BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AUTHORITY TO MODIFY ITS NET METERING SERVICE AND TO INCREASE THE GENERATION CAPACITY LIMIT.	)	CASE NO. IPC-E-12-27

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

MATTHEW T. LARKIN

Q. Please state your name and business address.

A. My name is Matthew T. Larkin. My business address is 1221 West Idaho Street, Boise, Idaho.

Q. By whom are you employed and in what capacity?

A. I am employed by Idaho Power Company ("Idaho Power" or "Company") as a Regulatory Analyst II in the Regulatory Affairs Department.

Q. Please describe your educational background.

A. I received a Bachelor of Business Administration degree in Finance from the University of Oregon in 2007. In 2008, I earned a Master of Business Administration degree from the University of Oregon. I have also attended electric utility ratemaking courses, including *The Basics: Practical Regulatory Training for the Electric Industry*, a course offered through New Mexico State University's Center for Public Utilities, and *Introduction to Rate Design and Cost of Service Concepts and Techniques*, presented by Electric Utilities Consultants, Inc.

Q. Please describe your work experience.

A. I began my employment with Idaho Power as a Regulatory Analyst I in January 2009. As a Regulatory Analyst I, I provided support for the Company's regulatory activities including compliance reporting, financial

analysis, and the development of revenue forecasts for regulatory filings.

In January 2012, I was promoted to Regulatory Analyst II. As a Regulatory Analyst II, my responsibilities have expanded to include the development of complex cost-related studies and the analysis of various strategic regulatory issues.

Q. What is the Company requesting in this filing?

A. The Company is requesting to modify its net metering service currently offered through Schedule 84, "Customer Energy Production Net Metering," ("Schedule 84") and Schedule 72, "Interconnections to Non-Utility Generation" ("Schedule 72"). The Company is also requesting to implement two new tariffs, Schedule 6, "Residential Net Metering Service," ("Schedule 6") and Schedule 8, "Small General Net Metering Service," ("Schedule 8") and to modify the title of Schedule 84 to read "Large Customer Net Metering Service."

Q. What are the primary objectives of the Company's request?

A. The primary objectives of the Company's request are to: (1) expand net metering service beyond the current 2.9 megawatt ("MW") cap, (2) implement a modified rate structure for Residential Service and Small General Service customers taking net metering service through the

implementation of the proposed Schedule 6 and Schedule 8, and (3) propose several modifications to Schedule 72 and Schedule 84 that are necessary to allow the Company to safely and effectively expand its net metering service offering.

Q. Why is the Company proposing to modify its net metering service at this time?

A. The Company's current Schedule 84 contains a provision that limits the cumulative nameplate generation capacity of interconnected net metering systems to 2.9 MW. On page 7 of Order No. 29094 issued in Case No. IPC-E-02-04, the Idaho Public Utilities Commission ("Commission") stated:

> We accept for now the Company's proposed cap to Schedule 84, i.e., the 2.9 MW cumulative nameplate capacity limit. We apprise Idaho Power, however, that when the cap is reached, the Company is to immediately notify the Commission in writing that the Company is in the position of having to refuse further applications. At that point, this Commission will look at the cap again and determine whether it continues to be reasonable or if there is a better measure of what's appropriate or if there is a need for a cap at all.

The Company is making this filing in accordance with the Commission's directive issued in that case. As of November 1, 2012, the installed capacity of net metering systems totaled 2.246 MW, with applications pending for an

additional .279 MW, for a grand total of 2.525 MW. Given recent growth trends and the current level of installed net metering generation, the Company expects that the 2.9 MW cap will be reached within the next six months. While the Commission's directive states that the Company is to provide notification when the cap is reached, the Company wishes to file earlier to avoid a situation in which the tariff requires the Company to refuse new applications for net metering service.

Q. Please provide an outline of your testimony.

A. The first section of my testimony will detail the history of the Company's net metering service from its inception to the implementation of Schedule 84 currently in effect. The second section of my testimony will address the capacity limit of 2.9 MW that is currently in place, and describe the Company's request to expand this cap. The third section of my testimony will address the Company's proposed pricing modifications for net metering service through the implementation of the proposed Schedule 6 and Schedule 8. The fourth section of my testimony will address the treatment of net metering energy generation in excess of consumption. My testimony will conclude with a discussion of proposed administrative modifications to Schedule 72 and Schedule 84.

I. HISTORY

Q. Please provide a general description of net metering service.

A. Net metering service is offered by the Company to provide for transfer of electricity to the Company through customer-owned generation facilities with the intent of offsetting all or a portion of a customer's energy usage.

Q. How long has Idaho Power offered net metering service?

A. On October 20, 1983, the Company first established its net metering service offered to customers through Schedule 86, "Cogeneration and Small Power Production Non-Firm Energy" ("Schedule 86"), under Option C per Commission Order No. 18358. At that time, Schedule 86 was modified to accommodate a single customer with an installed photovoltaic system.

Q. Please describe how the Company's net metering service was structured at the time of its initial offering.

A. The net metering service established in 1983 was designed to provide customers the ability to offset all or a portion of their usage with their own generation. Idaho Power charged customers the full retail rate for net energy consumed and credited the full retail rate for net generation delivered to the Company.

Q. Did the Company propose any modifications to its net metering service after it was established in 1983?

A. Yes. In October of 1995, the Company filed an application in Case No. IPC-E-95-15 requesting to modify the terms of Schedule 86. As part of this case, a formula-based rate was implemented to allow the Company to recover certain non-generation costs from net metering customers. When the formula rate was created, the Company's net metering service still consisted of a single customer with an installed photovoltaic system; therefore, the Company's formula rate proposal was specifically designed for photovoltaic systems. It was anticipated that when other types of generation were introduced, new formula rates would be created for those specific generation types.

Q. Was net metering service further modified following the conclusion of Case No. IPC-E-95-15?

A. Yes. On February 13, 2002, the Commission issued Order No. 28951 in Case No. IPC-E-01-39 creating Schedule 84 and removing net metering service from Schedule 86. As part of that Order, pricing associated with the Company's net metering service was modified to remove the previously-described formula rate.

Q. What were the driving factors for creating Schedule 84 and removing net metering service from Schedule 86?

A. At the time Schedule 84 was created, there were three customers taking service under the net metering provision of Schedule 86. The practicality of this provision, however, was limited as the Schedule 86 formula rate required a manual billing process that was determined to be overly complex and time intensive, and was only designed to accommodate photovoltaic installations. Through the creation of Schedule 84, pricing was simplified for net metering customers by eliminating the formula rate component of customers' bills and applying the full retail rate to net usage or generation. This allowed the Company to use its existing billing system and a single meter, and provided the ability to charge or credit customers at rates consistent with their respective rate classes. It also allowed the Company to expand its net metering service to a broader range of generation resources.

Q. Did the Commission Staff ("Staff") raise any concerns with the Company's proposal in regard to crediting customers for generation at the full retail rate?

A. Yes. On page 5 of Order No. 28951, the Commission summarized Staff's concern:

> Staff contends that the Company's proposal to credit customer generators at full retail rates will pay customers more than the actual value of the generation. Consider, for example, it states, an instance in which a residential net metering customer completely offsets his entire

> usage during the month. The customer would pay only a basic customer charge ($2.51). Idaho Power would collect no revenue from the sale of kilowatt hours. With only revenue from the customer charge, Idaho Power cannot recover its full cost of service. To provide service, Idaho Power must still have distribution plant in place (poles, wires, transformers, etc.), they must still read meters and send bills, and they still have administrative costs.

Q. Did the Company share Staff's concerns regarding the crediting of customers at the full retail rate?

A. Yes. In response to a Staff production request in Case No. IPC-E-01-39 the Company stated, "It is possible that the retail rate may be higher [than the value of generation]."[1]

Q. Why did the Company propose to credit net metering customers at the full retail rate at that time?

A. In the same response described above, the Company stated:

> The Company believes, at this time, that the benefits gained in reducing administrative costs offset any potential difference [in value]. By employing retail rates, the Company will eliminate a cumbersome, involved process required to calculate the additional monthly charge currently defined under Schedule 86 - Option B. By providing a simple mechanism to credit customer generation at retail

[1] Case No. IPC-E-01-39, Idaho Power's Response to Staff's Production Request No. 6.

> rates, the Company will reduce administrative costs and customers will have a methodology that will be easier to understand and track their account."

Q. Was the issue of crediting customers at the full retail rate addressed by the Commission?

A. Yes. The issue was addressed through the limits placed on individual projects as well as the total installed capacity limit of 2.9 MW described previously. On page 6 of Order No. 28951, the Commission stated the following:

> Despite Staff's concerns that some of the costs to serve net metering customers will be subsidized by other customers, the overall dollar impacts of net metering, Staff contends, will be small *if participation levels are restricted.* (Emphasis added.)

Q. Were further modifications made to the Company's net metering service following the conclusion of Case No. IPC-E-01-39?

A. Yes. Through Order No. 28951 issued in Case No. IPC-E-01-39, the Commission directed Idaho Power to file a proposal modifying several components of its net metering service within six weeks of the issuance of its Order.[2] On March 29, 2002, Idaho Power filed an application in Case No. IPC-E-02-04 in compliance with the Commission's directive.

[2] Case No. IPC-E-01-39, Order No. 28951, p. 1.

Q. What was the result of Case No. IPC-E-02-04?

A. The Commission issued Order No. 29094 on August 21, 2002, approving a number of modifications to the Company's net metering service and reaffirming its view that the cumulative nameplate generation capacity limit of 2.9 MW was appropriate at that time.[3]

Q. How many customers currently take net metering service under Schedule 84?

A. As of November 1, 2012, Idaho Power currently has 353 net metering customers. Table 1 details the composition of current net metering customers, grouped by major rate class and resource type. These figures reflect customers currently taking net metering service as well as customers who have submitted applications for net metering service.

Table 1

Class	Photovoltaic	Wind	Hydro/Other	Total
Residential	201	65	6	272
Commercial	69	7	3	79
Industrial	1	0	0	1
Irrigation	1	0	0	1
Total	272	72	9	353

[3] Case No. IPC-E-02-04, Order No. 29094, p. 7.

II. CAPACITY LIMIT

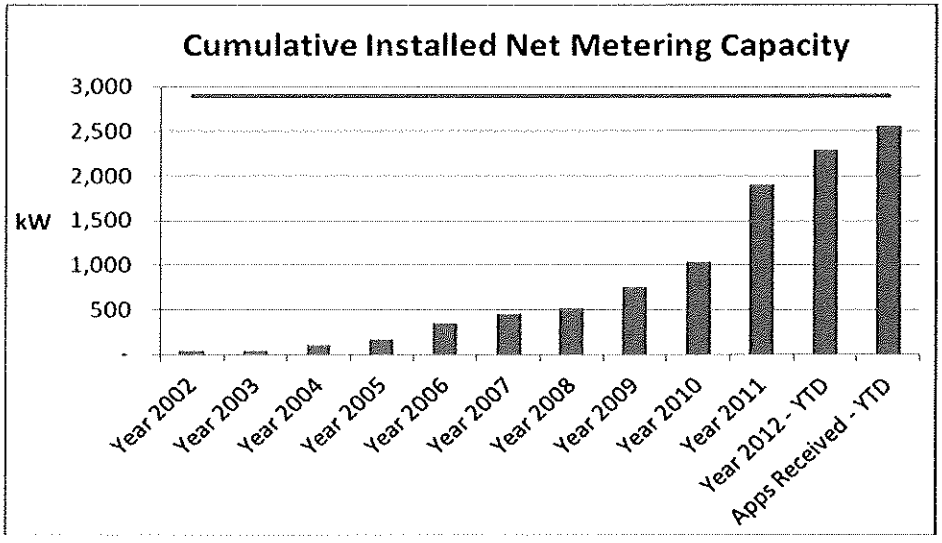
Q. What is the current capacity limit for customer-owned generation facilities taking service under Schedule 84?

A. As set forth in Order No. 28951, and reaffirmed in Order No. 29094, the current capacity limit under Schedule 84 for net metering installations is 2.9 MW.

Q. How has the installed generation capacity of net metering systems changed since the issuance of Order Nos. 28951 and 29094 in 2002?

A. Figure 1 shows how the installed capacity of net metering systems has grown since 2002. The solid horizontal line across the top of the chart represents the capacity limit of 2.9 MW currently in place, while the vertical bars along the bottom of the chart represent cumulative installed capacity over time.

Figure 1



Q. Please describe the growth trends illustrated in Figure 1.

A. At the time Schedule 84 was created in 2002, installed net metering capacity connected to the Company's system totaled 39 kilowatts ("kW"). Following the implementation of Schedule 84, the installed capacity of net metering systems steadily increased from 39 kW to just under 1,000 kW between 2002 and 2010. Since 2010, growth increased sharply, rising by nearly 1,500 kW over approximately two years.

When viewed in relation to the capacity limit, the Company experienced steady growth throughout the first nine years of the existence of Schedule 84, reaching approximately one-third of its overall capacity limit by 2010. In less than two years since that time, installed capacity has nearly tripled and the Company is now on the verge of reaching the 2.9 MW capacity limit.

Q. When does the Company expect to reach the current capacity limit of 2.9 MW?

A. Taking into account pending applications and the level of growth the Company has experienced over the last two years, the Company expects to reach the 2.9 MW capacity limit within the next six months.

Q. Does the Company propose to increase the current net metering capacity limit of 2.9 MW?

A. Yes. The Company proposes to double the current capacity limit from 2.9 MW to 5.8 MW.

Q. Why is a net metering capacity limit still needed?

A. As shown earlier in Figure 1, the Company has experienced a steep increase in net metering installations since 2010. Even with this growth, however, this service is still relatively small, representing just over 350 of the Company's approximate 500,000 customers. If current growth trends continue or increase, it is important to maintain a capacity limit to allow the Company and other stakeholders to evaluate this service as it expands. This provides the Company with the ability to identify any future modifications that may be necessary to accommodate more widespread expansion of its net metering service. By increasing the current capacity limit to 5.8 MW, the Company is facilitating the expansion of its net metering service while maintaining the opportunity to appropriately evaluate and request to modify this service as necessary.

Q. What is the Company's proposal in the event that the Company receives new net metering applications after the cap is met but before the Commission has made a final determination as to the appropriate level of the cap?

A. The Company is requesting a temporary waiver of the 2.9 MW cap if it is reached prior to the

Commission's final determination regarding the appropriate capacity limit. The purpose of the waiver is to prevent customers from being turned away if they request net metering service while the Commission is considering the Company's request. Under the proposed waiver, customers that begin taking net metering service after the 2.9 MW cap is met will be subject to the terms of Schedule 72 and Schedule 84 currently in place until the Commission issues a final order in this case.

Q. How will existing net metering customers or new net metering customers acquired during the proposed waiver period be treated under the Company's proposal?

A. The Company recommends that all current and new net metering customers be subject to the terms of any revisions made to net metering service that are ultimately approved by the Commission.

III. PRICING

Q. What is the primary objective of the Company's pricing proposal?

A. The primary objective of the Company's pricing proposal is to facilitate further growth in its net metering service while limiting the potential negative impact on standard service customers. The Company believes its pricing proposal balances the interests of net metering customers and standard service customers, limiting the

potential for inequity by applying charges to net metering customers that accurately reflect the cost to serve them.

Q. Why is the Company proposing to modify net metering rates at this time?

A. Under current net metering service, customers receive the full retail rate for the generation provided by net metering systems; however, the full retail rate includes cost recovery associated with all components of the Company's electrical system, including transmission, distribution, and customer-related costs. As a result, the Company is financially compensating these customers for services they are not providing to the detriment of customers taking service without net metering installations. As previously described in my testimony, in Case No. IPC-E-01-39 the Company and Staff shared the view that it is inappropriate to apply full retail energy rates to net energy usage for customers with net metering installations. At that time, however, it was ultimately determined that administrative ease and the relatively small number of customers under net metering service outweighed the potential risk of inequity. This risk was further mitigated by the implementation of the 2.9 MW cap.

Ten years after the conclusion of Case No. IPC-E-01-39, the Company's net metering service has grown sharply as shown in Figure 1, warranting pricing modifications to

address these previously identified concerns. As summarized in Order No. 28951, Staff noted in Case No. IPC-E-01-39 that "if and when there is 2.9 MW of net metering on Idaho Power's system, a more accurate cost based rate should be established."[4] The Company concurs with Staff's view, and believes that the pricing should be modified to more accurately reflect the cost of serving these customers.

Further, since the conclusion of Case No. IPC-E-01-39, the Company has installed Advanced Metering Infrastructure ("AMI") throughout its service area for nearly all Residential and Small General Service customers. This allows the Company to implement demand-related rates for these customers that previously would have required the replacement of standard mechanical meters with more expensive demand meters. With AMI in place, the Company is now able to implement demand-related rates for Residential and Small General Service customers without incurring any incremental cost associated with meter replacement, and bill according to demand-related billing components that are automatically captured by the Company's billing system. This allows the Company to modify its rate design to more accurately reflect the cost of serving these customers

[4] Case No. IPC-E-01-39, Order No. 28951, p. 6.

while avoiding many of the incremental costs that would have existed prior to the installation of AMI.

Q. Please explain why the Company feels the current pricing structure for net metering service is inappropriate and unsustainable going forward.

A. For Schedule 1, "Residential Service," ("Schedule 1") and Schedule 7, "Small General Service," ("Schedule 7") customers are billed according to two types of charges: (1) a flat monthly service charge of $5.00 and (2) per kilowatt-hour ("kWh") energy charges that vary by season and total monthly consumption. Due to the limited billing components associated with these rate classes, the majority of the Company's revenue requirement associated with Residential Service and Small General Service is collected through volumetric energy rates. This includes costs associated with all components of the electrical system, from investment in generation resources to the meters installed on customers' premises. Consequently, energy rates for Schedule 1 and Schedule 7 reflect not only the energy-related components of revenue requirement, but fixed costs associated with generation, transmission, and distribution as well.

Under the current rate structure for Residential and Small General Service net metering customers, total energy charges are calculated by applying the Company's standard

Schedule 1 or Schedule 7 rates to total net energy usage throughout each billing period. The effective result of this pricing methodology is the crediting of net metering customers at the full retail energy rate for each kWh produced. By applying the standard Schedule 1 or Schedule 7 rates, net metering customers are credited according to a rate that reflects cost recovery associated with all components of the Company's electric system, which is greater than the amount of generation-related revenue requirement embedded in rates. This creates a potential inequity between net metering customers and standard service customers, as net metering customers are provided the opportunity to unduly reduce collection of revenue requirement by receiving credit for generation at the full retail rate while standard service customers are left to compensate for the revenue shortfall.

Q. How does the Company propose to address this issue?

A. For Residential and Small General Service customers, the Company is proposing to mitigate this potential inequity through the implementation of Schedule 6 and Schedule 8. These proposed service schedules modify the charges through which the Company collects revenue requirement from Residential Service and Small General Service net metering customers, respectively. Utilizing

the results of the Company's most current class cost-of-service study that was reviewed in Case No. IPC-E-11-08, Schedule 6 and Schedule 8 reflect three primary modifications to the collection of revenue requirement from Residential and Small General Service net metering customers: (1) an increase to the monthly service charge for Residential Service from $5.00 to $20.92, and for Small General Service from $5.00 to $22.49, to reflect collection of 100 percent of customer-related revenue requirement, (2) the implementation of a basic load capacity ("BLC") charge of $1.48 per kW for Residential Service, and $1.37 for Small General Service, to reflect collection of demand-related revenue requirement associated with the distribution system, and (3) a uniform reduction to the energy charges for Residential and Small General Service to target the same level of total revenue recovery that would exist under the standard service rate design.

Q. Have you prepared an exhibit detailing the Company's pricing proposal?

A. Yes. Exhibit No. 1 provides a side-by-side comparison of current Schedule 1 and Schedule 7 rates and the Company's proposed Schedule 6 and Schedule 8 rates.

Q. Is the Company requesting a change to its level of revenue collection through the implementation of Schedule 6 and Schedule 8?

A. No. Schedule 6 and Schedule 8 were designed according to the results of the Company's most recently completed rate case, and were modified to reflect approved changes in revenue requirement since the conclusion of that case. The proposed schedules simply modify the charges through which the Company collects its currently authorized revenue requirement without modifying the level of revenue collection.

Q. How does the Company's proposal accomplish the objective of limiting the potential inequity between net metering and standard service for Residential and Small General Service customers?

