2%). If this calculation results in a value greater than one hundred percent (100%), the result of this calculation will be one hundred percent (100%) or if this calculation results in a value less than ninety percent (90%), the result of this calculation will be ninety percent (90%).
- 1.34 “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.
- 1.35 “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.

- 1.36 “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.
- 1.37 “Security Deposit” – Forty five dollars (\$45) per kW Nameplate Capacity of the entire Facility.
- 1.38 “Solar Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered solar forecasting model. The Facility shall be responsible for an allocated portion of the total costs of the forecasting model and to provide solar irradiation and weather data specified in Appendix G.
- 1.39 “Solar Panel Degradation” – shall be the degradation as specifically documented by the solar pv panel manufacturer for the actual solar panels installed at this Facility, stated in a percentage value for each Contract Year. These values will be provided and validated as specified in paragraph 4.1.5 of this Agreement.
- 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 one hundred ten percent (110%) of the monthly Adjusted 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 ninety percent (90%) of the monthly Adjusted 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, once constructed, will be 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 upon reasonable request during the term of this Agreement.
- 3.3 Solar Project Qualifications – Seller warrants that the Facility is a solar project that makes use of solar photovoltaics to generate electrical energy from sunlight.
- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix H 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 as of the Effective Date. 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.

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 Oregon 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 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. The

Nameplate Capacity shall be measured in Alternating Current (AC).

- 4.1.4 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.
- 4.1.5 Solar Panel Degradation – submit Solar Panel Degradation values (expressed as a percentage) for each Contract Year for the full term of this Agreement and the panel manufacturer documentation and certification that clearly identifies and validates these exact values. Only values that are within reasonable solar industry standards and specifically validated by the manufacturer documentation will be acceptable.
- 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 B-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 DNR. The final process must be initiated at a

minimum thirty (30) days prior to the First Energy Date. Therefore, Idaho Power will begin this process thirty (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 thirty (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 DNR.

- 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) 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, seventy five percent (75%) of the Nameplate Capacity of this Facility as identified in Appendix B, item B-1 has achieved 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. 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 expiration of 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 fifteen (15) days after the end of each month or within thirty (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 thirty (30) days after this Agreement has been terminated.

5.7 Seller Payment – Seller shall pay Idaho Power any calculated Delay or Termination Damages within seven (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 one hundred and twenty (120) days of the Effective Date, 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. Idaho Power may terminate this Agreement if the Seller fails to provide and/or maintain this Security Deposit with no additional notice being provided to the Seller.

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 the kWh per Month as specified in Appendix H and as listed below:

<u>Month</u>	<u>kWh</u>
January	724,682
February	1,399,052
March	1,997,357
April	2,353,164
May	2,952,471
June	3,231,665
July	3,237,456
August	3,001,092
September	2,447,292
October	1,776,736
November	879,960
December	562,066
Total	<u>24,562,993</u>

These Estimated Net Energy Amounts will be adjusted to reflect the applicable Solar Panel Degradation throughout the term of this Agreement.

6.3 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 1700 Mountain Standard Time on the last business day of the Notification Month specified in the following schedule:

Notification Month	Future monthly Estimated Net Energy Amounts eligible to be revised
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 24.1 or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices address specified in paragraph 24.1.
- 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.
- c.) Any Seller provided Adjustment of Estimated Net Energy Amounts will include any Solar Panel Degradation. The Solar Panel Degradation adjustment will only be applied to Estimated Net Energy Amounts that have not been adjusted by the Seller since the inception of the current Contract Year.

6.4 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.

6.5 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 Purchase Price – For all Base Energy accepted by Idaho Power, Idaho Power will pay the Base Energy Purchase Price as specified within Appendix E, including any applicable Price Adjustment as calculated in paragraph 7.3

7.2 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 Purchase Price including any applicable Price Adjustment, whichever is lower.