A. The two components of revenue requirement that are removed from the proposed energy charge reflect fixed costs associated with the Company's distribution system that are utilized by all Residential and Small General Service customers, regardless of whether or not they provide supplemental generation through net metering installations. Generally speaking, customer-related costs are those that are incurred simply due to the need to provide service to customers. Examples of these costs include meters, service drops, customer service expenses, and other related operations and maintenance expenses ("O&M"). Demand-related costs associated with the distribution system are costs that are driven by the

Company's requirement to meet the capacity needs of customers at the distribution level. Examples of these costs include substations, distribution lines, transformers, and associated O&M.

All Residential and Small General Service customers utilize the Company's distribution system regardless of whether or not they take standard or net metering service. By crediting net metering customers at the full retail energy rate, the opportunity exists for these customers to unduly reduce collection of these costs for which they are partly responsible. Removing these components of revenue requirement from the energy charge ensures that net metering customers will pay an equitable share of costs associated with the distribution system based on their contribution to these costs, thus reducing the potential for inequitable recovery of revenue requirement between net metering customers and standard service customers.

Q. What is the level of potential inequity that is corrected by the implementation of Schedule 6 and Schedule 8?

A. According to the Company's class cost-of-service study in Case No. IPC-E-11-08, distribution-related revenue requirement collected through energy rates totaled $127,154,505 for Residential Service customers and $7,186,278 for Small General Service customers. Converted

to a cents-per-kWh figure, this means that $0.025413 of the average Schedule 1 energy rate is comprised of distribution-related charges, while $0.048247 of the average Schedule 7 energy rate is comprised of distribution-related charges. These rates reflect the potential for inequity between net metering customers and standard service customers absent the implementation of the Company's proposed Schedule 6 and Schedule 8.

Q. Why is the Company not proposing to remove all non-energy-related costs from the energy rates contained in Schedule 6 and Schedule 8?

A. The Company's pricing proposal is intended to mitigate the potential inequity between net metering customers and standard service customers while still providing net metering customers the opportunity to offset all or a portion of their energy consumption. By leaving the collection of demand-related generation and transmission costs in the volumetric energy rate, the Company's proposal recognizes that these systems potentially provide benefits at the generation and transmission level by reducing loads on these components of the Company's system at certain times.

Q. Why does the Company's proposal for Schedule 6 and Schedule 8 exclude time-differentiated rates for net metering usage and generation?

A. While the Company believes that time-differentiated rates may be appropriate for net metering service, the calculations to implement these rates would be complex from a billing perspective. The Company is currently in the process of implementing a new customer information and billing system and has yet to gain the knowledge and understanding needed to determine the feasibility of time-differentiated rates for net metering usage and generation. While the Company will continue to evaluate this potential enhancement in the future, it is not administratively feasible at this time.

Q. Did the Company consider offering a two-meter option for Schedule 6 and Schedule 8 customers that would provide compensation for generation according to a generation-specific rate?

A. Yes. However, compensating customers for net metering generation at a generation-specific rate would require two separate meters; one meter would record usage at the customer's site to be billed at retail rates while a second meter would record generation from the net metering system to be credited at generation-specific rates. The Company determined that this option is not feasible for net metering customers, as the need for a second meter can be problematic in application and would increase the cost associated with net metering service. In addition to the

cost of the meter itself, the installation of a second meter can be complicated due to a number of factors, including the location of the generation resource, facilities that can only be accessed via neighboring customer property, and the presence of underground service. These potential factors, coupled with the incremental cost of the equipment, could create a potential financial barrier for net metering customers if the Company were to pursue a two-meter option for this service. As described later in my testimony, customers who wish to assume the incremental cost associated with selling wholesale energy at generation-specific rates are provided the opportunity to do so under the Company's Schedule 86.

Q. Will customers taking service under Schedule 6 or Schedule 8 be subject to the Fixed Cost Adjustment ("FCA") under the Company's proposal?

A. No. Because the proposed rate design is intended to collect a portion of the same costs that are addressed by the FCA, these customers should not be subject to FCA rates contained in Schedule 54. Idaho Power recommends that Schedule 54 continue to apply only to customers receiving service under Schedules 1, 3, 4, 5, and 7.

Q. Is the Company proposing to modify pricing for net metering customers not categorized as Residential or Small General?

A. No. The Company is proposing to maintain the current pricing structure for all other customer classes. These customers will still be subject to Schedule 84, which the Company is proposing to tailor specifically to net metering customers not taking service under Schedule 6 or Schedule 8.

Q. Why is the Company proposing to maintain the current net metering pricing structure for net metering customers other than those taking service under Schedule 6 or Schedule 8?

A. The current pricing structure for Schedules 9, 19, and 24 already collects a portion of fixed costs through a BLC charge, billing demand charge, and customer charge. Because the majority of fixed cost recovery is excluded from the energy rates applied to these rate classes, the inequity concerns associated with the current Schedule 1 and Schedule 7 rate designs are much less applicable.

IV. EXCESS NET ENERGY

Q. Please define the term "Excess Net Energy."

A. Schedule 84 defines "Excess Net Energy" as "the positive difference between the kWh generated by a

[Customer] and the kWh supplied by the Company over the applicable Billing Period."

Q. What is the Company's current billing practice for Excess Net Energy under Schedule 84?

A. The Company's currently-approved Schedule 84 provides financial credits to customers based on the amount of Excess Net Energy measured in kWh per billing period. For Residential and Small General Service customers, financial credits are calculated by applying the full retail energy rate to total Excess Net Energy; for all other net metering customers, financial credits are calculated by applying a market-based rate to total Excess Net Energy. Customers receiving financial credits can either apply these amounts against future bills or request payment from the Company.

Q. What are the Company's concerns in regard to the current treatment of Excess Net Energy?

A. As stated in Schedule 84, the intent of net metering service is to allow customers "to generate electricity to reduce all or part of their monthly energy usage." In other words, net metering is intended to offset usage, not to provide customers with an avenue to sell power generation to the Company outside of Schedule 86. In the case of Residential and Small General Service customers, the Company is in effect purchasing power from

net metering installations at the full retail rate, which, as described above, is higher than the generation-related revenue requirement embedded in rates.

Further, since the Commission last reviewed Idaho Power's net metering service, decisions issued by the Federal Energy Regulatory Commission ("FERC") indicate that providing financial payments to net metering customers for Excess Net Energy may be considered wholesale transactions subject to FERC jurisdiction under 16 U.S.C § 824(a)-(b). To ensure that its net metering service can be fully implemented at the state level in a manner that complies with federal law, Idaho Power believes that it must cease its current practice of providing financial payments to customers in the context of net metering.

Q. How does the Company propose to address the concerns associated with its current practice for billing Excess Net Energy?

A. To address these concerns the Company proposes to eliminate the practice of providing financial payments to customers who generate Excess Net Energy. In place of financial payments, the Company proposes to provide customers with a kWh credit in the amount of Excess Net Energy accrued during a billing period that can be carried forward and applied against usage in subsequent billing periods. These credits will expire annually at the

conclusion of a customer's December billing period. It is my understanding that this methodology is also applied by Avista Corporation in its Idaho service area.

Q. Will this result in a windfall financial benefit to the Company through a reduction in purchased power expenses?

A. No. Payments currently made to net metering customers are recorded to FERC Account 555.101, Purchased Power, which is tracked through the Company's Power Cost Adjustment mechanism. Deviations in this account are passed through to customers at 100 percent; therefore, any reduction in this account will be entirely passed through to customers, providing no financial benefit to the Company.

Q. Does the Company offer an avenue for small power producers to sell output to the Company in exchange for financial payment?

A. Yes. Customers wishing to sell generation to the Company for financial payment can continue to do so by procuring a sales agreement through Schedule 86.

Q. Why is it more appropriate for a small power producer to sell power to the Company under Schedule 86 as opposed to net metering service?

A. As described above, net metering is intended to allow customers to offset all or a portion of their

energy usage, not to provide an avenue for small power producers to sell wholesale power at retail rates, as is the case for Residential and Small General Service customers, or at market-based rates, as is the case for all other net metering customers. By eliminating the ability of wholesale power producers to sell generation to the Company under the terms of Schedule 84, all non-utility power producers will be subject to the terms, conditions, and rates of Schedule 86. This will create consistency in the treatment of all non-utility generation projects, prevent gaming between tariff schedules, and prevent projects from selling power at full retail energy rates or market-based rates at the expense of the general body of customers. Further, the elimination of financial payments mitigates the risk of executing power transactions in a manner that may be subject to federal wholesale regulation.

V. ADMINISTRATIVE TARIFF MODIFICATIONS

Q. In addition to the pricing and billing modifications described above, is the Company proposing any other changes to its tariff schedules?

A. Yes. As net metering service has continued to expand from a single customer to over 350, the Company has identified a number of components of the related tariff schedules that should be modified to improve clarity, customer understanding, and the Company's ability to

provide net metering service in an efficient, safe, and reliable manner.

Q. Please describe these proposed changes.

A. The Company is proposing to make three primary modifications to its tariff schedules associated with net metering. These changes include: (1) reorganizing Schedule 72 to clarify sections applicable to net metering, (2) adding a detailed application process for net metering customers to Schedule 72, and (3) adding a section to Schedule 72 that sets forth the treatment of unauthorized net metering installations.

Q. Please describe the proposed reorganization of Schedule 72.

A. The Company's current Schedule 72 is comprised of 29 pages that detail the requirements associated with interconnections of non-utility generation to the Company's system. This tariff applies to all types of non-utility generation, including net metering installations and qualifying facilities ("QF") as defined by the Public Utility Regulatory Policies Act of 1978 ("PURPA"). Under the current structure of Schedule 72, requirements for net metering customers are comingled with requirements specific to QF projects, thus requiring net metering customers to read through the entirety of the 29-page tariff to determine which sections apply to net metering projects.

To enhance clarity, the Company is proposing to reorganize Schedule 72 into three sections: (1) requirements applicable to all generator interconnections, (2) requirements applicable to net metering interconnections, and (3) requirements applicable to non-net metering interconnections. Through this reorganization, net metering requirements are limited to the first ten pages of Schedule 72. The Company believes this modification will clarify the requirements for prospective net metering customers as well as prospective QF projects.

Q. Please describe the application process the Company proposes to add to Schedule 72.

A. The Company is proposing to add language to Schedule 72 that details the application process specific to net metering customers. This section provides a step-by-step course of action for both the Company and customers for interconnecting net metering installations to the Company's system.

Q. Why is the Company proposing to add this application process to Schedule 72?

A. Neither Schedule 72 nor Schedule 84 currently contain a detailed application process specific to net metering systems. By adding the proposed section, the application process will be clearly documented in a manner

that will aid both the Company and customers throughout installation and interconnection.

Q. Please describe the Company's proposed addition to Schedule 72 regarding unauthorized net metering installations.

A. The Company is proposing to include a section in Schedule 72 that outlines the Company's course of action in regard to unauthorized net metering installations. In the context of net metering, unauthorized installations are defined as newly installed systems or expansions to current systems that have been interconnected to the Company's system without prior Company approval. These installations potentially pose a safety risk to Company personnel and customers, and could damage Company equipment if not properly accounted for in the planning process. The proposed addition to Schedule 72 provides the Company with a process for handling these installations in a manner that protects the safety of both Company personnel and customers, enhancing the Company's ability to provide net metering service in a safe and reliable manner.

Q. Will the Company's proposed modifications to Schedule 72 impact the requirements associated with QF projects?

A. No. The intent of the Company's modifications to Schedule 72 is to provide clarity to customers and

enhance the Company's ability to provide net metering service in a safe and reliable manner. None of the Company's proposed changes will impact the language applicable to QF projects.

Q. Is the Company proposing any other tariff modifications at this time?

A. Yes. The Company is proposing a number of miscellaneous modifications to implement the changes described above. These changes include removing the term "Seller" from Schedule 84 and replacing it with the term "Customer," changing the title of Schedule 84 to read "Large Customer Net Metering Service," adding geothermal to the list of qualifying resources, and including other clarifying language and modifications that reflect the primary changes discussed in my testimony.

Q. When is the Company requesting a Commission determination regarding its proposal in this filing?

A. The Company is requesting that the Commission issue an order in regard to its proposal by July 1, 2013.

Q. Has the Company filed tariffs reflecting the Company's proposal?

A. Yes. However, the Company is requesting an effective date for the proposed tariffs of October 1, 2013. Because the requested effective date is ten months from the date of this filing and exceeds the typical seven-month

procedural schedule for cases regarding tariff modifications, the Company has chosen to submit tariffs in draft form as Exhibit Nos. 2 through 5 accompanying my testimony. The Company anticipates that it will file final tariff schedules with an effective date of October 1, 2013, in compliance with the Commission's final order issued in this case. As noted in the draft forms of Schedule 6, Schedule 8, Schedule 72, and Schedule 84, the Company is proposing that all changes become effective October 1, 2013, with the exception of the proposed modification to the billing of Excess Net Energy. As stated in the draft tariffs, the Company is requesting that this modification become effective at the beginning of each customer's January 2014 billing period.

Q. Does this conclude your testimony?

A. Yes.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-27

IDAHO POWER COMPANY

LARKIN, DI
TESTIMONY

EXHIBIT NO. 1

(Comparison of Rate Schedules)

Idaho Power Company
Rate Schedule Comparison
Residential and Small General Net Metering Service

RESIDENTIAL SERVICE			SMALL GENERAL SERVICE		
Bill Component	**Schedule 1**	**Schedule 6**	**Bill Component**	**Schedule 7**	**Schedule 8**
Service Charge	$5.00	$20.92	Service Charge	$5.00	$22.49
Basic Charge (per kW)	$0.00	$1.48	Basic Charge (per kW)	$0.00	$1.37
Energy Charge			Energy Charge		
Summer 0-800 kWh	$0.078428	$0.052583	Summer 0-300 kWh	$0.090436	$0.043148
Summer 801-2000 kWh	$0.095788	$0.064223	Summer Over 300 kWh	$0.109108	$0.052057
Summer Over 2000 kWh	$0.115166	$0.077215			
Non-Summer 0-800 kWh	$0.072355	$0.048512	Non-Summer 0-300 kWh	$0.090436	$0.043148
Non-Summer 801-2000 kWh	$0.080519	$0.053985	Non-Summer Over 300 kWh	$0.095245	$0.045442
Non-Summer Over 2000 kWh	$0.089960	$0.060315			

Exhibit No. 1
Case No. IPC-E-12-27
M. Larkin, IPC
Page 1 of 1

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-27

IDAHO POWER COMPANY

LARKIN, DI
TESTIMONY

EXHIBIT NO. 2

(Schedule 6)

SCHEDULE 6
RESIDENTIAL
NET METERING SERVICE

AVAILABILITY

Service under this schedule is available at points on the Company's interconnected system within the State of Idaho where existing facilities of adequate capacity and desired phase and voltage are adjacent to the Premises to be served, and additional investment by the Company for new transmission, substation or terminal facilities is not necessary to supply the desired service. This service is available to Customers intending to operate Net Metering Systems under this schedule to generate electricity to reduce all or part of their monthly energy usage.

APPLICABILITY

Service under this schedule is applicable to Electric Service required for residential service Customers for general domestic uses, including single phase motors of 7½ horsepower rating or less, subject to the following conditions:

1. When a portion of a dwelling is used regularly for business, professional or other gainful purposes, or when service is supplied in whole or in part for business, professional, or other gainful purposes, the Premises will be classified as non-residential and the appropriate general service schedule will apply. However, if the wiring is so arranged that the service for residential purposes can be metered separately, this schedule will be applied to such service.

2. Whenever the Customer's equipment does not conform to the Company's specifications for service under this schedule, service will be supplied under the appropriate General Service Schedule.

3. This schedule is not applicable to standby service, service for resale, or shared service.

4. Customer owns/and or operates a Generation Facility fueled by solar, wind, biomass, geothermal, or hydropower, or represents fuel cell technology, with a total nameplate capacity rating of 25 kilowatts (kW) or less.

5. Customer maintains its electric service account for the loads served at the Point of Delivery adjacent to the Generation Interconnection Point as active and in good standing.

6. Customer meets all requirements applicable to Net Metering Systems detailed in the Company's Schedule 72, Interconnections to Non-Utility Generation.

DEFINITIONS

Basic Load Capacity (BLC) is the average of the two greatest non-zero monthly Billing Demands established during the 12-month period which includes and ends with the current Billing Period.

SCHEDULE 6
RESIDENTIAL
NET METERING SERVICE
(Continued)

DEFINITIONS (Continued)

Billing Demand is the average kW supplied during the 15-consecutive-minute period of maximum use during the Billing Period.

Excess Net Energy means the positive difference between the kilowatt-hours (kWh) generated by a Customer and the kWh supplied by the Company over the applicable Billing Period.

Generation Facility means all equipment used to generate electric energy where the resulting energy is either delivered to the Company via a single meter at the Point of Delivery or Generation Interconnection Point, or is consumed by the Customer.

Generation Interconnection Point is the point where the conductors installed to allow receipt of the Customer's generation connect to the Company's facilities adjacent to the Customer's Point of Delivery.

Interconnection Facilities are all facilities reasonably required by Prudent Electrical Practices and the applicable electric and safety codes to interconnect and safely deliver energy from the Generation Facility to the Point of Delivery or Generation Interconnection Point.

Net Metering Service is the Company's service which provides for transfer of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission. This optional service provides for Customers to install Generation Facilities to interconnect to the Company's system to offset all or a portion of their electrical usage. This service is comprised of all customers taking service under Schedule 6, Schedule 8, or Schedule 84.

Net Metering System is a Customer-owned Generation Facility interconnected to the Company's system under the terms of Schedule 6, Schedule 8, or Schedule 84.

Point of Delivery is the retail metering point where the Company's and the Customer's electrical facilities are interconnected to allow the Customer to take retail electric service from the Company.

Prudent Electrical Practices are those practices, methods and equipment that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.

Schedule 72 is the Company's service schedule which provides for interconnection to non-utility generation or its successor schedule(s) as approved by the Commission.

TYPE OF SERVICE

The type of service provided under this schedule is single phase, alternating current at approximately 120 or 240 volts and 60 cycles, supplied through one meter at one Point of Delivery. Upon request by the owner of multi-family dwellings, the Company may provide 120/208 volt service for multi-family dwellings when all equipment is U L approved to operate at 120/208 volts.

SCHEDULE 6
RESIDENTIAL
NET METERING SERVICE
(Continued)

WATER HEATING

All electric water heating equipment, including water storage and tankless water heaters (hot water on demand), shall conform to specifications of the Underwriters' Laboratories, Inc., and the Company. The installation of the water heating equipment shall conform to all National, State, and Municipal Codes. No single electric water heating unit shall exceed 6 kW; and where two or more heating units are used, these units shall be so interlocked that not more than 6 kW can be connected at any one time.

Where electric water heaters not complying with these specifications are installed, the Customer will be required to pay the original installation or upgrade costs for any nonstandard facilities needed to supply the electrical capacity to meet the water heater demand. Water heating equipment must not impair or interfere with service to any other customer.

RESIDENTIAL SPACE HEATING

All space heating equipment to be served by the Company's system shall be single-phase equipment approved by Underwriters' Laboratories, Inc., and the equipment and its installation shall conform to all National, State, and Municipal Codes and to the following:

Individual resistance-type units for space heating larger than 1,650 watts shall be designed to operate at 240 or 208 volts, and no single unit shall be larger than 6 kW. Heating units of 2 kW or larger shall be controlled by approved thermostatic devices. When a group of heating units, with a total capacity of more than 6 kW, is to be actuated by a single thermostat, the controlling switch shall be so designed that not more than 6 kW can be switched on or off at any one time. Supplemental resistance-type heaters, that may be used with a heat exchanger, shall comply with the specifications listed above for such units.

CONDITIONS OF PURCHASE AND SALE

The conditions listed below shall apply to all transactions under this schedule.

1. Balances of generation and usage by the Customer:

a. If electricity supplied by the Company during the Billing Period exceeds the electricity generated by the Customer and delivered to the Company during the Billing Period, the Customer shall be billed for the net electricity supplied by the Company at the rates contained within this schedule, in accordance with normal metering practices.

b. Effective as of the Customer's January 2014 Billing Period, if electricity generated by the Customer during the Billing Period exceeds the electricity supplied by the Company during the Billing Period, the Excess Net Energy shall be carried forward into the following Billing Period as a kWh credit to be applied against future usage. Any Excess Net Energy credits remaining after the Customer's bill for the December Billing Period is prepared shall expire.

SCHEDULE 6
RESIDENTIAL
NET METERING SERVICE
(Continued)

CONDITIONS OF PURCHASE AND SALE (Continued)

2. The Customer shall never deliver or attempt to deliver energy to the Company's system when the Company's system serving the Customer's Generation Facility is de-energized for any reason.

3. The Company shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a Net Metering System to the Company's system, or for the acts or omissions of the Customer that cause loss or injury, including death, to any third party.

4. The Customer is responsible for all costs associated with the Generation Facility and Interconnection Facilities. The Customer is also responsible for all costs associated with any Company additions, modifications, or upgrades to any Company facilities that the Company determines are necessary as a result of the installation of the Generation Facility in order to maintain a safe, reliable electrical system.

5. The Company shall not be obligated to accept, and the Company may require the Customer to curtail, interrupt or reduce deliveries of Energy if the Company, consistent with Prudent Electrical Practices, determines that curtailment, interruption, or reduction is necessary because of line construction or maintenance requirements, emergencies, or other critical operating conditions on its system.

6. If the Company is required by the Commission to institute curtailment of deliveries of electricity to its customers, the Company may require the Customer to curtail its consumption of electricity in the same manner and to the same degree as other Customers on the Company's standard service schedules.

7. The Customer shall grant to the Company all access to all Company equipment and facilities including adequate and continuing access rights to the property of the Customer for the purpose of installation, operation, maintenance, replacement, or any other service required of said equipment as well as all necessary access for inspection, switching, and any other operational requirements of the Customer's Interconnections Facilities.

8. The Customer shall notify the Company immediately if a Net Metering System is permanently removed or disabled. Permanent removal or disablement for the purposes of this Schedule is any removal or disablement of a project lasting longer than six (6) months. Customers with permanently removed systems will be removed from service under this schedule and placed on the appropriate standard service schedule.

SUMMER AND NON-SUMMER SEASONS

The summer season begins on June 1 of each year and ends on August 31 of each year. The non-summer season begins on September 1 of each year and ends on May 31 of each year.

SCHEDULE 6
RESIDENTIAL
NET METERING SERVICE
(Continued)

MONTHLY CHARGE

The Monthly Charge is the sum of the following charges, and may also include charges as set forth in Schedule 55 (Power Cost Adjustment), Schedule 91 (Energy Efficiency Rider), Schedule 95 (Adjustment for Municipal Franchise Fees), and Schedule 98 (Residential and Small Farm Energy Credit).

	Summer	Non-summer
Service Charge, per month	$20.92	$20.92
Basic Charge		
per kW of Basic Load Capacity	$1.48	$1.48
Energy Charge, per kWh		
First 800 kWh	5.2583¢	4.8512¢
801-2000 kWh	6.4223¢	5.3985¢
All Additional kWh Over 2000	7.7215¢	6.0315¢

PAYMENT

The monthly bill rendered for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-27

IDAHO POWER COMPANY

LARKIN, DI
TESTIMONY

EXHIBIT NO. 3

(Schedule 8)

SCHEDULE 8
SMALL GENERAL
NET METERING SERVICE

AVAILABILITY

Service under this schedule is available at points on the Company's interconnected system within the State of Idaho where existing facilities of adequate capacity and desired phase and voltage are adjacent to the Premises to be served, and additional investment by the Company for new transmission, substation or terminal facilities is not necessary to supply the desired service. This service is available to Customers intending to operate Net Metering Systems under this schedule to generate electricity to reduce all or part of their monthly energy usage.

APPLICABILITY

Service under this schedule is applicable to Electric Service supplied to a Customer at one Point of Delivery and measured through one meter. This schedule is applicable to Customers whose metered energy usage is 2,000 kWh, or less, per Billing Period for ten or more Billing Periods during the most recent 12 consecutive Billing Periods. When the Customer's Billing Period is less than 27 days or greater than 36 days, the energy usage will be prorated to 30 days for purposes of determining eligibility under this schedule. Customers whose metered energy usage exceeds 2,000 kWh per Billing Period on an actual or prorated basis three times during the most recent 12 consecutive Billing Periods are not eligible for service under this schedule and will be automatically transferred to the applicable schedule effective with the next Billing Period. New customers may initially be placed on this schedule based on estimated usage.

This schedule is also applicable to non-profit or tax supported ball fields, fairgrounds or rodeo grounds with high demands and intermittent use exceeding 2,000 kWh per month. This schedule is not applicable to standby service, service for resale, shared service, to individual or multiple family dwellings first served through one meter after February 9, 1982, or to agricultural irrigation service after October 31, 2004.

Service under this schedule is also subject to the following conditions:

1. Customer owns/and or operates a Generation Facility fueled by solar, wind, biomass, geothermal, or hydropower, or represents fuel cell technology, with a total nameplate capacity rating of 25 kilowatts (kW) or less.

2. Customer maintains its electric service account for the loads served at the Point of Delivery adjacent to the Generation Interconnection Point as active and in good standing.

3. Customer meets all requirements applicable to Net Metering Systems detailed in the Company's Schedule 72, Interconnections to Non-Utility Generation.

DEFINITIONS

Basic Load Capacity (BLC) is the average of the two greatest non-zero monthly Billing Demands established during the 12-month period which includes and ends with the current Billing Period.

SCHEDULE 8
SMALL GENERAL
NET METERING SERVICE
(Continued)

DEFINITIONS (Continued)

Billing Demand is the average kW supplied during the 15-consecutive-minute period of maximum use during the Billing Period.

Excess Net Energy means the positive difference between the kilowatt-hours (kWh) generated by a Customer and the kWh supplied by the Company over the applicable Billing Period.

Generation Facility means all equipment used to generate electric energy where the resulting energy is either delivered to the Company via a single meter at the Point of Delivery or Generation Interconnection Point, or is consumed by the Customer.

Generation Interconnection Point is the point where the conductors installed to allow receipt of the Customer's generation connect to the Company's facilities adjacent to the Customer's Point of Delivery.

Interconnection Facilities are all facilities reasonably required by Prudent Electrical Practices and the applicable electric and safety codes to interconnect and safely deliver energy from the Generation Facility to the Point of Delivery or Generation Interconnection Point.

Net Metering Service is the Company's service which provides for transfer of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission. This optional service provides for Customers to install Generation Facilities to interconnect to the Company's system to offset all or a portion of their electrical usage. This service is comprised of all customers taking service under Schedule 6, Schedule 8, or Schedule 84.

Net Metering System is a Customer-owned Generation Facility interconnected to the Company's system under the terms of Schedule 6, Schedule 8, or Schedule 84.

Point of Delivery is the retail metering point where the Company's and the Customer's electrical facilities are interconnected to allow the Customer to take retail electric service from the Company.

Prudent Electrical Practices are those practices, methods, and equipment that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.

Schedule 72 is the Company's service schedule which provides for interconnection to non-utility generation or its successor schedule(s) as approved by the Commission.

TYPE OF SERVICE

The type of service provided under this schedule is single and/or three-phase, at approximately 60 cycles and at the standard service voltage available at the Premises to be served.

SCHEDULE 8
SMALL GENERAL
NET METERING SERVICE
(Continued)

CONDITIONS OF PURCHASE AND SALE

The conditions listed below shall apply to all transactions under this schedule.

1. Balances of generation and usage by the Customer:

a. If electricity supplied by the Company during the Billing Period exceeds the electricity generated by the Customer and delivered to the Company during the Billing Period, the Customer shall be billed for the net electricity supplied by the Company at the rates contained within this schedule, in accordance with normal metering practices.

b. Effective as of the Customer's January 2014 Billing Period, if electricity generated by the Customer during the Billing Period exceeds the electricity supplied by the Company during the Billing Period, the Excess Net Energy shall be carried forward into the following Billing Period as a kWh credit to be applied against future usage. Any Excess Net Energy credits remaining after the Customer's bill for the December Billing Period is prepared shall expire.

2. The Customer shall never deliver or attempt to deliver energy to the Company's system when the Company's system serving the Customer's Generation Facility is de-energized for any reason.

3. The Company shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a Net Metering System to the Company's system, or for the acts or omissions of the Customer that cause loss or injury, including death, to any third party.

4. The Customer is responsible for all costs associated with the Generation Facility and Interconnection Facilities. The Customer is also responsible for all costs associated with any Company additions, modifications, or upgrades to any Company facilities that the Company determines are necessary as a result of the installation of the Generation Facility in order to maintain a safe, reliable electrical system.

5. The Company shall not be obligated to accept, and the Company may require the Customer to curtail, interrupt, or reduce deliveries of Energy if the Company, consistent with Prudent Electrical Practices, determines that curtailment, interruption, or reduction is necessary because of line construction or maintenance requirements, emergencies, or other critical operating conditions on its system.

6. If the Company is required by the Commission to institute curtailment of deliveries of electricity to its customers, the Company may require the Customer to curtail its consumption of electricity in the same manner and to the same degree as other Customers on the Company's standard service schedules.

SCHEDULE 8
SMALL GENERAL
NET METERING SERVICE
(Continued)

CONDITIONS OF PURCHASE AND SALE (Continued)

7. The Customer shall grant to the Company all access to all Company equipment and facilities including adequate and continuing access rights to the property of the Customer for the purpose of installation, operation, maintenance, replacement, or any other service required of said equipment as well as all necessary access for inspection, switching, and any other operational requirements of the Customer's Interconnections Facilities.

8. The Customer shall notify the Company immediately if a Net Metering System is permanently removed or disabled. Permanent removal or disablement for the purposes of this Schedule is any removal or disablement of a project lasting longer than six (6) months. Customers with permanently removed systems will be removed from service under this schedule and placed on the appropriate standard service schedule.

SUMMER AND NON-SUMMER SEASONS

The summer season begins on June 1 of each year and ends on August 31 of each year. The non-summer season begins on September 1 of each year and ends on May 31 of each year.

MONTHLY CHARGE

The Monthly Charge is the sum of the following charges, and may also include charges as set forth in Schedule 55 (Power Cost Adjustment), Schedule 91 (Energy Efficiency Rider), Schedule 95 (Adjustment for Municipal Franchise Fees), and Schedule 98 (Residential and Small Farm Energy Credit).

	Summer	Non-summer
Service Charge, per month	$22.49	$22.49
Basic Charge		
per kW of Basic Load Capacity	$1.37	$1.37
Energy Charge, per kWh		
First 300 kWh	4.3148¢	4.3148¢
All Additional kWh	5.2057¢	4.5442¢

PAYMENT

The monthly bill rendered for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-27

IDAHO POWER COMPANY

LARKIN, DI TESTIMONY

EXHIBIT NO. 4

(Schedule 72)

Exhibit Key

Green = move
Red = deletion
Blue = insertion

CLEAN FORMAT

SCHEDULE 72
INTERCONNECTIONS TO NON-UTILITY GENERATION

AVAILABILITY

Service under this schedule is available throughout the Company's service area within the State of Idaho to Sellers owning or operating Qualifying Facilities that sign a Uniform Interconnection Agreement or Generation Facilities that qualify for Net Metering Service. Generation Facilities that qualify for Net Metering Service are not required to sign a Uniform Interconnection Agreement.

APPLICABILITY

Service under this schedule applies to the construction, operation, maintenance, Upgrade, Relocation, or removal of transmission and/or distribution lines and equipment necessary to safely interconnect a Seller's Generation Facility to the Company's system.

DEFINITIONS

Additional Applicant is a person or entity whose request for electrical connection requires the Company to utilize existing Interconnection Facilities which are subject to a Vested Interest.

Company is the Idaho Power Company.

Connected Load is the combined input rating of the Customer's motors and other energy consuming devices.

Construction Cost is the cost, as determined by the Company, of Upgrades, Relocation or construction of Company furnished Interconnection Facilities.

Disconnection Equipment is any device or combination of devices by which the Company can manually and/or automatically interrupt the flow of energy from the Seller to the Company's system, including enclosures or other equipment as may be required to ensure that only the Company will have access to certain of the devices.

First Energy Date is the date when the Seller begins delivering energy to the Company's system.

Generation Facility means equipment used to produce electric energy at a specific physical location which meets the requirements to be a Qualifying Facility or that qualifies for Net Metering Service.

Generator Interconnection Process is the Company's Generation Facility interconnection application, engineering review and construction process. The intent of the Generator Interconnection Process is to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, good utility practices and national safety standards.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Interconnection Facilities are all facilities which are reasonably required by good utility practices and the National Electric Safety Code to interconnect and to allow the delivery of energy from the Seller's Generation Facility to the Company's system, including, but not limited to, Special Facilities, Disconnection Equipment and Metering Equipment.

Interconnection Point is the point where the Seller's conductors connect to the facilities owned by the Company.

Metering Equipment is the Company-owned equipment required to measure, record or telemeter power flows between the Seller's Generation Facility and the Company's system.

Net Metering Feasibility Review is the Company's standard engineering review of proposed Net Metering Systems. This review is intended to ensure that the Company's system is sufficiently equipped to incorporate proposed Net Metering Systems in a manner that conforms with good utility practices and the National Electric Safety Code.

Net Metering Service is the Company's service which provides for transfer of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission. This optional service provides for Customers to install Generation Facilities to interconnect to the Company's system to offset all or a portion of their electrical usage. This service is comprised of all customers taking service under Schedule 6, Schedule 8, or Schedule 84.

Net Metering System is a Customer-owned Generation Facility interconnected to the Company's system under the terms of Schedule 6, Schedule 8, or Schedule 84.

OATT is the Company's Federal Energy Regulatory Commission (FERC) approved Open Access Transmission Tariff.

Protection Equipment is the circuit-interrupting device, protective relaying, and associated instrument transformers.

PURPA means the Public Utility Regulatory Policies Act of 1978.

Qualifying Facility is a cogeneration facility or a small power production facility which meets the PURPA criteria for qualification set forth in Subpart B of Part 292, Subchapter K, Chapter I, Title 18, of the Code of Federal Regulations.

Relocation is a change in the location of existing Company-owned transmission and/or distribution lines, poles or equipment.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Seller is a non-utility generator who has contracted or will contract with the Company to interconnect a Generation Facility to the Company's system to sell electric energy to the Company, or a Customer taking service under the Company's net metering tariffs, Schedule 6, Schedule 8, or Schedule 84.

Seller-Furnished Facilities are those portions of the Interconnection Facilities provided by the Seller.

Special Facilities are additions to or alterations of transmission and/or distribution lines and transformers, including, but not limited to, Upgrades and Relocation, to safely interconnect the Seller's Generation Facility to the Company's system.

Transfer Cost is the cost, as determined by the Company, for acceptance by the Company of Seller-Furnished Facilities.

Upgrades are those improvements to the Company's existing system which are reasonably required by good practices and the National Electric Safety Code to safely interconnect the Seller's Generation Facility. Such improvements include, but are not limited to, additional or larger conductors, transformers, poles, and related equipment.

Vested Interest is the claim for refund that a Seller or Additional Applicant holds in a specific portion of Company-owned Interconnection Facilities. The Vested Interest expires 5 years from the date the Company completes construction of its portion of the Interconnection Facilities unless fully refunded earlier.

SECTION 1: GENERAL INTERCONNECTION REQUIREMENTS

The following provisions apply to all Sellers requesting interconnection to the Company's system.

CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES

All Seller-Furnished Interconnection Facilities will be constructed and maintained in a manner to be in full compliance with all good utility practices, National Electric Safety Code, and all other applicable Federal, state, and local safety and electrical codes and standards at all times.

The Seller shall:

1. Submit proof to the Company that all licenses, permits, inspections and approvals necessary for the construction and operation of the Seller's Generation and Interconnection Facilities under this schedule have been obtained from applicable Federal, state, or local authorities.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES (Continued)

2. Submit the designs, plans, specifications, and performance data for the Generation Facility and Seller-Furnished Facilities to the Company for review. The Company's acceptance shall not be construed as confirming or endorsing the design, or as a warranty of safety, durability, or reliability of the Generation Facility or Seller-Furnished Facilities. The Company will retain the right to inspect this equipment at its discretion.

3. Demonstrate to the Company's satisfaction that the Seller's Generation Facility and Seller-Furnished Facilities have been completed, and that all features and equipment of the Seller's Generation Facility and Seller-Furnished Facilities are capable of operating safely to commence deliveries of Energy into the Company's system.

4. Provide and maintain adequate protective equipment sufficient to prevent damage to the Generation Facility, Seller-Furnished Facilities and any other Seller-owned facilities in conformance with all applicable electrical and safety codes and requirements.

5. Provide and maintain Disconnection Equipment in accordance with all applicable electrical and safety codes and requirements as described within this Schedule.

6. Provide a 24-hour telephone contact(s). This contact will be used by the Company to arrange for repairs and inspections or in case of an emergency. The Company will make its best effort to arrange repairs and inspections during normal business hours and to notify the Seller of such arrangements in advance. The Company will provide a telephone number to the Seller so that the Seller can obtain information about Company activity impacting the Seller's facility.

DISCONNECTION EQUIPMENT

Disconnection Equipment is required for all Seller Generation Facilities. The Disconnection Equipment shall be installed at an electrical location to allow complete isolation of Seller's Generation and Interconnection Facilities from the Company's system. Disconnection Equipment for Net Metering Systems will be installed at an electrical location on the Seller's side of the Company's retail metering point to allow complete isolation of the Seller's Generation and Interconnection Facilities from the Seller's other electrical load and service.

The Disconnection Equipment's operating device shall be:

1. Readily accessible by the Company at all times.

2. Clearly marked "Generation Disconnect Switch" with permanent 3/8 inch or larger letters.

3. Physically installed at a location within 10 feet of the Interconnection Point or exact, permanent instructions posted at the Interconnection Point indicating the precise location of the Disconnection Equipment's operating device.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DISCONNECTION EQUIPMENT (Continued)

4. Of a design manually operated and lockable in the open position with a standard Company padlock.

5. For Net Metering Systems under Schedule 6, Schedule 8, or Schedule 84, equipped with a visual disconnect that enables the Company to visually confirm that the Customer's and Company's conductors are physically disconnected. This requires the ability to visually inspect the actual conductors. Circuit breakers and/or switches do not satisfy this requirement if the conductors are not visible.

Operation of Disconnection Equipment. If, in the reasonable opinion of the Company, the Seller's operation or maintenance of the Generation Facility or Interconnection Facilities is unsafe or may otherwise adversely affect the Company's equipment, personnel, or service to its customers, the Company may physically disconnect the Seller's Generation Facility or Interconnection Facilities by operation of the disconnection device or by any other means the Company deems necessary to adequately disconnect the Seller's Generation and Interconnection Facilities from the Company's system. At such time as the unsafe condition is remedied or other condition adversely affecting the Company is resolved to the Company's satisfaction, the interconnection will be restored.

The Company will disconnect the Seller's Generation and Interconnection Facilities in the event of any planned or unplanned maintenance or repair of the Company's system connected to the Seller's Generation and Interconnection Facilities. In the event of unplanned maintenance or repairs, no prior notice will be provided. In the event of planned repairs, the Company will attempt to notify the Seller of the time and duration of the planned outage.

The Company will disconnect the Seller's Generation Facility and Interconnection Facilities in the event that any terms and conditions of any applicable Company tariff or contract enabling the interconnection of the Seller's Generation Facility is deemed by the Company to be in default or delinquent.

All expenses of disconnection and reconnection incurred by the Company will be billed to the Seller.

In the case of a Net Metering System, disconnection of the service may be necessary. The disconnection may result in interruption of both energy deliveries from the Seller's Generation Facility to the Company as well as interruption of energy deliveries from the Company to the Seller. Disconnection provisions specific to Customers taking service under Schedule 6, Schedule 8, or Schedule 84 are described further in Section 2 of this tariff.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DISCONNECTION EQUIPMENT (Continued)

The Company will establish the settings of Protection Equipment to disconnect the Seller's Generation Facility and Interconnection Facilities for the protection of the Company's system and personnel consistent with good utility practices. If the Seller attempts to modify, adjust or otherwise interfere with the protection equipment or its settings as established by the Company, such action may be grounds for the Company's refusal to continue interconnection of the Seller's Generation and Interconnection Facilities to the Company's system.

GENERAL REQUIREMENTS OF INTERCONNECTED PROJECTS

1. The Company will construct, own, operate and maintain all equipment, Upgrades and Relocations on the Company's electrical side of the Interconnection Point.

2. The Company will clearly mark the Metering Equipment and any other Company equipment associated with the Seller's Generation Facility and/or Interconnection Facilities designating the existence of the Seller's Generation Facility as required by good utility practices.

3. The Seller will be required to submit all specific designs, equipment specifications, and test results of the Seller-Furnished Facilities to the Company for review. Upon receipt of the design and equipment specifications, the Company will review the design and equipment specifications for conformance with applicable electrical and safety codes and standards.