7.3 Price Adjustment – Upon acceptance of a Seller Adjustment of Estimated Net Energy Amounts as specified in paragraph 6.2.1, Idaho Power will calculate the Pricing Adjustment Percentage for the applicable month(s). All prices contained within Appendix E for the current applicable month(s) and all future applicable months will be multiplied by the Pricing Adjustment Percentage and the resulting revised prices will replace the prices contained within the 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.

For Example - a Price Adjustment applicable to January 2018 will also be applied to all months of January for the remaining term of the Agreement. This revised January pricing will then remain in effect until such time as the Seller requests an additional Adjustment of Estimated Net Energy Amounts that would be applicable to future months of January.

7.4 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for two (2) consecutive months and/or in any three (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.

7.5 Payments – Undisputed Base Energy and Surplus Energy payments inclusive of Price Adjustments, less Solar Energy Production Forecasting Costs, and 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 (acting in its reasonable discretion and in a reasonably timely manner) the documentation of the monthly Base Energy and Surplus Energy actually delivered to Idaho Power as specified in Appendix A.

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 In accordance with Commission Order No. 11-505, Idaho Power waives any claim to ownership of Environmental Attributes associated with this Agreement. Environmental Attributes include, but are not limited to, Green Tags, Green Certificates, Renewable Energy Credits (RECs) and Tradable Renewable Certificates (TRCs) directly associated with the production of energy from the Seller's Facility.

ARTICLE IX: FACILITY AND INTERCONNECTION

- 9.1 Design of Facility – Seller will design, construct, install, own, operate and maintain the Facility and any Seller-owned Interconnection Facilities so as to allow safe and reliable generation and delivery of Net Energy 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 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 – 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 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 (5) 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 temporary disconnection and/or interruption of energy deliveries is in accordance with the GIA.
- c.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is reasonably 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 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 the 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 forty eight (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 (in accordance herewith) 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 6.2.2.

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 twenty four (24) hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXIV 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 (in accordance herewith). 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 failure to follow Prudent Electrical Practices.

- 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, 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 of the Force Majeure event 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 Oregon 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 Ninth Judicial District of Oregon in and for the County of Malheur.

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 Oregon Public Utility 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 in which the project is physically located, 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 (5th) 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: SUCCESSORS AND ASSIGNS

- 21.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto. 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 with 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. 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 XXII: MODIFICATION

22.1 No modification to this Agreement shall be valid unless it is in writing and signed by both Parties.

ARTICLE XXIII: TAXES

23.1 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 XXIV: NOTICES AND AUTHORIZED AGENTS

24.1 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:	Gardner Capital Solar Development Lacie Shook, Chief Officer of Strategic Operations
Address:	1414 E Primrose Street, Suite 100 Springfield, MO, 65804
Telephone:	(417) 447-4626
E-mail:	lshook@gardnercapital.com

To Idaho Power:	<u>Original document to:</u>
	Vice President, Power Supply Idaho Power Company PO Box 70 Boise, Idaho 83707 Email: energycontracts@idahopower.com

Copy of document to:

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

24.2 Authorized Agent(s)

Name	Title
<u>Joe Benga</u>	<u>SVP & GM of Solar Development</u>
<u>Lacie Shook</u>	<u>Chief Officer of Strategic Operations</u>

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 XXV: ADDITIONAL TERMS AND CONDITIONS

25.1 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.

25.2 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.

25.3 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	Base Energy Purchase Price
Appendix F	Insurance Requirements
Appendix G	Solar Energy Production Forecasting
Appendix H	Estimated Hourly Energy Production

ARTICLE XXVI: SEVERABILITY

26.1 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 XXVII: COUNTERPARTS

27.1 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 XXVIII: ENTIRE AGREEMENT

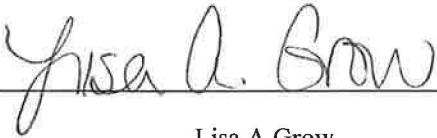
28.1 This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

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

Gardner Capital Solar Development, LLC

By



Lisa A Grow
Sr. Vice President, Power Supply

By



Print

ADAM HORVATH

Title

MANAGER

Dated

10.12.15

“Idaho Power”