OPERATIONS AND MAINTENANCE OBLIGATIONS AND EXPENSES

The Company will operate and maintain Company furnished Interconnection Facilities as well as any Seller-Furnished Facilities transferred to the Company.

SECTION 2: INTERCONNECTION OF NET METERING GENERATION FACILITIES

The following section is applicable to all Customers taking Net Metering Service under Schedule 6, Schedule 8, or Schedule 84. Interconnection of Net Metering Systems is available on a first-come, first-served basis until the cumulative generation nameplate capacity of Net Metering Systems equals 5.8 megawatts (MW). This cap is applicable to all Net Metering Systems installed in all retail jurisdictions in which the Company provides electrical service.

APPLICATION PROCESS

Customers requesting Net Metering Service are required to complete the following application process prior to interconnection:

1. Customers must submit a completed application form and $100 application fee to the Company. Applications are available on the Company's website.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

APPLICATION PROCESS (Continued)

2. Upon receipt of a completed application and $100 fee, the Company will provide the Customer with written or electronic mail notification that the application has been received and all necessary information has been provided. Company verification of a completed application constitutes a reservation of capacity under the Company's aggregate system net metering cap described above in the amount listed on the application.

3. The Company will perform within a reasonable timeframe the Net Metering Feasibility Review based on project information provided in the application. The Net Metering Feasibility Review for Net Metering Systems determines the capability of the Company's electrical system to incorporate the proposed Net Metering System and determines if Upgrades are necessary.

a. If the results of the Net Metering Feasibility Review indicate satisfactory system capability, the Company will provide the Customer with an official "Approval to Proceed" notification via written or electronic mail.

b. If the results of the Net Metering Feasibility Review indicate that Upgrades are necessary to accommodate the proposed project, the Company will notify the Customer through written or electronic mail of such Upgrades. Funding, construction, installation, and maintenance of required Upgrades will be subject to the Company's standard Rule H regarding New Service Attachments and Distribution Line Installations or Alterations.

4. Following receipt of "Approval to Proceed" the Customer is responsible for completing the installation of the Net Metering System and fulfilling all applicable Federal, State, and local inspection requirements. Upon completion the Customer must provide all forms of documentation outlined in Section 1-1 above verifying that all Federal, state, and local requirements have been met. Customers must also provide the Company with final invoices for all installed components of the completed Net Metering System.

5. Once all required documentation has been submitted, the Company will complete an on-site inspection within ten (10) business days, subject to work constraints. Company on-site inspections will not be performed until the system has passed all applicable Federal, State, and local inspection requirements as described above. The Company on-site inspection includes the following:

a. Verification that actual installed components correspond to information provided on the initial application
b. Verification that the disconnect is functional and reconnection time is no less than five (5) minutes
c. Verification of the proximity and visibility of the disconnect or a sign indicating the location of the disconnect
d. Photographic documentation of the installation
e. Posting of appropriate Company signage

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

APPLICATION PROCESS (Continued)

f. Documentation of the meter number and system configuration
g. Evaluation of inverters:

i. Systems utilizing verifiable UL 1741 or IEEE 1547 inverters will not be subject to additional testing
ii. Systems utilizing all inverters other than UL 1741 or IEEE 1547 will be subject to third-party testing performed at the Customer's expense

6. Successful completion of the Company on-site inspection constitutes the conclusion of the application process. The Customer will be moved to the appropriate Net Metering Service rate schedule within three (3) business days, subject to work constraints. Upon completion of this process, the Customer will receive written or electronic mail confirmation that the application process has been successfully completed.

APPLICATION EXPIRATION AND FORFEITURE OF CAPACITY RESERVATION

1. Customers that fail to complete the application process within one year of receipt of the initial Net Metering Feasibility Review forfeit their capacity reservation described in Section 2-2 above. Customers requesting connection or approval of expired applications are required to resubmit a completed application form and $100 application fee, and are subject to the full application process described above.

RECERTIFICATION

1. The Company will perform full recertification inspections of all Net Metering Systems once every three years. Recertification inspections will be performed in the same manner as new Net Metering System inspections described above. The Company reserves the right to inspect any Net Metering System at any time.

NET METERING SYSTEM EXPANSIONS

1. Any modifications to Net Metering Systems that impact the generation capacity of the system or modify the system in any way that may impact the safety or reliability of the Company's electrical system are considered system expansions for the purposes of this tariff.

2. Customers wishing to install system expansions must submit a new application and $100 application fee, and complete the application process according to the procedures required of a new installation.

3. Systems that have been expanded in the manner described above without gaining prior Company approval are considered unauthorized installations subject to the provisions of this Schedule described below.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

UNAUTHORIZED INSTALLATIONS AND EXPANSIONS

1. Net Metering Systems that have been interconnected to the Company's system without Company approval are considered unauthorized installations that jeopardize the reliability of Idaho Power's system and the safety of its employees. This includes, but is not limited to, newly installed systems, and unapproved expansions of approved systems. The process described herein provides the Company the ability to offer net metering service in an efficient, safe, and reliable manner.

2. Unauthorized installations are subject to immediate Company inspection without notice.

a. If proper disconnection equipment is present, the Company will open and lock the disconnect and provide written notice that the Net Metering System has been disconnected from the Company's system. The Company will contact the Customer either in person or via telephone and make the Customer aware of necessary steps to bring the system into compliance according to the provisions of this Schedule. Upon completion of the full application process the system will be reinstated.

b. If proper disconnection equipment is not present, the Company will evaluate installed inverters:

i. If the system utilizes UL 1741 or IEEE 1547 inverters, the Company will contact the Customer either in person or via telephone in addition to written communication regarding the unauthorized installation. This communication will include the necessary steps to bring the system into compliance according to the following procedures:

1. Within fifteen (15) days of notification, the Customer must submit a completed net metering application and $100 fee.

2. Within thirty (30) days of completion of the Net Metering Feasibility Review, the Customer must complete the remainder of the inspection requirements described above.

3. Customers that do not wish to bring their systems into compliance with this schedule may choose to disable their systems. Customers wishing to disconnect their systems must notify the Company within thirty (30) days of the date of notification that their system is unauthorized and out of compliance with Company regulation.

4. Customers that fail to complete the application process within the allotted timeframe and/or do not disable their systems within thirty (30) days will be subject to termination of electric service.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

UNAUTHORIZED INSTALLATIONS AND EXPANSIONS (Continued)

ii. If the system utilizes inverters other than UL 1741 or IEEE 1547, or if the presence of UL 1741 or IEEE 1547 inverters cannot be verified, the Customer will be subject to immediate termination of service without notice.

3. Customers subject to termination of service under this Schedule are provided two options for restoration of service. Under both options Customers are responsible for reconnection costs per the Company's standard fees contained in Schedule 66.

a. Customers may choose to disconnect Net Metering Systems from service. Customers choosing to do so must receive confirmation from a State electrical inspector that the Net Metering System is no longer operational and interconnected to the Company's system. The results of this inspection must be provided to the Company prior to restoration of service.

b. Customers can bring the system into compliance with the provisions of this schedule by completing the full application process described above.

SECTION 3: INTERCONNECTION OF NON-NET METERING GENERATION FACILITIES

The following section is applicable to all Sellers requesting interconnection of non-utility generation not taking service under the Company's net metering tariffs, Schedule 6, Schedule 8, or Schedule 84.

SPECIFIC PROJECT REQUIREMENTS

1. Generation Facilities Less than 1 MW Nameplate Rating

The following requirements are for Generation Facilities with nameplate ratings of less than 1 MW.

a. The Company shall procure, install, own and maintain Metering Equipment to record energy deliveries to the Company. This metering will be separate from any other metering of the Seller's load and may be located on either side of the Interconnection Point. All acquisition, installation, maintenance, inspection, and testing costs related to Meter Equipment installed to measure the Seller's energy deliveries to the Company shall be borne by the Seller.

b. The Seller is responsible for all costs incurred by the Company for the review, evaluation and testing of Seller supplied designs and equipment regardless as to the outcome of the review or test results.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SPECIFIC PROJECT REQUIREMENTS (Continued)

c. The Seller, upon completion of installation and prior to interconnection of the Generation Facility to the Company's system, will provide the Company with certification from a professional engineer licensed in the State of Idaho stating that the Seller's Generation Facility and Interconnection Facilities are in compliance with IEEE Standard 1547 and all applicable electrical and safety codes to enable safe and reliable operation.

d. The Seller will obtain and provide to the Company an annual certification and testing by a professional engineer licensed in the State of Idaho, certifying the ongoing compliance with IEEE Standard 1547 and all applicable electrical and safety codes and that the Seller-Furnished Facilities successfully meet applicable testing requirements and standards. In the event the Company does not receive and accept the annual certification within thirty (30) days of the annual anniversary date of the agreement, the project will be disconnected from the Company's system until such time as the certification is completed and accepted by the Company.

e. In addition to the requirements specified in sections a through d, Generation Facilities that are greater than 100 kW and less than 1 MW total nameplate rating require the following:

i. If the Company owns the transformer interconnecting the Seller's Generation Facility, then the Seller may own and maintain a secondary voltage disconnection device that can be operated by both the Seller and the Company.

ii. If the Seller owns the transformer interconnecting the Seller's Generation Facility, then the Company will own, operate, and maintain a primary voltage disconnection device at the Seller's expense.

iii. The Company will construct, own, operate, and maintain all protective relays and any associated equipment required to operate the protective relays.

2. Generation Facilities Greater Than 1 MW Nameplate Rating

The Company will own, maintain, and operate all Interconnection Facilities and Disconnection Equipment at the Seller's expense.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

GENERATOR INTERCONNECTION PROCESS

1. Seller shall pay the actual costs of all required interconnection studies. Any difference between the deposit (if required) and the actual cost of the study shall be paid by or refunded to Seller, as appropriate. If, during the course of preparing a study, the Company incurs costs in excess of the deposit amount, the Company may require that the deposit amount be replenished in an amount equal to the estimated costs for completion of the study. If a deposit amount sufficient to pay for completion of the study is not maintained, the Company may suspend work on the study.

2. Unless modified by the provisions of this schedule, the FERC-approved Large Generator Interconnection Procedures and Small Generator Interconnection Procedures posted on the Company's website will apply to the Generator Interconnection Process.

3. The deposit amounts for Generation Facilities up to 30 MW are specified in this schedule. Deposit amounts for Generation Facilities 30 MW and larger are covered by the FERC-approved Large Generator Interconnection Procedures posted on the Company's website.

4. Application. The Seller will submit a completed interconnection application in the form posted on the Company's website. The application form includes a general description of the Generation Facility and its location. The application includes payment of an application fee to be applied against costs the Company incurs to perform the Feasibility Study described below. The amount of the application fee is $1,000 for a Generation Facility up to 30 MW.

5. Study Agreements. If the Seller desires to proceed beyond the Application stage, the Seller will be offered a series of study agreements. The individual study agreements establish the time to perform the study and the deposit the Seller is to provide prior to commencement of the study. The deposit amount may be waived if a Seller meets the Company's credit worthiness standards for unsecured credit specified in Attachment L to the Company's OATT. The studies consist of:

a. The Feasibility Study: The Feasibility Study includes a general review of project impact, e.g. exceeding equipment capabilities and violation of electrical performance requirements. The Feasibility Study Agreement states that no deposit is required, since the deposit is covered by the application fee.

b. The System Impact Study: The System Impact Study provides a detailed assessment of the distribution and/or transmission system adequacy to accommodate the Generation Facility through the evaluation of equipment capabilities and electrical performance requirements. This step may not be necessary for some projects depending on the size and location of the project. The System Impact Study Agreement includes a deposit of $2,000 for a distribution system impact study or a $10,000 deposit for a transmission system impact study.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

GENERATOR INTERCONNECTION PROCESS (Continued)

c. The Facility Study: The Facility Study includes the engineering to determine the design specifications of the project. The Facility Study Agreement includes a deposit of 5% of the total project costs that were determined in the System Impact Study Report ("SISR") or the Feasibility Study Report if a SISR is not required, capped at $30,000.

At the end of each stage of the three-step study process, the Company will provide the Seller with an increasingly more refined and detailed report that, among other things, will present a list of required Interconnection Facilities and a non-binding, good faith estimate of Seller's cost responsibility for the Interconnection Facilities. If long-lead time equipment items need to be ordered to meet Seller's construction schedule, the Company will request advance funding by the Seller to cover these equipment costs.

6. Generator Interconnection Agreement. The Generator Interconnection Agreement ("GIA"), will be offered to Seller following completion of the Facility Study. The GIA will utilize the Uniform Interconnection Agreement template included in this schedule.

COST OF INTERCONNECTION FACILITIES

All Interconnection Facilities provided under this schedule will be valued at the Company's Construction Cost and/or the Transfer Cost for vesting purposes as well as for operation and maintenance payment obligations.

PAYMENT FOR INTERCONNECTION FACILITIES

Unless specifically agreed otherwise by written agreement between the Seller and the Company, the Seller will pay all costs of interconnecting a Generation Facility to the Company's system. Costs of interconnection include the costs of furnishing and constructing required Interconnection Facilities, including Upgrades.

Each request for interconnection will go through the Generator Interconnection Process. Throughout the Generator Interconnection Process, the Company will periodically bill the Seller for costs incurred or obligated. Failure to pay an invoice within the time specified in the invoice will result in suspension of work on the interconnection and if the suspension of work extends beyond 30 calendar days, the Generation Facility will be removed from the interconnection queue. Seller can end the Generator Interconnection Process at any time. If Seller decides to end the Generator Interconnection Process prior to completion, the Company will either refund any monies held for security that have not been spent or obligated, or issue an invoice to Seller for costs incurred prior to cancellation.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SECURITY FOR PAYMENT OF INTERCONNECTION COSTS

Sellers will provide adequate security for payment of the costs of the Generator Interconnection Process. Adequate security for Generation Facilities larger than 30 MW can be provided in accordance with the Large Generator Interconnection Procedures contained in Attachment M to the Company's OATT. Adequate security for Generation Facilities up to 30 MW can be provided in one of the following ways

1. Sellers that meet the Company's credit worthiness standards for unsecured credit are not required to provide additional security. The Company's minimum credit standards for unsecured credit are described in Attachment L to the OATT.

2. Sellers that do not meet the credit worthiness standards for unsecured credit will be notified of the reason for the determination and shall be given the option to provide alternative security acceptable to Idaho Power. In lieu of providing a cash deposit, Seller may establish an escrow account, provide a letter of credit or provide guarantee of payment by another person or entity which meets the credit worthiness standards for unsecured credit. Arrangements for alternative security must be acceptable to Idaho Power.

TRANSFER OF INTERCONNECTION FACILITIES

Transfer of Interconnection Facilities is available only for Generation Facilities with nameplate ratings greater than 100 kW.

1. Transfer at First Energy Date. If the Seller desires to transfer and the Company desires to accept any Seller-Furnished Facilities at the First Energy Date, the following will apply:

a. Prior to the beginning of construction, the Seller shall cause the contractor that is constructing the Seller-Furnished Facilities to provide the Company with a certificate naming the Company as an additional insured in the amount of not less than $1,000,000 under the contractor's general liability policy.

b. The Company will provide the Seller's contractor with construction and material specifications and will have final approval of the design of the Seller-Furnished Facilities.

c. During construction and upon completion, the Company will inspect the Seller-Furnished Facilities to be transferred to the Company. The cost of such inspection will be borne by the Seller.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

TRANSFER OF INTERCONNECTION FACILITIES (Continued)

d. If the Seller-Furnished Facilities meet the Company's design, material and construction specifications, are free from defects in materials and workmanship, and the Seller has provided the Company with acceptable easements, bills of sale and assurance against labor or materials liens, the Company will accept ownership effective as of the First Energy Date. In the bill of sale, the Seller will warrant to the Company that the Seller-Furnished Facilities are free of any liens or encumbrances and will be free from any defects in materials and workmanship for a period of one year from the First Energy Date.

2. Subsequent Transfer. If, after the First Energy Date, the Seller desires to transfer and the Company desires to accept any Seller-Furnished Facilities, the following will apply:

a. The Company will inspect the facilities proposed for sale to determine if they meet the Company's design, material and construction specifications.

b. The Company will determine the Transfer Cost of such facilities. The Transfer Cost will be equal to the depreciated Construction Cost the Company would have incurred if it had originally constructed the facilities plus the cost, if any, of bringing the facilities into compliance with the Company's design, material and construction specifications. Depreciation of the facilities proposed for transfer will be determined on the same basis as the Company depreciates its own facilities in accordance with the appropriate FERC account numbers for the type and size of line or equipment involved. The time period used for the calculation of the depreciated transfer cost will extend from the First Energy Date until the agreed upon transfer date. The Transfer Cost will be paid to the Company in cash at the time of transfer. At the same time, the Company will pay the Seller in cash an amount equal to the depreciated Construction Cost.

c. As a condition of the Company's acceptance, the Seller will provide the Company with acceptable easements, bills of sale and acceptable assurance against labor and material liens. The bill of sale will include a warranty that the transferred facilities are free of all liens and encumbrances and will be free from any defects in materials and workmanship for a period of one year from the date of transfer.

d. Effective as of the date of the transfer, the Company will operate and maintain the transferred facilities.

VESTED INTEREST

A Seller's eligibility for a Vested Interest refund will exist for 5 years after the date the Company completes construction of its portion of the Interconnection Facilities.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

VESTED INTEREST (Continued)

1. The Company will provide a refund payment to each Seller holding a Vested Interest in Company-owned Interconnection Facilities when an Additional Applicant shares use of those Interconnection Facilities.

2. The refund payment will be based on the following formula:

Refund =	Linear Footage Ratio	x	Connected Load/Peak Generation Ratio	x	Original Interconnection Cost	

a. The Linear Footage Ratio is the length of jointly used Special Facilities divided by the length of the vested Special Facilities.

b. The Connected Load/Peak Generation Ratio is the Connected Load or Peak Generation of the Additional Applicant divided by the sum of the Connected Load or Peak Generation of the Additional Applicant and all other Connected Loads and/or Peak Generation on the Special Facilities.

c. The Original Interconnection Cost is the sum of the Company's Construction Cost and any Transfer Costs for the Interconnection Facilities to which the Additional Applicant intends to connect and share usage.

3. The Additional Applicant will pay the Company the amount of the Vested Interest refund(s). Additional Applicants making Vested Interest payments are in turn eligible to receive refunds within the 5 year limit described above.

4. Vested Interest refunds will not exceed 100 percent of the refundable portion of any party's cash payment to the Company.

5. Vested Interest refund payments may be waived by notifying the Company in writing.

OPERATION AND MAINTENANCE OBLIGATIONS AND EXPENSES

The Company will operate and maintain Company furnished Interconnection Facilities as well as any Seller-Furnished Facilities transferred to the Company. For all projects not interconnecting as a Schedule 84 customer, the Seller will pay the Company a monthly operation and maintenance charge equal to a percentage of the Construction Cost and Transfer Cost paid by the Seller. The percentage will change annually on the anniversary of the First Energy Date in accordance with the following table:

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

OPERATION AND MAINTENANCE OBLIGATIONS AND EXPENSES (Continued)

MONTHLY OPERATION AND MAINTENANCE CHARGES
138 kV and 161 kV

Year	1	2	3	4	5	6	7	8	9	10	11	12
O&M Charge	0.26%	0.27%	0.28%	0.29%	0.30%	0.32%	0.33%	0.35%	0.36%	0.38%	0.40%	0.41%
Year	13	14	15	16	17	18	19	20	21	22	23	24
O&M Charge	0.43%	0.45%	0.47%	0.49%	0.52%	0.54%	0.56%	0.59%	0.62%	0.64%	0.67%	0.70%
Year	25	26	27	28	29	30	31	32	33	34	35	
O&M Charge	0.73%	0.77%	0.80%	0.84%	0.87%	0.91%	0.96%	1.00%	1.04%	1.09%	1.14%	

MONTHLY OPERATING AND MAINTENANCE CHARGES
Below 138 kV

Year	1	2	3	4	5	6	7	8	9	10	11	12
O&M Charge	0.47%	0.49%	0.52%	0.54%	0.56%	0.59%	0.61%	0.64%	0.67%	0.70%	0.73%	0.77%
Year	13	14	15	16	17	18	19	20	21	22	23	24
O&M Charge	0.80%	0.84%	0.87%	0.91%	0.95%	1.00%	1.04%	1.09%	1.14%	1.19%	1.24%	1.30%
Year	25	26	27	28	29	30	31	32	33	34	35	
O&M Charge	1.36%	1.42%	1.48%	1.55%	1.62%	1.69%	1.77%	1.85%	1.93%	2.02%	2.11%	

Where a Seller's interconnection will utilize Interconnection Facilities provided under a prior agreement(s), the term of which was shorter than 35 years, the operation and maintenance charge for the Seller's interconnection will be computed to include the expired term of the prior agreement(s).