Dated

10/9/15

“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 Station
Output Usage

Metered <u>Maximum Generation</u> kW

Meter Number: _____
 End of Month kWh Meter Reading: _____
 Beginning of Month kWh Meter: _____
 Difference: _____
 Times Meter Constant: _____
 kWh for the Month: _____ - _____
 Metered Demand: _____

<u>Net Generation</u> =

Breaker Opening Record

Breaker Closing Record

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

<u>* Reason</u>

<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: Steve Schmitt
Telephone Number:
Cell Phone: 530-906-9929
E-Mail: steve.schmitt@consulting-se.net

24-Hour Project Operational Contact

Name: Joe Benga
Telephone Number:
Cell Phone: 415-760-3193
E-Mail: jbenga@gardnercapital.com

Project On-site Contact information

Name: _____
Telephone Number: () ____ - ____
Cell Phone: () ____ - ____
E-Mail: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Malheur River Solar

Project Number: 12617110

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.)

Project consists of a single 10 MW photovoltaic solar plant to be connected to Idaho Power's 12.47 kV distribution system. Operating range of 0.9 leading to 0.9 lagging at the POI.

Nameplate: 10 MWac

VAR Capability (Both leading and lagging) Leading is 0.9 Lagging is 0.9

B-2 LOCATION OF FACILITY

Near: Vale, Oregon

Actual or nearest physical street address: 2199 Hwy 20

GPS Coordinates: Latitude 43.9371

Longitude -117.3544

State: Oregon County: Malheur

Description of Interconnection Location:

The interconnection location shall be specified in the Generator Interconnection Agreement.

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected October 15, 2016 as the Scheduled First Energy Date.

Seller has selected December 31, 2016 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 10 MWac 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 two percent (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 in which the project is physically located...
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 _____, _____ County, Oregon.
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 which the project is physically located.
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 _____, _____ County, Oregon.
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 which the project is physically located.
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 _____, _____ County, Oregon.
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. or any successors 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

BASE ENERGY PURCHASE PRICE

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

All of the prices contained within this Appendix are subject to revision as specified within Article VII.

Month/Year	Base Energy Purchase Price (Mills/kWh)
Oct-16	\$34.61
Nov-16	\$34.61
Dec-16	\$34.61
Jan-17	\$32.48
Feb-17	\$32.48
Mar-17	\$32.48
Apr-17	\$32.48
May-17	\$32.48
Jun-17	\$32.48
Jul-17	\$32.48
Aug-17	\$32.48
Sep-17	\$32.48
Oct-17	\$32.48
Nov-17	\$32.48
Dec-17	\$32.48
Jan-18	\$35.77
Feb-18	\$35.77
Mar-18	\$35.77
Apr-18	\$35.77
May-18	\$35.77
Jun-18	\$35.77
Jul-18	\$35.77
Aug-18	\$35.77
Sep-18	\$35.77
Oct-18	\$35.77
Nov-18	\$35.77
Dec-18	\$35.77
Jan-19	\$36.39
Feb-19	\$36.39
Mar-19	\$36.39
Apr-19	\$36.39
May-19	\$36.39
Jun-19	\$36.39
Jul-19	\$36.39
Aug-19	\$36.39
Sep-19	\$36.39

Base Energy Purchase
Price

Month/Year	(Mills/kWh)
Oct-19	\$36.39
Nov-19	\$36.39
Dec-19	\$36.39
Jan-20	\$35.57
Feb-20	\$35.57
Mar-20	\$35.57
Apr-20	\$35.57
May-20	\$35.57
Jun-20	\$35.57
Jul-20	\$35.57
Aug-20	\$35.57
Sep-20	\$35.57
Oct-20	\$35.57
Nov-20	\$35.57
Dec-20	\$35.57
Jan-21	\$38.86
Feb-21	\$38.86
Mar-21	\$38.86
Apr-21	\$38.86
May-21	\$38.86
Jun-21	\$38.86
Jul-21	\$38.86
Aug-21	\$38.86
Sep-21	\$38.86
Oct-21	\$38.86
Nov-21	\$38.86
Dec-21	\$38.86
Jan-22	\$41.53
Feb-22	\$41.53
Mar-22	\$41.53
Apr-22	\$41.53
May-22	\$41.53
Jun-22	\$41.53
Jul-22	\$41.53
Aug-22	\$41.53
Sep-22	\$41.53
Oct-22	\$41.53
Nov-22	\$41.53
Dec-22	\$41.53
Jan-23	\$44.12
Feb-23	\$44.12
Mar-23	\$44.12
Apr-23	\$44.12
May-23	\$44.12
Jun-23	\$44.12