The cost upon which an individual Seller's operation and maintenance charge is based will be reduced by subsequent Vested Interest refunds. Additional Applicants who are Sellers will pay the monthly operation and maintenance charge on the amount they paid as an Additional Applicant.

Seller-Furnished Facilities not transferred to the Company will be operated and maintained by the Seller at the Seller's sole risk and expense.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)

This Interconnection Agreement ("Agreement") is effective as of the ____ day of _____, 20___, between _____, hereinafter called "Seller," and Idaho Power Company, hereinafter called "Company."

RECITALS

A. Seller will own or operate a Generation Facility that qualifies for service under Idaho Power's Commission-approved Schedule 72 and any successor schedule.

B. The Generation Facility covered by this Agreement is more particularly described in Attachment 1.

AGREEMENTS

1. Capitalized terms used herein shall have the same meanings as defined in Schedule 72 or in the body of this Agreement.

2. This Agreement and Schedule 72 provide the rates, charges, terms and conditions under which the Seller's Generation Facility will interconnect with, and operate in parallel with, the Company's transmission/distribution system. Terms defined in Schedule 72 will have the same defined meaning in this Agreement. If there is any conflict between the terms of this Agreement and Schedule 72, Schedule 72 shall prevail.

3. This Agreement is not an agreement to purchase Seller's power. Purchase of Seller's power and other services that Seller may require will be covered under separate agreements. Nothing in this Agreement is intended to affect any other agreement between the Company and Seller.

4. Attached to this Agreement and included by reference are the following:

Attachment 1 – Description and Costs of the Generation Facility, Interconnection Facilities, and Metering Equipment.

Attachment 2 – One-line Diagram Depicting the Generation Facility, Interconnection Facilities, Metering Equipment and Upgrades.

Attachment 3 – Milestones For Interconnecting the Generation Facility.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

Attachment 4 – Additional Operating Requirements for the Company's Transmission System Needed to Support the Seller's Generation Facility.

Attachment 5 – Reactive Power.

Attachment 6 – Description of Upgrades required to integrate the Generation Facility and Best Estimate of Upgrade Costs.

5. Effective Date, Term, Termination and Disconnection.

5.1 Term of Agreement. Unless terminated earlier in accordance with the provisions of this Agreement, this Agreement shall become effective on the date specified above and remain effective as long as Seller's Generation Facility is eligible for service under Schedule 72.

5.2 Termination.

5.2.1 Seller may voluntarily terminate this Agreement upon expiration or termination of an agreement to sell power to the Company.

5.2.2 After a Default, either Party may terminate this Agreement pursuant to Section 6.5.

5.2.3 Upon termination or expiration of this Agreement, the Seller's Generation Facility will be disconnected from the Company's transmission/distribution system. The termination or expiration of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination. The provisions of this Section shall survive termination or expiration of this Agreement.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3 Temporary Disconnection. Temporary disconnection shall continue only for so long as reasonably necessary under "Good Utility Practice." Good Utility Practice means any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region. Good Utility Practice includes compliance with WECC or NERC requirements. Payment of lost revenue resulting from temporary disconnection shall be governed by the power purchase agreement.

5.3.1 Emergency Conditions. "Emergency Condition" means a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Company, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Company's transmission/distribution system, the Company's Interconnection Facilities or the equipment of the Company's customers; or (3) that, in the case of the Seller, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the reliability and security of, or damage to, the Generation Facility or the Seller's Interconnection Facilities. Under Emergency Conditions, either the Company or the Seller may immediately suspend interconnection service and temporarily disconnect the Generation Facility. The Company shall notify the Seller promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Seller's operation of the Generation Facility. The Seller shall notify the Company promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Company's equipment or service to the Company's customers. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.2 Routine Maintenance, Construction, and Repair. The Company may interrupt interconnection service or curtail the output of the Seller's Generation Facility and temporarily disconnect the Generation Facility from the Company's transmission/distribution system when necessary for routine maintenance, construction, and repairs on the Company's transmission/distribution system. The Company 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, the Company may not be able to provide notice to the Seller prior to interruption, curtailment or reduction of electrical energy deliveries to the Company. The Company shall use reasonable efforts to coordinate such reduction or temporary disconnection with the Seller.

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

5.3.4. Maintenance Coordination. The Seller and the Company shall, to the extent practical, coordinate their respective transmission/distribution system and Generation Facility maintenance schedules such that they occur simultaneously. Seller shall provide and maintain adequate protective equipment sufficient to prevent damage to the Generation Facility and Seller-furnished Interconnection Facilities. In some cases, some of Seller's protective relays will provide back-up protection for Idaho Power's facilities. In that event, Idaho Power will test such relays annually and Seller will pay the actual cost of such annual testing.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.5 Forced Outages. During any forced outage, the Company may suspend interconnection service to effect immediate repairs on the Company's transmission/distribution system. The Company shall use reasonable efforts to provide the Seller with prior notice. If prior notice is not given, the Company shall, upon request, provide the Seller written documentation after the fact explaining the circumstances of the disconnection.

5.3.6 Adverse Operating Effects. The Company shall notify the Seller as soon as practicable if, based on Good Utility Practice, operation of the Seller's Generation Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Generation Facility could cause damage to the Company's transmission/distribution system or other affected systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Seller upon request. If, after notice, the Seller fails to remedy the adverse operating effect within a reasonable time, the Company may disconnect the Generation Facility. The Company shall provide the Seller with reasonable notice of such disconnection, unless the provisions of Article 5.3.1 apply.

5.3.7 Modification of the Generation Facility. The Seller must receive written authorization from the Company before making any change to the Generation Facility that may have a material impact on the safety or reliability of the Company's transmission/distribution system. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Seller makes such modification without the Company's prior written authorization, the latter shall have the right to temporarily disconnect the Generation Facility.

5.3.8 Reconnection. The Parties shall cooperate with each other to restore the Generation Facility, Interconnection Facilities, and the Company's transmission/distribution system to their normal operating state as soon as reasonably practicable following a temporary disconnection.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.9 Voltage Levels. Seller, in accordance with Good Utility Practices, shall minimize voltage fluctuations and maintain voltage levels acceptable to Idaho Power. Idaho Power may, in accordance with Good Utility Practices, upon one hundred eighty (180) days' notice to the Seller, change its nominal operating voltage level by more than ten percent (10%) at the Point of Delivery, in which case Seller shall modify, at Idaho Power's expense, Seller's equipment as necessary to accommodate the modified nominal operating voltage level.

5.4 Land Rights.

5.4.1 Seller to Provide Access. Seller hereby grants to Idaho Power for the term of this Agreement all necessary rights-of-way and easements to install, operate, maintain, replace, and remove Idaho Power's Metering Equipment, Interconnection Equipment, Disconnection Equipment, Protection Equipment and other Special Facilities necessary or useful to this Agreement, including adequate and continuing access rights on property of Seller. Seller warrants that it has procured sufficient easements and rights-of-way from third parties so as to provide Idaho Power with the access described above. All documents granting such easements or rights-of-way shall be subject to Idaho Power's approval and in recordable form.

5.4.2 Use of Public Rights-of-Way. The Parties agree that it is necessary to avoid the adverse environmental and operating impacts that would occur as a result of duplicate electric lines being constructed in close proximity. Therefore, subject to Idaho Power's compliance with Paragraph 5.4.4, Seller agrees that should Seller seek and receive from any local, state or federal governmental body the right to erect, construct and maintain Seller-furnished Interconnection Facilities upon, along and over any and all public roads, streets and highways, then the use by Seller of such public right-of-way shall be subordinate to any future use by Idaho Power of such public right-of-way for construction and/or maintenance of electric distribution and transmission facilities and Idaho Power may claim use of such public right-of-way for such purposes at any time. Except as required by Paragraph 5.4.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this Paragraph 5.4.2.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

5.4.3 Joint Use of Facilities. Subject to Idaho Power's compliance with Paragraph 15.4.4, Idaho Power may use and attach its distribution and/or transmission facilities to Seller's Interconnection Facilities, may reconstruct Seller's Interconnection Facilities to accommodate Idaho Power's usage or Idaho Power may construct its own distribution or transmission facilities along, over and above any public right-of-way acquired from Seller pursuant to Paragraph 5.4.2, attaching Seller's Interconnection Facilities to such newly constructed facilities. Except as required by Paragraph 5.4.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this Paragraph 5.4.3.

5.4.4 Conditions of Use. It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Paragraph 5.4. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in Paragraphs 5.4.2 and 5.4.3 shall: (1) comply with all applicable laws, codes and Good Utility Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Paragraph 5.4.

6. Assignment, Liability, Indemnity, Force majeure, Consequential Damages and Default.

6.1 Assignment. This Agreement may be assigned by either Party upon twenty-one (21) calendar days prior written notice and opportunity to object by the other Party; provided that:

6.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

6.1.2 The Seller shall have the right to contingently assign this Agreement, without the consent of the Company, for collateral security purposes to aid in providing financing for the Generation Facility, provided that the Seller will promptly notify the Company of any such contingent assignment.

6.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Seller. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

6.2 Limitation of Liability. Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

6.3 Indemnity.

6.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Article 6.2.

6.3.2 The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

6.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim. Failure to defend is a Material Breach.

6.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

6.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall be a Material Breach and shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

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

(1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

(2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.

(3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

6.5 Default and Material Breaches.

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

6.5.2 Material Breaches. The notice and cure provisions in Paragraph 6.6.1 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.

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

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

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

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

(a) An endorsement naming Idaho Power as an additional insured and loss payee as applicable; and

(b) A provision stating that such policy shall not be canceled or the limits of liability reduced without sixty (60) days' prior written notice to Idaho Power.

7.3 Seller to Provide Certificate of Insurance. As required in Paragraph 7 herein and annually thereafter, Seller shall furnish the Company a certificate of insurance, together with the endorsements required therein, evidencing the coverage as set forth above.

7.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by Paragraph 7.1 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute grounds for a temporary disconnection under Section 5.3 and will be a Material Breach.

8. Miscellaneous.

8.1 Governing Law. The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of Idaho without regard to its conflicts of law principles.

8.2 Salvage. No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value of those Idaho Power furnished Interconnection Facilities as required under Schedule 72 and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

9. Notices.

9.1 General. Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national currier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Seller:
Seller:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

If to the Company:
Company_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

9.2 Billing and Payment. Billings and payments shall be sent to the addresses set out below:

Seller:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

Company:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

9.3 Designated Operating Representative. The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Seller's Operating Representative:
Seller:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

Company's Operating Representative:
Company:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

9.5 Changes to the Notice Information. Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

10. Signatures.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Company
Name:_____
Title:_____
Date:_____

For the Seller
Name:_____
Title:_____
Date:_____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

Attachment 1

Description and Costs of the Generation Facility, Interconnection Facilities and Metering Equipment

In this attachment the Generation Facility and Interconnection Facilities, including Special Facilities and upgrades, are itemized and identified as being owned by the Seller or the Company. As provided in Schedule 72, Payment For Interconnection Facilities, the Company will provide a best estimate itemized cost of its Interconnection Facilities, including Special Facilities, upgrades and Metering Equipment.

Attachment 2

One-line Diagram Depicting the Small Generation Facility, Interconnection Facilities, Metering Equipment and Upgrades

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

Attachment 3

Milestones

In-Service Date: _____

Critical milestones and responsibility as agreed to by the Parties:

	Milestone/Date	Responsible Party
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____
(6)	_____	_____
(7)	_____	_____
(8)	_____	_____
(9)	_____	_____
(10)	_____	_____

Agreed to by:

For the Company_____Date_____

For the Seller_____Date_____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
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(PURPA)
(Continued)

Attachment 4

Additional Operating Requirements for the Company's Transmission System and Affected Systems Needed to Support the Seller's Needs

The Company shall also provide requirements that must be met by the Seller prior to initiating parallel operation with the Company's Transmission System.

Attachment 5

Reactive Power Requirements

Idaho Power will determine the reactive power required to be supplied by the Company to the Seller, based upon information provided by the Seller. The Company will specify the equipment required on the Company's system to meet the Facility's reactive power requirements. These specifications will include but not be limited to equipment specifications, equipment location, Company-provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Company-provided equipment. The equipment specifications and requirements will become an integral part of this Agreement. The Company-owned equipment will be maintained by the Company, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to the Company by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total reactive power cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

Attachment 6

Company's Description of Upgrades Required to Integrate the Generation Facility and Best Estimate of Upgrade Costs

As provided in Schedule 72 this Attachment describes Upgrades, including best work upgrades, and provides an itemized best estimate of the cost of the Upgrades.

LEGISLATIVE FORMAT

SCHEDULE 72
INTERCONNECTIONS TO NON-UTILITY GENERATION

AVAILABILITY

Service under this schedule is available throughout the Company's service area within the State of Idaho to Sellers owning or operating Qualifying Facilities that sign a Uniform Interconnection Agreement or Generation Facilities that qualify for ~~Schedule 84~~Net Metering Service. Generation Facilities that qualify for ~~Schedule 84~~ Net Metering Service are not required to sign a Uniform Interconnection Agreement.

APPLICABILITY

Service under this schedule applies to the construction, operation, maintenance, Upgrade, Relocation, or removal of transmission and/or distribution lines and equipment necessary to safely interconnect a Seller's Generation Facility to the Company's system.

DEFINITIONS

Additional Applicant is a person or entity whose request for electrical connection requires the Company to utilize existing Interconnection Facilities which are subject to a Vested Interest.

Company is the Idaho Power Company.

Connected Load is the combined input rating of the Customer's motors and other energy consuming devices.

Construction Cost is the cost, as determined by the Company, of Upgrades, Relocation or construction of Company furnished Interconnection Facilities.

Disconnection Equipment is any device or combination of devices by which the Company can manually and/or automatically interrupt the flow of energy from the Seller to the Company's system, including enclosures or other equipment as may be required to ensure that only the Company will have access to certain of the devices.

First Energy Date is the date when the Seller begins delivering energy to the Company's system.

Generation Facility means equipment used to produce electric energy at a specific physical location which meets the requirements to be a Qualifying Facility or that qualifies for ~~Schedule 84~~Net Metering Service.

Generator Interconnection Process is the Company's Generation Facility interconnection application, engineering review and construction process. The intent of the Generator Interconnection Process is to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, good utility practices and national safety standards.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Interconnection Facilities are all facilities which are reasonably required by good utility practices and the National Electric Safety Code to interconnect and to allow the delivery of energy from the Seller's Generation Facility to the Company's system, including, but not limited to, Special Facilities, Disconnection Equipment and Metering Equipment.

Interconnection Point is the point where the Seller's conductors connect to the facilities owned by the Company.

Metering Equipment is the Company owned equipment required to measure, record or telemeter power flows between the Seller's Generation Facility and the Company's system.

Net Metering Feasibility Review is the Company's standard engineering review of proposed Net Metering Systems. This review is intended to ensure that the Company's system is sufficiently equipped to incorporate proposed Net Metering Systems in a manner that conforms with good utility practices and the National Electric Safety Code.

Net Metering Service is the Company's service which provides for transfer of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission. This optional service provides for Customers to install Generation Facilities to interconnect to the Company's system to offset all or a portion of their electrical usage. This service is comprised of all customers taking service under Schedule 6, Schedule 8, or Schedule 84.

Net Metering System is a Customer-owned Generation Facility interconnected to the Company's system under the terms of Schedule 6, Schedule 8, or Schedule 84.

OATT is the Company's Federal Energy Regulatory Commission (FERC) approved Open Access Transmission Tariff.

Protection Equipment is the circuit-interrupting device, protective relaying, and associated instrument transformers.

PURPA means the Public Utility Regulatory Policies Act of 1978.

Qualifying Facility is a cogeneration facility or a small power production facility which meets the PURPA criteria for qualification set forth in Subpart B of Part 292, Subchapter K, Chapter I, Title 18, of the Code of Federal Regulations.

Relocation is a change in the location of existing Company-owned transmission and/or distribution lines, poles or equipment.

~~Schedule 84 is the Company's service schedule which provides for sales of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission.~~

Idaho Power Company ~~First~~Second Revised Sheet No. 72-2
Cancels
I.P.U.C. No. 29, Tariff No. 101 ~~Original~~First Revised Sheet No. 72-2

~~Seller is a non-utility generator who has contracted or will contract with the Company to interconnect a Generation Facility to the Company's system to sell electric energy to the Company including net metering sales, as provided in Schedule 84.~~

~~Seller-Furnished Facilities are those portions of the Interconnection Facilities provided by the Seller.~~

~~Special Facilities are additions to or alterations of transmission and/or distribution lines and transformers, including, but not limited to, Upgrades and Relocation, to safely interconnect the Seller's Generation Facility to the Company's system.~~

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DEFINITIONS (Continued)

Seller is a non-utility generator who has contracted or will contract with the Company to interconnect a Generation Facility to the Company's system to sell electric energy to the Company, or a Customer taking service under the Company's net metering tariffs, Schedule 6, Schedule 8, or Schedule 84~~ including net metering sales, as provided in Schedule 84~~.

Seller-Furnished Facilities are those portions of the Interconnection Facilities provided by the Seller.

Special Facilities are additions to or alterations of transmission and/or distribution lines and transformers, including, but not limited to, Upgrades and Relocation, to safely interconnect the Seller's Generation Facility to the Company's system.

Transfer Cost is the cost, as determined by the Company, for acceptance by the Company of Seller-Furnished Facilities.

Upgrades are those improvements to the Company's existing system which are reasonably required by good practices and the National Electric Safety Code to safely interconnect the Seller's Generation Facility. Such improvements include, but are not limited to, additional or larger conductors, transformers, poles, and related equipment.

Vested Interest is the claim for refund that a Seller or Additional Applicant holds in a specific portion of Company-owned Interconnection Facilities. The Vested Interest expires 5 years from the date the Company completes construction of its portion of the Interconnection Facilities unless fully refunded earlier. ~~Vested Interests do not apply to Schedule 84 net metering projects.~~

SECTION 1: GENERAL INTERCONNECTION REQUIREMENTS

The following provisions apply to all Sellers requesting interconnection to the Company's system.

CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES

All Seller-Furnished Interconnection Facilities will be constructed and maintained in a manner to be in full compliance with all good utility practices, National Electric Safety Code, and all other applicable Federal, state, and local safety and electrical codes and standards at all times.

The Seller shall:

1. Submit proof to the Company that all licenses, permits, inspections and approvals necessary for the construction and operation of the Seller's Generation and Interconnection Facilities under this schedule have been obtained from applicable Federal, state, or local authorities.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES (Continued)

2. Submit the designs, plans, specifications, and performance data for the Generation Facility and Seller-Furnished Facilities to the Company for review. The Company's acceptance shall not be construed as confirming or endorsing the design, or as a warranty of safety, durability, or reliability of the Generation Facility or Seller-Furnished Facilities. The Company will retain the right to inspect this equipment at its discretion.

3. Demonstrate to the Company's satisfaction that the Seller's Generation Facility and Seller-Furnished Facilities have been completed, and that all features and equipment of the Seller's Generation Facility and Seller-Furnished Facilities are capable of operating safely to commence deliveries of Energy into the Company's system.

4. Provide and maintain adequate protective equipment sufficient to prevent damage to the Generation Facility, Seller-Furnished Facilities and any other Seller-owned facilities in conformance with all applicable electrical and safety codes and requirements.

5. Provide and maintain Disconnection Equipment in accordance with all applicable electrical and safety codes and requirements as described within this Schedule.

6. Provide a 24-hour telephone contact(s). This contact will be used by the Company to arrange for repairs and inspections or in case of an emergency. The Company will make its best effort to arrange repairs and inspections during normal business hours and to notify the Seller of such arrangements in advance. The Company will provide a telephone number to the Seller so that the Seller can obtain information about Company activity impacting the Seller's facility.

DISCONNECTION EQUIPMENT

Disconnection Equipment is required for all Seller Generation Facilities. The Disconnection Equipment shall be installed at an electrical location to allow complete isolation of Seller's Generation and Interconnection Facilities from the Company's system. ~~The Disconnection Equipment for a Schedule 84 net metering facility~~Disconnection Equipment for Net Metering Systems will be installed at an electrical location on the Seller's side of the Company's retail metering point to allow complete isolation of the Seller's Generation and Interconnection Facilities from the Seller's other electrical load and service.

The Disconnection Equipment's operating device shall be:

1. Readily accessible by the Company at all times.

2. Clearly marked "Generation Disconnect Switch" with permanent 3/8 inch or larger letters.

3. Physically installed at a location within 10 feet of the Interconnection Point or exact, permanent instructions posted at the Interconnection Point indicating the precise location of the Disconnection Equipment's operating device.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DISCONNECTION EQUIPMENT (Continued)

4. Of a design manually operated and lockable in the open position with a standard Company padlock.

5. For Net Metering Systems under Schedule 6, Schedule 8, or Schedule 84, equipped with a visual disconnect that enables the Company to visually confirm that the Customer's and Company's conductors are physically disconnected. This requires the ability to visually inspect the actual conductors. Circuit breakers and/or switches do not satisfy this requirement if the conductors are not visible.

Operation of Disconnection Equipment. If, in the reasonable opinion of the Company, the Seller's operation or maintenance of the Generation Facility or Interconnection Facilities is unsafe or may otherwise adversely affect the Company's equipment, personnel, or service to its customers, the Company may physically disconnect the Seller's Generation Facility or Interconnection Facilities by operation of the disconnection device or by any other means the Company deems necessary to adequately disconnect the Seller's Generation and Interconnection Facilities from the Company's system. At such time as the unsafe condition is remedied or other condition adversely affecting the Company is resolved to the Company's satisfaction, the interconnection will be restored.

The Company will disconnect the Seller's Generation and Interconnection Facilities in the event of any planned or unplanned maintenance or repair of the Company's system connected to the Seller's Generation and Interconnection Facilities. In the event of unplanned maintenance or repairs, no prior notice will be provided. In the event of planned repairs, the Company will attempt to notify the Seller of the time and duration of the planned outage.

The Company will disconnect the Seller's Generation Facility and Interconnection Facilities in the event that any terms and conditions of any applicable Company tariff or contract enabling the interconnection of the Seller's Generation Facility is deemed by the Company to be in default or delinquent.

All expenses of disconnection and reconnection incurred by the Company will be billed to the Seller.

In the case of a ~~net metering facility~~Net Metering System, disconnection of the service may be necessary. The disconnection may result in interruption of both energy deliveries from the Seller's Generation Facility to the Company as well as interruption of energy deliveries from the Company to the Seller. Disconnection provisions specific to Customers taking service under Schedule 6, Schedule 8, or Schedule 84 are described further in Section 2 of this tariff.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

DISCONNECTION EQUIPMENT (Continued)

The Company will establish the settings of Protection Equipment to disconnect the Seller's Generation Facility and Interconnection Facilities for the protection of the Company's system and personnel consistent with good utility practices. If the Seller attempts to modify, adjust or otherwise interfere with the protection equipment or its settings as established by the Company, such action may be grounds for the Company's refusal to continue interconnection of the Seller's Generation and Interconnection Facilities to the Company's system.

GENERAL REQUIREMENTS OF INTERCONNECTED PROJECTS

1. The Company will construct, own, operate and maintain all equipment, Upgrades and Relocations on the Company's electrical side of the Interconnection Point.

~~SPECIFIC PROJECT REQUIREMENTS (Continued)~~

2. The Company will clearly mark the Metering Equipment and any other Company equipment associated with the Seller's Generation Facility and/or Interconnection Facilities designating the existence of the Seller's Generation Facility as required by good utility practices.

3. The Seller will be required to submit all specific designs, equipment specifications, and test results of the Seller-Furnished Facilities to the Company for review. Upon receipt of the design and equipment specifications, the Company will review the design and equipment specifications for conformance with applicable electrical and safety codes and standards.

OPERATIONS AND MAINTENANCE OBLIGATIONS AND EXPENSES

The Company will operate and maintain Company furnished Interconnection Facilities as well as any Seller-Furnished Facilities transferred to the Company.

SECTION 2: INTERCONNECTION OF NET METERING GENERATION FACILITIES

The following section is applicable to all Customers taking Net Metering Service under Schedule 6, Schedule 8, or Schedule 84. Interconnection of Net Metering Systems is available on a first-come, first-served basis until the cumulative generation nameplate capacity of Net Metering Systems equals 5.8 megawatts (MW). This cap is applicable to all Net Metering Systems installed in all retail jurisdictions in which the Company provides electrical service.

APPLICATION PROCESS

Customers requesting Net Metering Service are required to complete the following application process prior to interconnection:

1. Customers must submit a completed application form and $100 application fee to the Company. Applications are available on the Company's website.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

APPLICATION PROCESS (Continued)

2. Upon receipt of a completed application and $100 fee, the Company will provide the Customer with written or electronic mail notification that the application has been received and all necessary information has been provided. Company verification of a completed application constitutes a reservation of capacity under the Company's aggregate system net metering cap described above in the amount listed on the application.

3. The Company will perform within a reasonable timeframe the Net Metering Feasibility Review based on project information provided in the application. The Net Metering Feasibility Review for Net Metering Systems determines the capability of the Company's electrical system to incorporate the proposed Net Metering System and determines if Upgrades are necessary.

a. If the results of the Net Metering Feasibility Review indicate satisfactory system capability, the Company will provide the Customer with an official "Approval to Proceed" notification via written or electronic mail.

b. If the results of the Net Metering Feasibility Review indicate that Upgrades are necessary to accommodate the proposed project, the Company will notify the Customer through written or electronic mail of such Upgrades. Funding, construction, installation, and maintenance of required Upgrades will be subject to the Company's standard Rule H regarding New Service Attachments and Distribution Line Installations or Alterations.

4. Following receipt of "Approval to Proceed" the Customer is responsible for completing the installation of the Net Metering System and fulfilling all applicable Federal, State, and local inspection requirements. Upon completion the Customer must provide all forms of documentation outlined in Section 1-1 above verifying that all Federal, state, and local requirements have been met. Customers must also provide the Company with final invoices for all installed components of the completed Net Metering System.

5. Once all required documentation has been submitted, the Company will complete an on-site inspection within ten (10) business days, subject to work constraints. Company on-site inspections will not be performed until the system has passed all applicable Federal, State, and local inspection requirements as described above. The Company on-site inspection includes the following:

a. Verification that actual installed components correspond to information provided on the initial application
b. Verification that the disconnect is functional and reconnection time is no less than five (5) minutes
c. Verification of the proximity and visibility of the disconnect or a sign indicating the location of the disconnect
d. Photographic documentation of the installation
e. Posting of appropriate Company signage

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

APPLICATION PROCESS (Continued)

f. Documentation of the meter number and system configuration
g. Evaluation of inverters:

i. Systems utilizing verifiable UL 1741 or IEEE 1547 inverters will not be subject to additional testing
ii. Systems utilizing all inverters other than UL 1741 or IEEE 1547 will be subject to third-party testing performed at the Customer's expense

6. Successful completion of the Company on-site inspection constitutes the conclusion of the application process. The Customer will be moved to the appropriate Net Metering Service rate schedule within three (3) business days, subject to work constraints. Upon completion of this process, the Customer will receive written or electronic mail confirmation that the application process has been successfully completed.

APPLICATION EXPIRATION AND FORFEITURE OF CAPACITY RESERVATION

1. Customers that fail to complete the application process within one year of receipt of the initial Net Metering Feasibility Review forfeit their capacity reservation described in Section 2-2 above. Customers requesting connection or approval of expired applications are required to resubmit a completed application form and $100 application fee, and are subject to the full application process described above.

RECERTIFICATION

1. The Company will perform full recertification inspections of all Net Metering Systems once every three years. Recertification inspections will be performed in the same manner as new Net Metering System inspections described above. The Company reserves the right to inspect any Net Metering System at any time.

NET METERING SYSTEM EXPANSIONS

1. Any modifications to Net Metering Systems that impact the generation capacity of the system or modify the system in any way that may impact the safety or reliability of the Company's electrical system are considered system expansions for the purposes of this tariff.

2. Customers wishing to install system expansions must submit a new application and $100 application fee, and complete the application process according to the procedures required of a new installation.

3. Systems that have been expanded in the manner described above without gaining prior Company approval are considered unauthorized installations subject to the provisions of this Schedule described below.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

UNAUTHORIZED INSTALLATIONS AND EXPANSIONS

1. Net Metering Systems that have been interconnected to the Company's system without Company approval are considered unauthorized installations that jeopardize the reliability of Idaho Power's system and the safety of its employees. This includes, but is not limited to, newly installed systems, and unapproved expansions of approved systems. The process described herein provides the Company the ability to offer net metering service in an efficient, safe, and reliable manner.

2. Unauthorized installations are subject to immediate Company inspection without notice.

a. If proper disconnection equipment is present, the Company will open and lock the disconnect and provide written notice that the Net Metering System has been disconnected from the Company's system. The Company will contact the Customer either in person or via telephone and make the Customer aware of necessary steps to bring the system into compliance according to the provisions of this Schedule. Upon completion of the full application process the system will be reinstated.

b. If proper disconnection equipment is not present, the Company will evaluate installed inverters:

i. If the system utilizes UL 1741 or IEEE 1547 inverters, the Company will contact the Customer either in person or via telephone in addition to written communication regarding the unauthorized installation. This communication will include the necessary steps to bring the system into compliance according to the following procedures:

1. Within fifteen (15) days of notification, the Customer must submit a completed net metering application and $100 fee.

2. Within thirty (30) days of completion of the Net Metering Feasibility Review, the Customer must complete the remainder of the inspection requirements described above.

3. Customers that do not wish to bring their systems into compliance with this schedule may choose to disable their systems. Customers wishing to disconnect their systems must notify the Company within thirty (30) days of the date of notification that their system is unauthorized and out of compliance with Company regulation.

4. Customers that fail to complete the application process within the allotted timeframe and/or do not disable their systems within thirty (30) days will be subject to termination of electric service.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

UNAUTHORIZED INSTALLATIONS AND EXPANSIONS (Continued)

ii. If the system utilizes inverters other than UL 1741 or IEEE 1547, or if the presence of UL 1741 or IEEE 1547 inverters cannot be verified, the Customer will be subject to immediate termination of service without notice.

3. Customers subject to termination of service under this Schedule are provided two options for restoration of service. Under both options Customers are responsible for reconnection costs per the Company's standard fees contained in Schedule 66.

a. Customers may choose to disconnect Net Metering Systems from service. Customers choosing to do so must receive confirmation from a State electrical inspector that the Net Metering System is no longer operational and interconnected to the Company's system. The results of this inspection must be provided to the Company prior to restoration of service.

b. Customers can bring the system into compliance with the provisions of this schedule by completing the full application process described above.

SECTION 3: INTERCONNECTION OF NON-NET METERING GENERATION FACILITIES

The following section is applicable to all Sellers requesting interconnection of non-utility generation not taking service under the Company's net metering tariffs, Schedule 6, Schedule 8, or Schedule 84.

SPECIFIC PROJECT REQUIREMENTS

1. Generation Facilities Less than 1 MW Nameplate Rating

The following requirements are for Generation Facilities with nameplate ratings of less than 1 MW.

a. The Company shall procure, install, own and maintain Metering Equipment to record energy deliveries to the Company. This metering will be separate from any other metering of the Seller's load and may be located on either side of the Interconnection Point. All acquisition, installation, maintenance, inspection, and testing costs related to Meter Equipment installed to measure the Seller's energy deliveries to the Company shall be borne by the Seller.

b. The Seller is responsible for all costs incurred by the Company for the review, evaluation and testing of Seller supplied designs and equipment regardless as to the outcome of the review or test results.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SPECIFIC PROJECT REQUIREMENTS (Continued)

c. The Seller, upon completion of installation and prior to interconnection of the Generation Facility to the Company's system, will provide the Company with certification from a professional engineer licensed in the State of Idaho stating that the Seller's Generation Facility and Interconnection Facilities are in compliance with IEEE Standard 1547 and all applicable electrical and safety codes to enable safe and reliable operation.

d. The Seller will obtain and provide to the Company an annual certification and testing by a professional engineer licensed in the State of Idaho, certifying the ongoing compliance with IEEE Standard 1547 and all applicable electrical and safety codes and that the Seller-Furnished Facilities successfully meet applicable testing requirements and standards. In the event the Company does not receive and accept the annual certification within thirty (30) days of the annual anniversary date of the agreement, the project will be disconnected from the Company's system until such time as the certification is completed and accepted by the Company.

e. In addition to the requirements specified in sections a through d, Generation Facilities that are greater than 100 kW and less than 1 MW total nameplate rating require the following:

i. If the Company owns the transformer interconnecting the Seller's Generation Facility, then the Seller may own and maintain a secondary voltage disconnection device that can be operated by both the Seller and the Company.

ii. If the Seller owns the transformer interconnecting the Seller's Generation Facility, then the Company will own, operate, and maintain a primary voltage disconnection device at the Seller's expense.

iii. The Company will construct, own, operate, and maintain all protective relays and any associated equipment required to operate the protective relays.

2. Generation Facilities Greater Than 1 MW Nameplate Rating

The Company will own, maintain, and operate all Interconnection Facilities and Disconnection Equipment at the Seller's expense.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

GENERATOR INTERCONNECTION PROCESS

1. Seller shall pay the actual costs of all required interconnection studies. Any difference between the deposit (if required) and the actual cost of the study shall be paid by or refunded to Seller, as appropriate. If, during the course of preparing a study, the Company incurs costs in excess of the deposit amount, the Company may require that the deposit amount be replenished in an amount equal to the estimated costs for completion of the study. If a deposit amount sufficient to pay for completion of the study is not maintained, the Company may suspend work on the study.

2. Unless modified by the provisions of this schedule, the FERC-approved Large Generator Interconnection Procedures and Small Generator Interconnection Procedures posted on the Company's website will apply to the Generator Interconnection Process.

3. The deposit amounts for Generation Facilities up to 30 MW are specified in this schedule. Deposit amounts for Generation Facilities 30 MW and larger are covered by the FERC-approved Large Generator Interconnection Procedures posted on the Company's website.

4. Application. The Seller will submit a completed interconnection application in the form posted on the Company's website. The application form includes a general description of the Generation Facility and its location. The application includes payment of an application fee to be applied against costs the Company incurs to perform the Feasibility Study described below. The amount of the application fee is $1,000 for a Generation Facility up to 30 MW.

5. Study Agreements. If the Seller desires to proceed beyond the Application stage, the Seller will be offered a series of study agreements. The individual study agreements establish the time to perform the study and the deposit the Seller is to provide prior to commencement of the study. The deposit amount may be waived if a Seller meets the Company's credit worthiness standards for unsecured credit specified in Attachment L to the Company's OATT. The studies consist of:

~~GENERATOR INTERCONNECTION PROCESS (Continued)~~

a. The Feasibility Study: The Feasibility Study includes a general review of project impact, e.g. exceeding equipment capabilities and violation of electrical performance requirements. The Feasibility Study Agreement states that no deposit is required, since the deposit is covered by the application fee.

b. The System Impact Study: The System Impact Study provides a detailed assessment of the distribution and/or transmission system adequacy to accommodate the Generation Facility through the evaluation of equipment capabilities and electrical performance requirements. This step may not be necessary for some projects depending on the size and location of the project. The System Impact Study Agreement includes a deposit of $2,000 for a distribution system impact study or a $10,000 deposit for a transmission system impact study.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

GENERATOR INTERCONNECTION PROCESS (Continued)

c. The Facility Study: The Facility Study includes the engineering to determine the design specifications of the project. The Facility Study Agreement includes a deposit of 5% of the total project costs that were determined in the System Impact Study Report ("SISR") or the Feasibility Study Report if a SISR is not required, capped at $30,000.

At the end of each stage of the three-step study process, the Company will provide the Seller with an increasingly more refined and detailed report that, among other things, will present a list of required Interconnection Facilities and a non-binding, good faith estimate of Seller's cost responsibility for the Interconnection Facilities. If long-lead time equipment items need to be ordered to meet Seller's construction schedule, the Company will request advance funding by the Seller to cover these equipment costs.

6. Generator Interconnection Agreement. The Generator Interconnection Agreement ("GIA"), will be offered to Seller following completion of the Facility Study. The GIA will utilize the Uniform Interconnection Agreement template included in this schedule.

COST OF INTERCONNECTION FACILITIES

All Interconnection Facilities provided under this schedule will be valued at the Company's Construction Cost and/or the Transfer Cost for vesting purposes as well as for operation and maintenance payment obligations.

PAYMENT FOR INTERCONNECTION FACILITIES

Unless specifically agreed otherwise by written agreement between the Seller and the Company, the Seller will pay all costs of interconnecting a Generation Facility to the Company's system. Costs of interconnection include the costs of furnishing and constructing required Interconnection Facilities, including Upgrades.

~~PAYMENT FOR INTERCONNECTION FACILITIES (Continued)~~

Each request for interconnection will go through the Generator Interconnection Process. Throughout the Generator Interconnection Process, the Company will periodically bill the Seller for costs incurred or obligated. Failure to pay an invoice within the time specified in the invoice will result in suspension of work on the interconnection and if the suspension of work extends beyond 30 calendar days, the Generation Facility will be removed from the interconnection queue. Seller can end the Generator Interconnection Process at any time. If Seller decides to end the Generator Interconnection Process prior to completion, the Company will either refund any monies held for security that have not been spent or obligated, or issue an invoice to Seller for costs incurred prior to cancellation.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

SECURITY FOR PAYMENT OF INTERCONNECTION COSTS

Sellers will provide adequate security for payment of the costs of the Generator Interconnection Process. Adequate security for Generation Facilities larger than 30 MW can be provided in accordance with the Large Generator Interconnection Procedures contained in Attachment M to the Company's OATT. Adequate security for Generation Facilities up to 30 MW can be provided in one of the following ways

1. Sellers that meet the Company's credit worthiness standards for unsecured credit are not required to provide additional security. The Company's minimum credit standards for unsecured credit are described in Attachment L to the OATT.

2. Sellers that do not meet the credit worthiness standards for unsecured credit will be notified of the reason for the determination and shall be given the option to provide alternative security acceptable to Idaho Power. In lieu of providing a cash deposit, Seller may establish an escrow account, provide a letter of credit or provide guarantee of payment by another person or entity which meets the credit worthiness standards for unsecured credit. Arrangements for alternative security must be acceptable to Idaho Power.

~~CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES~~

~~All Seller-Furnished Interconnection Facilities will be constructed and maintained in a manner to be in full compliance with all good utility practices, National Electric Safety Code, and all other applicable Federal, state, and local safety and electrical codes and standards at all times.~~

~~The Seller shall:~~

~~1. Submit proof to the Company that all licenses, permits, inspections and approvals necessary for the construction and operation of the Seller's Generation and Interconnection Facilities under this schedule have been obtained from applicable Federal, state, or local authorities.~~

~~CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES (Continued)~~

~~2. Submit the designs, plans, specifications, and performance data for the Generation Facility and Seller-Furnished Facilities to the Company for review. The Company's acceptance shall not be construed as confirming or endorsing the design, or as a warranty of safety, durability, or reliability of the Generation Facility or Seller-Furnished Facilities. The Company will retain the right to inspect this equipment at its discretion.~~

~~3. Demonstrate to the Company's satisfaction that the Seller's Generation Facility and Seller-Furnished Facilities have been completed, and that all features and equipment of the Seller's Generation Facility and Seller-Furnished Facilities are capable of operating safely to commence deliveries of Energy into the Company's system.~~

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

~~4. Provide and maintain adequate protective equipment sufficient to prevent damage to the Generation Facility, Seller-Furnished Facilities and any other Seller-owned facilities in conformance with all applicable electrical and safety codes and requirements.~~

~~5. Provide and maintain Disconnection Equipment in accordance with all applicable electrical and safety codes and requirements as described within this Schedule.~~

~~6. Provide a 24-hour telephone contact(s). This contact will be used by the Company to arrange for repairs and inspections or in case of an emergency. The Company will make its best effort to arrange repairs and inspections during normal business hours and to notify the Seller of such arrangements in advance. The Company will provide a telephone number to the Seller so that the Seller can obtain information about Company activity impacting the Seller's facility.~~

~~DISCONNECTION EQUIPMENT~~

~~Disconnection Equipment is required for all Seller Generation Facilities. The Disconnection Equipment shall be installed at an electrical location to allow complete isolation of Seller's Generation and Interconnection Facilities from the Company's system. The Disconnection Equipment for a Schedule 84 net metering facility will be installed at an electrical location on the Seller's side of the Company's retail metering point to allow complete isolation of the Seller's Generation and Interconnection Facilities from the Seller's other electrical load and service.~~

~~The Disconnection Equipment's operating device shall be:~~

~~1. Readily accessible by the Company at all times.~~

~~2. Clearly marked "Generation Disconnect Switch" with permanent 3/8 inch or larger letters.~~

~~3. Physically installed at a location within 10 feet of the Interconnection Point or exact, permanent instructions posted at the Interconnection Point indicating the precise location of the Disconnection Equipment's operating device.~~

~~DISCONNECTION EQUIPMENT (Continued)~~

~~4. Of a design manually operated and lockable in the open position with a standard Company padlock.~~

~~Operation of Disconnection Equipment. If, in the reasonable opinion of the Company, the Seller's operation or maintenance of the Generation Facility or Interconnection Facilities is unsafe or may otherwise adversely affect the Company's equipment, personnel, or service to its customers, the Company may physically disconnect the Seller's Generation Facility or Interconnection Facilities by operation of the disconnection device or by any other means the Company deems necessary to adequately disconnect the Seller's Generation and Interconnection Facilities from the Company's system. At such time as the unsafe condition is remedied or other condition adversely affecting the Company is resolved to the Company's satisfaction, the interconnection will be restored.~~

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

The Company will disconnect the Seller's Generation and Interconnection Facilities in the event of any planned or unplanned maintenance or repair of the Company's system connected to the Seller's Generation and Interconnection Facilities. In the event of unplanned maintenance or repairs, no prior notice will be provided. In the event of planned repairs, the Company will attempt to notify the Seller of the time and duration of the planned outage.