Base Energy Purchase
Price

Month/Year	(Mills/kWh)
Jul-23	\$44.12
Aug-23	\$44.12
Sep-23	\$44.12
Oct-23	\$44.12
Nov-23	\$44.12
Dec-23	\$44.12
Jan-24	\$46.35
Feb-24	\$46.35
Mar-24	\$46.35
Apr-24	\$46.35
May-24	\$46.35
Jun-24	\$46.35
Jul-24	\$46.35
Aug-24	\$46.35
Sep-24	\$46.35
Oct-24	\$46.35
Nov-24	\$46.35
Dec-24	\$46.35
Jan-25	\$49.82
Feb-25	\$49.82
Mar-25	\$49.82
Apr-25	\$49.82
May-25	\$49.82
Jun-25	\$49.82
Jul-25	\$49.82
Aug-25	\$49.82
Sep-25	\$49.82
Oct-25	\$49.82
Nov-25	\$49.82
Dec-25	\$49.82
Jan-26	\$50.85
Feb-26	\$50.85
Mar-26	\$50.85
Apr-26	\$50.85
May-26	\$50.85
Jun-26	\$50.85
Jul-26	\$50.85
Aug-26	\$50.85
Sep-26	\$50.85
Oct-26	\$50.85
Nov-26	\$50.85
Dec-26	\$50.85
Jan-27	\$59.39
Feb-27	\$59.39
Mar-27	\$59.39

Base Energy Purchase
Price

Month/Year	(Mills/kWh)
Apr-27	\$59.39
May-27	\$59.39
Jun-27	\$59.39
Jul-27	\$59.39
Aug-27	\$59.39
Sep-27	\$59.39
Oct-27	\$59.39
Nov-27	\$59.39
Dec-27	\$59.39
Jan-28	\$71.66
Feb-28	\$71.66
Mar-28	\$71.66
Apr-28	\$71.66
May-28	\$71.66
Jun-28	\$71.66
Jul-28	\$71.66
Aug-28	\$71.66
Sep-28	\$71.66
Oct-28	\$71.66
Nov-28	\$71.66
Dec-28	\$71.66
Jan-29	\$73.94
Feb-29	\$73.94
Mar-29	\$73.94
Apr-29	\$73.94
May-29	\$73.94
Jun-29	\$73.94
Jul-29	\$73.94
Aug-29	\$73.94
Sep-29	\$73.94
Oct-29	\$73.94
Nov-29	\$73.94
Dec-29	\$73.94
Jan-30	\$76.29
Feb-30	\$76.29
Mar-30	\$76.29
Apr-30	\$76.29
May-30	\$76.29
Jun-30	\$76.29
Jul-30	\$76.29
Aug-30	\$76.29
Sep-30	\$76.29
Oct-30	\$76.29
Nov-30	\$76.29
Dec-30	\$76.29