The Company will disconnect the Seller's Generation Facility and Interconnection Facilities in the event that any terms and conditions of any applicable Company tariff or contract enabling the interconnection of the Seller's Generation Facility is deemed by the Company to be in default or delinquent.

All expenses of disconnection and reconnection incurred by the Company will be billed to the Seller.

In the case of a net metering facility, disconnection of the service may be necessary. The disconnection may result in interruption of both energy deliveries from the Seller's Generation Facility to the Company as well as interruption of energy deliveries from the Company to the Seller.

The Company will establish the settings of Protection Equipment to disconnect the Seller's Generation Facility and Interconnection Facilities for the protection of the Company's system and personnel consistent with good utility practices. If the Seller attempts to modify, adjust or otherwise interfere with the protection equipment or its settings as established by the Company, such action may be grounds for the Company's refusal to continue interconnection of the Seller's Generation and Interconnection Facilities to the Company's system.

GENERAL REQUIREMENTS OF INTERCONNECTED PROJECTS

1. The Company will construct, own, operate and maintain all equipment, Upgrades and Relocations on the Company's electrical side of the Interconnection Point.

SPECIFIC PROJECT REQUIREMENTS (Continued)

2. The Company will clearly mark the Metering Equipment and any other Company equipment associated with the Seller's Generation Facility and/or Interconnection Facilities designating the existence of the Seller's Generation Facility as required by good utility practices.

3. The Seller will be required to submit all specific designs, equipment specifications, and test results of the Seller Furnished Facilities to the Company for review. Upon receipt of the design and equipment specifications, the Company will review the design and equipment specifications for conformance with applicable electrical and safety codes and standards.

SPECIFIC PROJECT REQUIREMENTS

1. Generation Facilities Interconnecting as a Schedule 84 (net metering) Project

a. Certification prior to interconnection:

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

Seller Generation Facilities that qualify for net metering under Schedule 84 will submit to the Company a certification from an independent qualified party licensed in the State of Idaho that the design and equipment in the Generation Facility and Seller-Furnished Facilities (1) comply with the Institute of Electrical and Electronic Engineers (IEEE) Standard 1547 and all other standards of this schedule and applicable electric and building codes and (2) will operate to safely deliver Energy to the Interconnection Point. The Seller shall provide the credentials and licenses of the certifying party to the Company for review and acceptance of the certification.

b. Periodic re-certification:

i. Projects larger than 25 kW. The Seller will obtain an annual certification from an independent qualified party licensed in the State of Idaho, certifying the Generation Facility and Seller-Furnished Facilities and equipment are in compliance with IEEE Standard 1547 all current applicable electrical and safety codes, and are able to safely and reliably continue to operate. The Seller will provide the credentials and licenses of the certifying party to the Company for review and acceptance of the certification. A copy of this certification must be forwarded to the Company by May 1st of each calendar year in which the Seller's facility is interconnected to the Company's system. Within the first calendar year of operation, the Seller will be required to supply only the certifications required at the time of the initial interconnection. If the Company does not accept the annual certification within sixty days of its receipt, the Generation Facility will be disconnected from the Company's system until such time as the certification is completed and accepted by the Company.

ii. Projects 25 kW and smaller. The above described certification will be provided every three years.

SPECIFIC PROJECT REQUIREMENTS (Continued)

iii. Re-certification following modifications. Prior to making any material modifications or additions to the Generation Facility or Interconnection Facilities Seller will provide Company with a written description of the proposed change. The Company will expeditiously review the proposal and authorize Seller to proceed subject to final inspection and certification by a qualified party as described in paragraph 1a above. Any modification made without notice will result in disconnection of the facility until such time as certification of the modified facility is submitted to and accepted by the Company.

2. Generation Facilities Less than 1 MW Nameplate Rating

The following requirements are for Generation Facilities with nameplate ratings of less than 1 MW, not including ne metering facilities utilizing Schedule 84.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

a. The Company shall procure, install, own and maintain Metering Equipment to record energy deliveries to the Company. This metering will be separate from any other metering of the Seller's load and may be located on either side of the Interconnection Point. All acquisition, installation, maintenance, inspection and testing costs related to Meter Equipment installed to measure the Seller's energy deliveries to the Company shall be born by the Seller.

b. The Seller is responsible for all costs incurred by the Company for the review, evaluation and testing of Seller supplied designs and equipment regardless as to the outcome of the review or test results.

c. The Seller, upon completion of installation and prior to interconnection of the Generation Facility to the Company's system, will provide the Company with certification from a professional engineer licensed in the State of Idaho stating that the Seller's Generation Facility and Interconnection Facilities are in compliance with IEEE Standard 1547 and all applicable electrical and safety codes to enable safe and reliable operation.

d. The Seller will obtain and provide to the Company an annual certification and testing by a professional engineer licensed in the State of Idaho, certifying the ongoing compliance with IEEE Standard 1547 and all applicable electrical and safety codes and that the Seller-Furnished Facilities successfully meet applicable testing requirements and standards. In the event the Company does not receive and accept the annual certification within 30 days of the annual anniversary date of the agreement, the project will be disconnected from the Company's system until such time as the certification is completed and accepted by the Company.

e. In addition to the requirements specified in sections a through d, Generation Facilities that are greater than 100 kW and less than 1 MW total nameplate rating require the following:

SPECIFIC PROJECT REQUIREMENTS (Continued)

i. If the Company owns the transformer interconnecting the Seller's Generation Facility, then the Seller may own and maintain a secondary voltage disconnection device that can be operated by both the Seller and the Company.

ii. If the Seller owns the transformer interconnecting the Seller's Generation Facility, then the Company will own, operate and maintain a primary voltage disconnection device at the Seller's expense.

iii. The Company will construct, own, operate and maintain all protective relays and any associated equipment required to operate the protective relays.

3. Generation Facilities Greater Than 1 MW Nameplate Rating

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

~~The Company will own, maintain and operate all Interconnection Facilities and Disconnection Equipment at the Seller's expense.~~

TRANSFER OF INTERCONNECTION FACILITIES

Transfer of Interconnection Facilities is available only for Generation Facilities with nameplate ratings greater than 100 kW.

1. Transfer at First Energy Date. If the Seller desires to transfer and the Company desires to accept any Seller-Furnished Facilities at the First Energy Date, the following will apply:

a. Prior to the beginning of construction, the Seller shall cause the contractor that is constructing the Seller-Furnished Facilities to provide the Company with a certificate naming the Company as an additional insured in the amount of not less than $1,000,000 under the contractor's general liability policy.

b. The Company will provide the Seller's contractor with construction and material specifications and will have final approval of the design of the Seller-Furnished Facilities.

c. During construction and upon completion, the Company will inspect the Seller-Furnished Facilities to be transferred to the Company. The cost of such inspection will be borne by the Seller.

~~TRANSFER OF INTERCONNECTION FACILITIES (Continued)~~

d. If the Seller-Furnished Facilities meet the Company's design, material and construction specifications, are free from defects in materials and workmanship, and the Seller has provided the Company with acceptable easements, bills of sale and assurance against labor or materials liens, the Company will accept ownership effective as of the First Energy Date. In the bill of sale, the Seller will warrant to the Company that the Seller-Furnished Facilities are free of any liens or encumbrances and will be free from any defects in materials and workmanship for a period of one year from the First Energy Date.

2. Subsequent Transfer. If, after the First Energy Date, the Seller desires to transfer and the Company desires to accept any Seller-Furnished Facilities, the following will apply:

a. The Company will inspect the facilities proposed for sale to determine if they meet the Company's design, material and construction specifications.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

TRANSFER OF INTERCONNECTION FACILITIES (Continued)

b. The Company will determine the Transfer Cost of such facilities. The Transfer Cost will be equal to the depreciated Construction Cost the Company would have incurred if it had originally constructed the facilities plus the cost, if any, of bringing the facilities into compliance with the Company's design, material and construction specifications. Depreciation of the facilities proposed for transfer will be determined on the same basis as the Company depreciates its own facilities in accordance with the appropriate FERC account numbers for the type and size of line or equipment involved. The time period used for the calculation of the depreciated transfer cost will extend from the First Energy Date until the agreed upon transfer date. The Transfer Cost will be paid to the Company in cash at the time of transfer. At the same time, the Company will pay the Seller in cash an amount equal to the depreciated Construction Cost.

c. As a condition of the Company's acceptance, the Seller will provide the Company with acceptable easements, bills of sale and acceptable assurance against labor and material liens. The bill of sale will include a warranty that the transferred facilities are free of all liens and encumbrances and will be free from any defects in materials and workmanship for a period of one year from the date of transfer.

d. Effective as of the date of the transfer, the Company will operate and maintain the transferred facilities.

VESTED INTEREST

A Seller's eligibility for a Vested Interest refund will exist for 5 years after the date the Company completes construction of its portion of the Interconnection Facilities.

~~VESTED INTEREST (Continued)~~

1. The Company will provide a refund payment to each Seller holding a Vested Interest in Company-owned Interconnection Facilities when an Additional Applicant shares use of those Interconnection Facilities.

2. The refund payment will be based on the following formula:

Refund =	Linear Footage Ratio	x	Connected Load/Peak Generation Ratio	x	Original Interconnection Cost

a. The Linear Footage Ratio is the length of jointly used Special Facilities divided by the length of the vested Special Facilities.

SCHEDULE 72
INTERCONNECTIONS TO
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(Continued)

VESTED INTEREST (Continued)

b. The Connected Load/Peak Generation Ratio is the Connected Load or Peak Generation of the Additional Applicant divided by the sum of the Connected Load or Peak Generation of the Additional Applicant and all other Connected Loads and/or Peak Generation on the Special Facilities.

c. The Original Interconnection Cost is the sum of the Company's Construction Cost and any Transfer Costs for the Interconnection Facilities to which the Additional Applicant intends to connect and share usage.

3. The Additional Applicant will pay the Company the amount of the Vested Interest refund(s). Additional Applicants making Vested Interest payments are in turn eligible to receive refunds within the 5 year limit described above.

4. Vested Interest refunds will not exceed 100 percent of the refundable portion of any party's cash payment to the Company.

5. Vested Interest refund payments may be waived by notifying the Company in writing.

OPERATION AND MAINTENANCE OBLIGATIONS AND EXPENSES

The Company will operate and maintain Company furnished Interconnection Facilities as well as any Seller-Furnished Facilities transferred to the Company. For all projects not interconnecting as a Schedule 84 customer, the Seller will pay the Company a monthly operation and maintenance charge equal to a percentage of the Construction Cost and Transfer Cost paid by the Seller. The percentage will change annually on the anniversary of the First Energy Date in accordance with the following table:

MONTHLY OPERATION AND MAINTENANCE CHARGES
138 kV and 161 kV

Year	1	2	3	4	5	6	7	8	9	10	11	12
O&M Charge	0.26%	0.27%	0.28%	0.29%	0.30%	0.32%	0.33%	0.35%	0.36%	0.38%	0.40%	0.41%
Year	13	14	15	16	17	18	19	20	21	22	23	24
O&M Charge	0.43%	0.45%	0.47%	0.49%	0.52%	0.54%	0.56%	0.59%	0.62%	0.64%	0.67%	0.70%
Year	25	26	27	28	29	30	31	32	33	34	35	
O&M Charge	0.73%	0.77%	0.80%	0.84%	0.87%	0.91%	0.96%	1.00%	1.04%	1.09%	1.14%	

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

OPERATION AND MAINTENANCE OBLIGATIONS AND EXPENSES (Continued)

MONTHLY OPERATING AND MAINTENANCE CHARGES
Below 138 kV

Year	1	2	3	4	5	6	7	8	9	10	11	12
O&M Charge	0.47%	0.49%	0.52%	0.54%	0.56%	0.59%	0.61%	0.64%	0.67%	0.70%	0.73%	0.77%
Year	13	14	15	16	17	18	19	20	21	22	23	24
O&M Charge	0.80%	0.84%	0.87%	0.91%	0.95%	1.00%	1.04%	1.09%	1.14%	1.19%	1.24%	1.30%
Year	25	26	27	28	29	30	31	32	33	34	35	
O&M Charge	1.36%	1.42%	1.48%	1.55%	1.62%	1.69%	1.77%	1.85%	1.93%	2.02%	2.11%	

Where a Seller's interconnection will utilize Interconnection Facilities provided under a prior agreement(s), the term of which was shorter than 35 years, the operation and maintenance charge for the Seller's interconnection will be computed to include the expired term of the prior agreement(s).

The cost upon which an individual Seller's operation and maintenance charge is based will be reduced by subsequent Vested Interest refunds. Additional Applicants who are Sellers will pay the monthly operation and maintenance charge on the amount they paid as an Additional Applicant.

Seller-Furnished Facilities not transferred to the Company will be operated and maintained by the Seller at the Seller's sole risk and expense.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)

This Interconnection Agreement ("Agreement") is effective as of the ____ day of _____, 20___, between _____, hereinafter called "Seller," and Idaho Power Company, hereinafter called "Company."

RECITALS

A. Seller will own or operate a Generation Facility that qualifies for service under Idaho Power's Commission-approved Schedule 72 and any successor schedule.

B. The Generation Facility covered by this Agreement is more particularly described in Attachment 1.

AGREEMENTS

1. Capitalized terms used herein shall have the same meanings as defined in Schedule 72 or in the body of this Agreement.

2. This Agreement and Schedule 72 provide the rates, charges, terms and conditions under which the Seller's Generation Facility will interconnect with, and operate in parallel with, the Company's transmission/distribution system. Terms defined in Schedule 72 will have the same defined meaning in this Agreement. If there is any conflict between the terms of this Agreement and Schedule 72, Schedule 72 shall prevail.

3. This Agreement is not an agreement to purchase Seller's power. Purchase of Seller's power and other services that Seller may require will be covered under separate agreements. Nothing in this Agreement is intended to affect any other agreement between the Company and Seller.

4. Attached to this Agreement and included by reference are the following:

Attachment 1 – Description and Costs of the Generation Facility, Interconnection Facilities, and Metering Equipment.

Attachment 2 – One-line Diagram Depicting the Generation Facility, Interconnection Facilities, Metering Equipment and Upgrades.

Attachment 3 – Milestones For Interconnecting the Generation Facility.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
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(PURPA)
(Continued)

AGREEMENTS (Continued)

Attachment 4 – Additional Operating Requirements for the Company's Transmission System Needed to Support the Seller's Generation Facility.

Attachment 5 – Reactive Power.

Attachment 6 – Description of Upgrades required to integrate the Generation Facility and Best Estimate of Upgrade Costs.

5. Effective Date, Term, Termination and Disconnection.

5.1 Term of Agreement. Unless terminated earlier in accordance with the provisions of this Agreement, this Agreement shall become effective on the date specified above and remain effective as long as Seller's Generation Facility is eligible for service under Schedule 72.

5.2 Termination.

5.2.1 Seller may voluntarily terminate this Agreement upon expiration or termination of an agreement to sell power to the Company.

5.2.2 After a Default, either Party may terminate this Agreement pursuant to Section 6.5.

5.2.3 Upon termination or expiration of this Agreement, the Seller's Generation Facility will be disconnected from the Company's transmission/distribution system. The termination or expiration of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination. The provisions of this Section shall survive termination or expiration of this Agreement.

SCHEDULE 72
INTERCONNECTIONS TO
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(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3 Temporary Disconnection. Temporary disconnection shall continue only for so long as reasonably necessary under "Good Utility Practice." Good Utility Practice means any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region. Good Utility Practice includes compliance with WECC or NERC requirements. Payment of lost revenue resulting from temporary disconnection shall be governed by the power purchase agreement.

5.3.1 Emergency Conditions. "Emergency Condition" means a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of the Company, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to the Company's transmission/distribution system, the Company's Interconnection Facilities or the equipment of the Company's customers; or (3) that, in the case of the Seller, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the reliability and security of, or damage to, the Generation Facility or the Seller's Interconnection Facilities. Under Emergency Conditions, either the Company or the Seller may immediately suspend interconnection service and temporarily disconnect the Generation Facility. The Company shall notify the Seller promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Seller's operation of the Generation Facility. The Seller shall notify the Company promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Company's equipment or service to the Company's customers. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

SCHEDULE 72
INTERCONNECTIONS TO
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(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
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(Continued)

AGREEMENTS (Continued)

5.3.2 Routine Maintenance, Construction, and Repair. The Company may interrupt interconnection service or curtail the output of the Seller's Generation Facility and temporarily disconnect the Generation Facility from the Company's transmission/distribution system when necessary for routine maintenance, construction, and repairs on the Company's transmission/distribution system. The Company 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, the Company may not be able to provide notice to the Seller prior to interruption, curtailment or reduction of electrical energy deliveries to the Company. The Company shall use reasonable efforts to coordinate such reduction or temporary disconnection with the Seller.

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

5.3.4. Maintenance Coordination. The Seller and the Company shall, to the extent practical, coordinate their respective transmission/distribution system and Generation Facility maintenance schedules such that they occur simultaneously. Seller shall provide and maintain adequate protective equipment sufficient to prevent damage to the Generation Facility and Seller-furnished Interconnection Facilities. In some cases, some of Seller's protective relays will provide back-up protection for Idaho Power's facilities. In that event, Idaho Power will test such relays annually and Seller will pay the actual cost of such annual testing.

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.5 Forced Outages. During any forced outage, the Company may suspend interconnection service to effect immediate repairs on the Company's transmission/distribution system. The Company shall use reasonable efforts to provide the Seller with prior notice. If prior notice is not given, the Company shall, upon request, provide the Seller written documentation after the fact explaining the circumstances of the disconnection.

5.3.6 Adverse Operating Effects. The Company shall notify the Seller as soon as practicable if, based on Good Utility Practice, operation of the Seller's Generation Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Generation Facility could cause damage to the Company's transmission/distribution system or other affected systems. Supporting documentation used to reach the decision to disconnect shall be provided to the Seller upon request. If, after notice, the Seller fails to remedy the adverse operating effect within a reasonable time, the Company may disconnect the Generation Facility. The Company shall provide the Seller with reasonable notice of such disconnection, unless the provisions of Article 5.3.1 apply.

5.3.7 Modification of the Generation Facility. The Seller must receive written authorization from the Company before making any change to the Generation Facility that may have a material impact on the safety or reliability of the Company's transmission/distribution system. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Seller makes such modification without the Company's prior written authorization, the latter shall have the right to temporarily disconnect the Generation Facility.

5.3.8 Reconnection. The Parties shall cooperate with each other to restore the Generation Facility, Interconnection Facilities, and the Company's transmission/distribution system to their normal operating state as soon as reasonably practicable following a temporary disconnection.

SCHEDULE 72
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(Continued)

IDAHO POWER COMPANY
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(PURPA)
(Continued)

AGREEMENTS (Continued)

5.3.9 Voltage Levels. Seller, in accordance with Good Utility Practices, shall minimize voltage fluctuations and maintain voltage levels acceptable to Idaho Power. Idaho Power may, in accordance with Good Utility Practices, upon one hundred eighty (180) days' notice to the Seller, change its nominal operating voltage level by more than ten percent (10%) at the Point of Delivery, in which case Seller shall modify, at Idaho Power's expense, Seller's equipment as necessary to accommodate the modified nominal operating voltage level.