Base Energy Purchase
Price

Month/Year	(Mills/kWh)
Jan-31	\$80.43
Feb-31	\$80.43
Mar-31	\$80.43
Apr-31	\$80.43
May-31	\$80.43
Jun-31	\$80.43
Jul-31	\$80.43
Aug-31	\$80.43
Sep-31	\$80.43
Oct-31	\$80.43
Nov-31	\$80.43
Dec-31	\$80.43
Jan-32	\$82.82
Feb-32	\$82.82
Mar-32	\$82.82
Apr-32	\$82.82
May-32	\$82.82
Jun-32	\$82.82
Jul-32	\$82.82
Aug-32	\$82.82
Sep-32	\$82.82
Oct-32	\$82.82
Nov-32	\$82.82
Dec-32	\$82.82
Jan-33	\$84.81
Feb-33	\$84.81
Mar-33	\$84.81
Apr-33	\$84.81
May-33	\$84.81
Jun-33	\$84.81
Jul-33	\$84.81
Aug-33	\$84.81
Sep-33	\$84.81
Oct-33	\$84.81
Nov-33	\$84.81
Dec-33	\$84.81
Jan-34	\$86.82
Feb-34	\$86.82
Mar-34	\$86.82
Apr-34	\$86.82
May-34	\$86.82
Jun-34	\$86.82
Jul-34	\$86.82
Aug-34	\$86.82
Sep-34	\$86.82

Base Energy Purchase
Price

Month/Year	(Mills/kWh)
Oct-34	\$86.82
Nov-34	\$86.82
Dec-34	\$86.82
Jan-35	\$88.88
Feb-35	\$88.88
Mar-35	\$88.88
Apr-35	\$88.88
May-35	\$88.88
Jun-35	\$88.88
Jul-35	\$88.88
Aug-35	\$88.88
Sep-35	\$88.88
Oct-35	\$88.88
Nov-35	\$88.88
Dec-35	\$88.88
Jan-36	\$85.01
Feb-36	\$85.01
Mar-36	\$85.01
Apr-36	\$85.01
May-36	\$85.01
Jun-36	\$85.01
Jul-36	\$85.01
Aug-36	\$85.01
Sep-36	\$85.01
Oct-36	\$85.01
Nov-36	\$85.01
Dec-36	\$85.01
Jan-37	\$93.20
Feb-37	\$93.20
Mar-37	\$93.20
Apr-37	\$93.20
May-37	\$93.20
Jun-37	\$93.20
Jul-37	\$93.20
Aug-37	\$93.20
Sep-37	\$93.20
Oct-37	\$93.20
Nov-37	\$93.20
Dec-37	\$93.20

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 five (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 ten (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.
5. Seller shall be entitled to self-insure these coverage's with approval of Idaho Power, which shall not be unreasonable withheld, delayed or conditioned.

APPENDIX G

SOLAR ENERGY PRODUCTION FORECASTING

Idaho Power shall make use of a Solar Energy Production Forecasting model to forecast the energy production from this Facility and other Qualifying Facility solar generation resources.

G-1 Seller shall contribute to the cost of the Solar Energy Production Forecasting. The Facility's share of Solar Energy Production Forecasting is determined as specified below. Seller's payments for the cost of the Solar Energy Production Forecasting in any Contract Year will not be greater than one tenth percent (0.1%) of the total energy payments made to Seller by Idaho Power during the previous Contract Year.

- a. For every month of this Agreement beginning with the first full month after the First Energy Date as specified in this Agreement, the Solar Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. Any Solar Energy Production Forecasting Monthly Cost Allocations (MCA) that are not reimbursed to Idaho Power shall be deducted from energy payments to the Seller.
- b. During the first Contract Year, as the value of the one tenth percent (0.1%) cap of the Facility's total energy payments will not be known until the first Contract Year is complete, Idaho Power will deduct the Facility's calculated share of the Solar Energy Production Forecasting costs specified in item d each month during the first Contract Year and subsequently refund any overpayment (payments that exceed the cap) in equal monthly amounts over the ensuing Contract Year.
- c. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate of Solar projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.

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

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

Facility MW (FMW) is equal to the Nameplate Capacity rating of this Facility as specified within the Agreement.

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

$$\text{Annual Cost Allocation (ACA)} = \text{AFCost} \times (\text{FMW} / \text{TMW})$$

And

$$\text{Monthly Cost Allocation (MCA)} = \text{ACA} / 12$$

- e. The Solar Energy Production Forecasting Monthly Cost Allocation (MCA) is due and payable to Idaho Power. The MCA will first be netted against any monthly energy payments owed to the Seller. If the netting of the MCA against the monthly energy payments results in a balance being due Idaho Power, the Facility shall pay this amount within fifteen (15) days of the date of the payment invoice.

G-2 The Seller shall also provide solar irradiation and weather data specific to the Facility's physical location to Idaho Power via real time telemetry in a form acceptable to Idaho Power. The specific equipment and location of this equipment shall be specified in the GIA. This data will be provided at 10 second intervals and will consist of:

- a.) Global Horizontal Irradiance
- b.) Plane of Array
- c.) Temperature
- d.) Wind Speed and Direction

APPENDIX H

Estimated Hourly Energy Production
This Information was provided by the project for use in the Incremental Cost IRP Avoided Cost pricing methodology.

Idaho Power Company																
Proposed PURPA Project Estimated Hourly Generation																
Project Name:		Malheur River Solar														
AC Project Nameplate (MW):		10 MW														
Project Estimated Online Date:		10/1/2016														
Project Estimated Annual Capacity Factor		28%														
Installation (i.e. stationary rack, tracking, etc.)		Single Axis Tracking														
Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time																
Hour	Start	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	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	
7:00 AM	8:00 AM		8	0.0	0.0	0.9	0.4	2.3	3.9	2.5	0.8	0.0	0.0	0.0	0.0	
8:00 AM	9:00 AM		9	0.1	1.7	4.9	4.2	6.7	8.0	6.9	5.3	2.8	0.8	1.0	0.0	
9:00 AM	10:00 AM		10	2.1	5.8	6.9	7.0	8.3	9.2	8.6	8.3	7.5	5.0	3.5	1.9	
10:00 AM	11:00 AM		11	3.1	6.8	7.2	7.6	8.6	9.5	9.1	9.1	8.9	6.9	4.2	2.4	
11:00 AM	12:00 PM		12	2.9	6.2	6.9	8.1	9.0	9.3	9.4	9.1	8.9	7.2	4.0	2.7	
12:00 PM	1:00 PM		13	3.1	5.3	7.1	7.6	8.7	9.4	9.2	9.1	8.6	6.9	3.8	2.6	
1:00 PM	2:00 PM		14	2.7	5.1	6.5	7.7	9.2	9.3	9.2	9.2	8.2	6.2	3.9	2.7	
2:00 PM	3:00 PM		15	2.8	5.8	7.0	7.5	8.7	9.4	9.3	9.1	7.8	6.2	4.0	2.5	
3:00 PM	4:00 PM		16	3.7	5.9	6.2	7.2	7.7	8.8	8.7	9.1	8.1	6.6	3.7	2.6	
4:00 PM	5:00 PM		17	2.9	5.5	6.3	6.7	7.5	8.4	8.6	8.4	8.0	6.4	1.3	0.6	
5:00 PM	6:00 PM		18	0.1	1.8	4.0	6.6	6.9	8.2	8.3	8.4	7.3	4.3	0.0	0.0	
6:00 PM	7:00 PM		19	0.0	0.0	0.4	5.6	6.6	7.1	7.5	7.2	4.7	0.7	0.0	0.0	
7:00 PM	8:00 PM		20	0.0	0.0	0.0	2.3	4.3	5.3	5.4	3.5	0.7	0.0	0.0	0.0	
8:00 PM	9:00 PM		21	0.0	0.0	0.0	0.0	0.7	1.7	1.7	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 Average			23.4	50.0	64.4	78.4	95.2	104.4	96.8	81.6	57.3	29.3	18.1			
Days			31.0	28.0	31.0	30.0	31.0	30.0	31.0	31.0	31.0	30.0	31.0			
Total Power			724.68	1399.05	1997.36	2353.16	2952.47	3231.67	3237.46	3001.09	2447.29	1776.74	879.96	562.07		
Total kWh			724,682	1,399,052	1,997,357	2,353,164	2,952,471	3,231,685	3,237,456	3,001,092	2,447,292	1,776,736	879,960	562,066		