5.4 Land Rights.

5.4.1 Seller to Provide Access. Seller hereby grants to Idaho Power for the term of this Agreement all necessary rights-of-way and easements to install, operate, maintain, replace, and remove Idaho Power's Metering Equipment, Interconnection Equipment, Disconnection Equipment, Protection Equipment and other Special Facilities necessary or useful to this Agreement, including adequate and continuing access rights on property of Seller. Seller warrants that it has procured sufficient easements and rights-of-way from third parties so as to provide Idaho Power with the access described above. All documents granting such easements or rights-of-way shall be subject to Idaho Power's approval and in recordable form.

5.4.2 Use of Public Rights-of-Way. The Parties agree that it is necessary to avoid the adverse environmental and operating impacts that would occur as a result of duplicate electric lines being constructed in close proximity. Therefore, subject to Idaho Power's compliance with Paragraph 5.4.4, Seller agrees that should Seller seek and receive from any local, state or federal governmental body the right to erect, construct and maintain Seller-furnished Interconnection Facilities upon, along and over any and all public roads, streets and highways, then the use by Seller of such public right-of-way shall be subordinate to any future use by Idaho Power of such public right-of-way for construction and/or maintenance of electric distribution and transmission facilities and Idaho Power may claim use of such public right-of-way for such purposes at any time. Except as required by Paragraph 5.4.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this Paragraph 5.4.2.

SCHEDULE 72
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(Continued)

IDAHO POWER COMPANY
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(Continued)

AGREEMENTS (Continued)

5.4.3 Joint Use of Facilities. Subject to Idaho Power's compliance with Paragraph 15.4.4, Idaho Power may use and attach its distribution and/or transmission facilities to Seller's Interconnection Facilities, may reconstruct Seller's Interconnection Facilities to accommodate Idaho Power's usage or Idaho Power may construct its own distribution or transmission facilities along, over and above any public right-of-way acquired from Seller pursuant to Paragraph 5.4.2, attaching Seller's Interconnection Facilities to such newly constructed facilities. Except as required by Paragraph 5.4.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this Paragraph 5.4.3.

5.4.4 Conditions of Use. It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Paragraph 5.4. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in Paragraphs 5.4.2 and 5.4.3 shall: (1) comply with all applicable laws, codes and Good Utility Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Paragraph 5.4.

6. Assignment, Liability, Indemnity, Force majeure, Consequential Damages and Default.

6.1 Assignment. This Agreement may be assigned by either Party upon twenty-one (21) calendar days prior written notice and opportunity to object by the other Party; provided that:

6.1.1 Either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement.

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(Continued)

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(PURPA)
(Continued)

AGREEMENTS (Continued)

6.1.2 The Seller shall have the right to contingently assign this Agreement, without the consent of the Company, for collateral security purposes to aid in providing financing for the Generation Facility, provided that the Seller will promptly notify the Company of any such contingent assignment.

6.1.3 Any attempted assignment that violates this article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Seller. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

6.2 Limitation of Liability. Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

6.3 Indemnity.

6.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Article 6.2.

6.3.2 The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

SCHEDULE 72
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(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
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(PURPA)
(Continued)

AGREEMENTS (Continued)

6.3.3 If an indemnified person is entitled to indemnification under this article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim. Failure to defend is a Material Breach.

6.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

6.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall be a Material Breach and shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

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

(1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.

SCHEDULE 72
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(Continued)

IDAHO POWER COMPANY
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AGREEMENTS (Continued)

(2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.

(3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

6.5 Default and Material Breaches.

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

6.5.2 Material Breaches. The notice and cure provisions in Paragraph 6.6.1 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.

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

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

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

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(Continued)

IDAHO POWER COMPANY
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(Continued)

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(a) An endorsement naming Idaho Power as an additional insured and loss payee as applicable; and

(b) A provision stating that such policy shall not be canceled or the limits of liability reduced without sixty (60) days' prior written notice to Idaho Power.

7.3 Seller to Provide Certificate of Insurance. As required in Paragraph 7 herein and annually thereafter, Seller shall furnish the Company a certificate of insurance, together with the endorsements required therein, evidencing the coverage as set forth above.

7.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by Paragraph 7.1 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute grounds for a temporary disconnection under Section 5.3 and will be a Material Breach.

8. Miscellaneous.

8.1 Governing Law. The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of Idaho without regard to its conflicts of law principles.

8.2 Salvage. No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value of those Idaho Power furnished Interconnection Facilities as required under Schedule 72 and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.

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(Continued)

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UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

AGREEMENTS (Continued)

9. Notices.

9.1 General. Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national currier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Seller:
Seller:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

If to the Company:
Company_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

9.2 Billing and Payment. Billings and payments shall be sent to the addresses set out below:

Seller:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

Company:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

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AGREEMENTS (Continued)

9.3 Designated Operating Representative. The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Seller's Operating Representative:
Seller:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

Company's Operating Representative:
Company:_____
Attention:_____
Address:_____
City:_____State:_____Zip:_____
Phone:_____Fax:_____

9.5 Changes to the Notice Information. Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

10. Signatures.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Company
Name:_____
Title:_____
Date:_____

For the Seller
Name:_____
Title:_____
Date:_____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

Attachment 1

Description and Costs of the Generation Facility, Interconnection Facilities and Metering Equipment

In this attachment the Generation Facility and Interconnection Facilities, including Special Facilities and upgrades, are itemized and identified as being owned by the Seller or the Company. As provided in Schedule 72, Payment For Interconnection Facilities, the Company will provide a best estimate itemized cost of its Interconnection Facilities, including Special Facilities, upgrades and Metering Equipment.

Attachment 2

One-line Diagram Depicting the Small Generation Facility, Interconnection Facilities, Metering Equipment and Upgrades

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

Attachment 3

Milestones

In-Service Date: _____

Critical milestones and responsibility as agreed to by the Parties:

	Milestone/Date	Responsible Party
(1)	_____	_____
(2)	_____	_____
(3)	_____	_____
(4)	_____	_____
(5)	_____	_____
(6)	_____	_____
(7)	_____	_____
(8)	_____	_____
(9)	_____	_____
(10)	_____	_____

Agreed to by:

For the Company_____Date_____

For the Seller_____Date_____

SCHEDULE 72
INTERCONNECTIONS TO
NON-UTILITY GENERATION
(Continued)

IDAHO POWER COMPANY
UNIFORM INTERCONNECTION
AGREEMENT
(PURPA)
(Continued)

Attachment 4

Additional Operating Requirements for the Company's Transmission System and Affected Systems Needed to Support the Seller's Needs

The Company shall also provide requirements that must be met by the Seller prior to initiating parallel operation with the Company's Transmission System.

Attachment 5

Reactive Power Requirements

Idaho Power will determine the reactive power required to be supplied by the Company to the Seller, based upon information provided by the Seller. The Company will specify the equipment required on the Company's system to meet the Facility's reactive power requirements. These specifications will include but not be limited to equipment specifications, equipment location, Company-provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Company-provided equipment. The equipment specifications and requirements will become an integral part of this Agreement. The Company-owned equipment will be maintained by the Company, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to the Company by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total reactive power cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

Attachment 6

Company's Description of Upgrades Required to Integrate the Generation Facility and Best Estimate of Upgrade Costs

As provided in Schedule 72 this Attachment describes Upgrades, including best work upgrades, and provides an itemized best estimate of the cost of the Upgrades.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-12-27

IDAHO POWER COMPANY

LARKIN, DI
TESTIMONY

EXHIBIT NO. 5

(Schedule 84)

CLEAN FORMAT

SCHEDULE 84
LARGE CUSTOMER
NET METERING SERVICE

AVAILABILITY

Service under this schedule is available throughout the Company's service territory within the State of Idaho for Customers intending to operate Net Metering Systems under this schedule to generate electricity to reduce all or part of their monthly energy usage.

APPLICABILITY

Service under this schedule is applicable to any Customer that:

1. Does not take service under Schedule 6 or Schedule 8; and

2. Owns and/or operates a Generation Facility fueled by solar, wind, biomass, geothermal or hydropower, or represents fuel cell technology; and

3. Maintains its retail electric service account for the loads served at the Point of Delivery adjacent to the Generation Interconnection Point as active and in good standing; and

4. Meets all requirements applicable to Net Metering Systems detailed in the Company's Schedule 72, Interconnections to Non-Utility Generation; and

5. Owns and/or operates a Generation Facility with a total nameplate capacity rating of 100 kilowatts (kW) or smaller that is interconnected at a Generation Interconnection Point that is adjacent to the Customer's Point of Delivery and is metered at the same voltage through a meter that is separate from the retail load metering at the Customer's Point of Delivery.

ONE METER EXCEPTION:

A separate meter from the existing retail load metering at the Customer's Point of Delivery is not required if:

1. The Generation Facility has a total nameplate capacity rating of 25 kW or smaller; and

2. The Generation Facility has a total nameplate capacity rating no more than 2% of the Customer's Basic Load Capacity (BLC) or comparable average maximum monthly Billing Demands.

DEFINITIONS

Basic Load Capacity (BLC) is the average of the two greatest non-zero monthly Billing Demands established during the 12-month period which includes and ends with the current Billing Period.

Excess Net Energy means the positive difference between the kWh generated by a Customer and the kWh supplied by the Company over the applicable Billing Period.

SCHEDULE 84
LARGE CUSTOMER
NET METERING SERVICE
(Continued)

DEFINITIONS (Continued)

Generation Facility means all equipment used to generate electric energy where the resulting energy is either delivered to the Company via a single meter at the Point of Delivery or Generation Interconnection Point, or is consumed by the Customer.

Generation Interconnection Point is the point where the conductors installed to allow receipt of Customer's generation connect to the Company's facilities adjacent to the Customer's Point of Delivery.

Interconnection Facilities are all facilities reasonably required by Prudent Electrical Practices and the applicable electric and safety codes to interconnect and safely deliver energy from the Generation Facility to the Point of Delivery or Generation Interconnection Point.

Net Metering Service is the Company's service which provides for transfer of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission. This optional service provides for Customers to install Generation Facilities to interconnect to the Company's system to offset all or a portion of their electrical usage. This service is comprised of all customers taking service under Schedule 6, Schedule 8, or Schedule 84.

Net Metering System is a Customer-owned Generation Facility interconnected to the Company's system under the terms of Schedule 6, Schedule 8, or Schedule 84.

Point of Delivery is the retail metering point where the Company's and the Customer's electrical facilities are interconnected to allow Customer to take retail electric service from the Company.

Prudent Electrical Practices are those practices, methods and equipment that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.

Schedule 72 is the Company's service schedule which provides for interconnection to non-utility generation or its successor schedule(s) as approved by the Commission.

CONDITIONS OF PURCHASE AND SALE

The conditions listed below shall apply to all transactions under this schedule.

1. Balances of generation and usage by the Customer:

   a. If electricity supplied by the Company during the Billing Period exceeds the electricity generated by the Customer and delivered to the Company during the Billing Period, the Customer shall be billed for the net electricity supplied by the Company at the Customer's standard schedule retail rate, in accordance with normal metering practices.

SCHEDULE 84
LARGE CUSTOMER
NET METERING SERVICE
(Continued)

CONDITIONS OF PURCHASE AND SALE (Continued)

b. Effective as of the Customer's January 2014 Billing Period, if electricity generated by the Customer during the Billing Period exceeds the electricity supplied by the Company during the Billing Period, the Excess Net Energy shall be carried forward into the following Billing Period as a kWh credit to be applied against future usage. Any Excess Net Energy credits remaining after the Customer's bill for the December Billing Period is prepared shall expire.

2. The Customer shall never deliver or attempt to deliver energy to the Company's system when the Company's system serving the Customer's Generation Facility is de-energized for any reason.

3. The Company shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a Net Metering System to the Company's system, or for the acts or omissions of the Customer that cause loss or injury, including death, to any third party.

4. The Customer is responsible for all costs associated with the Generation Facility and Interconnection Facilities. The Customer is also responsible for all costs associated with any Company additions, modifications, or upgrades to any Company facilities that the Company determines are necessary as a result of the installation of the Generation Facility in order to maintain a safe, reliable electrical system.

5. The Company shall not be obligated to accept, and the Company may require the Customer to curtail, interrupt or reduce deliveries of energy if the Company, consistent with Prudent Electrical Practices, determines that curtailment, interruption or reduction is necessary because of line construction or maintenance requirements, emergencies, or other critical operating conditions on its system.

6. If the Company is required by the Commission to institute curtailment of deliveries of electricity to its customers, the Company may require the Customer to curtail its consumption of electricity in the same manner and to the same degree as other Customers on the Company's standard service schedules.

7. The Customer shall grant to the Company all access to all Company equipment and facilities including adequate and continuing access rights to the property of the Customer for the purpose of installation, operation, maintenance, replacement or any other service required of said equipment as well as all necessary access for inspection, switching and any other operational requirements of the Customer's Interconnections Facilities.

8. The Customer shall notify the Company immediately if a Net Metering System is permanently removed or disabled. Permanent removal or disablement for the purposes of this Schedule is any removal or disablement of a project lasting longer than six (6) months. Customers with permanently removed systems will be removed from service under this schedule and placed on the appropriate standard service schedule.

LEGISLATIVE FORMAT

Idaho Power Company ~~First~~Second Revised Sheet No. 84-1
Cancels
I.P.U.C. No. 29, Tariff No. 101 ~~Original~~First Revised Sheet No. 84-1

SCHEDULE 84
LARGE CUSTOMER ~~ENERGY~~
~~PRODUCTION~~ NET METERING SERVICE

AVAILABILITY

Service under this schedule is available throughout the Company's service territory within the State of Idaho for Customers intending to operate ~~as Sellers~~ Net Metering Systems under this schedule to generate electricity to reduce all or part of their monthly energy usage.

~~Service under this schedule is available on a first-come, first-served basis until the cumulative generation nameplate capacity of net metering systems equals 2.9 MW, which represents one-tenth of one percent of the Company's retail peak demand during 2000. No single Seller may connect more than 20 percent of the cumulative generation nameplate capacity connected under this schedule.~~

APPLICABILITY

Service under this schedule is applicable to any ~~Seller~~Customer that:

1. Does not take service under Schedule 64 or Schedule ~~5~~8; and

2. Owns and/or operates a Generation Facility fueled by solar, wind, biomass, geothermal or hydropower, or represents fuel cell technology; and

3. Maintains its retail electric service account for the loads served at the Point of Delivery adjacent to the Generation Interconnection Point as active and in good standing; and

4. Meets all ~~applicable~~ requirements applicable to Net Metering Systems detailed in ~~of~~ the Company's Schedule 72, Interconnections to Non-Utility Generation ~~and Generation Interconnection Process~~; and

5. ~~Takes retail electric service under:~~

~~a. Schedule 1 or Schedule 7; and~~

~~Owns and/or operates a Generation Facility with a total nameplate capacity rating of 25 kW or smaller that is interconnected to the Seller's individual electric system on the Seller's side of the Point of Delivery, thus all energy received and delivered by the Company is through the existing watt-hour retail meter.~~

~~b. Schedules other than Schedule 1, Schedule 4, Schedule 5, or Schedule 7; and~~

Owns and/or operates a Generation Facility with a total nameplate capacity rating of 100 kilowatts (kW) or smaller that is interconnected at a Generation Interconnection Point that is adjacent to the ~~Seller's~~Customer's Point of Delivery and is metered at the same voltage through a meter that is separate from the retail load metering at the ~~Seller's~~Customer's Point of Delivery.

ONE METER EXCEPTION:

Idaho Power Company ~~First~~Second Revised Sheet No. 84-1
Cancels
I.P.U.C. No. 29, Tariff No. 101 ~~Original~~First Revised Sheet No. 84-1

A separate meter from the existing retail load metering at the ~~Seller's~~Customer's Point of Delivery is not required if:

1. The Generation Facility has a total nameplate capacity rating of 25 kW or smaller; and

2. The Generation Facility has a total nameplate capacity rating no more than 2% of the ~~Seller's~~Customer's Basic Load Capacity (BLC) or comparable average maximum monthly Billing Demands.

DEFINITIONS

Basic Load Capacity (BLC) is the average of the two greatest non-zero monthly Billing Demands established during the 12-month period which includes and ends with the current Billing Period.

Excess Net Energy means the positive difference between the kWh generated by a ~~Seller~~ Customer and the kWh supplied by the Company over the applicable Billing Period.

SCHEDULE 84
LARGE CUSTOMER ~~ENERGY PRODUCTION~~ NET METERING SERVICE
(Continued)

~~APPLICABILITY (Continued)~~

~~One-Meter Option: A separate meter from the existing retail load metering at the Seller's Point of Delivery is not required if:~~

~~1. The Generation Facility has a total nameplate capacity rating of 25 kW or smaller; and~~

~~2. The Generation Facility has a total nameplate capacity rating no more than 2% of the Seller's Basic Load Capacity (BLC) or comparable average maximum monthly Billing Demands.~~

~~A Seller who uses the One-Meter Option will not receive financial credit for any Excess Net Energy during the Billing Period.~~

DEFINITIONS (Continued)

~~Avoided Energy Cost is the monthly weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Electricity Price Index (Dow Jones Mid-C Index) prices for non-firm energy. This rate is calculated based upon the previous calendar month's data. If the Dow Jones Mid-C Index prices are not reported for a particular day or days, the average of the immediately preceding and following reporting periods or days will be used.~~

~~Basic Load Capacity (BLC) is the average of the two greatest non-zero monthly Billing Demands established during the 12-month period which includes and ends with the current Billing Period.~~

~~Excess Net Energy means the positive difference between the kWh generated by a Seller and the kWh supplied by the Company over the applicable Billing Period.~~

Generation Facility means all equipment used to generate electric energy where the resulting energy is either delivered to the Company via a single meter at the Point of Delivery or Generation Interconnection Point, or is consumed by the ~~Seller~~Customer.

Generation Interconnection Point is the point where the conductors installed to allow receipt of ~~Seller's~~Customer's generation connect to the Company's facilities adjacent to the ~~Seller's~~Customer's Point of Delivery.

~~Generation Interconnection Process is the Company's generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection.~~

Interconnection Facilities are all facilities reasonably required by Prudent Electrical Practices and the applicable electric and safety codes to interconnect and safely deliver energy from the Generation Facility to the Point of Delivery or Generation Interconnection Point.

Net Metering Service is the Company's service which provides for transfer of electric energy to the Company by means of a net metering arrangement or its successor(s) as approved by the Commission. This optional service provides for Customers to install Generation Facilities to interconnect to the Company's system to offset all or a portion of their electrical usage. This service is comprised of all customers taking service under Schedule 6, Schedule 8, or Schedule 84.

Net Metering System is a Customer-owned Generation Facility interconnected to the Company's system under the terms of Schedule 6, Schedule 8, or Schedule 84.

Point of Delivery is the retail metering point where the Company's and the ~~Seller's~~Customer's electrical facilities are interconnected to allow ~~Seller~~Customer to take retail electric service from the Company.

Prudent Electrical Practices are those practices, methods and equipment that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.

Schedule 72 is the Company's service schedule which provides for interconnection to non-utility generation or its successor schedule(s) as approved by the Commission.

CONDITIONS OF PURCHASE AND SALE

The conditions listed below shall apply to all transactions under this schedule.

1. Balances of generation and usage by the ~~Seller~~Customer:

a. If electricity supplied by the Company during the Billing Period exceeds the electricity generated by the ~~Seller~~ Customer and delivered to the Company during the Billing Period, the ~~Seller~~ Customer shall be billed for the net electricity supplied by the Company at the ~~Seller's~~ Customer's standard schedule retail rate, in accordance with normal metering practices.

SCHEDULE 84
LARGE CUSTOMER ~~ENERGY~~
~~PRODUCTION~~ NET METERING SERVICE
(Continued)

~~DEFINITIONS (Continued)~~

~~Generation Interconnection Point is the point where the conductors installed to allow receipt of Seller's generation connect to the Company's facilities adjacent to the Seller's Point of Delivery.~~

~~Point of Delivery is the retail metering point where the Company's and the Seller's electrical facilities are interconnected to allow Seller to take retail electric service from the Company.~~

~~Prudent Electrical Practices are those practices, methods and equipment that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.~~

~~Schedule 72 is the Company's service schedule which provides for interconnection to non-utility generation or its successor schedule(s) as approved by the Commission.~~

~~Seller is any Customer that owns and/or operates a Generation Facility and desires to interconnect the Generation Facility to the Company's system to potentially sell net surplus energy to the Company.~~

~~MONTHLY BILLING~~

~~The Seller shall be billed in accordance with the Seller's applicable standard service schedule, including appropriate monthly charges.~~

~~CONDITIONS OF PURCHASE AND SALE~~

~~The conditions listed below shall apply to all transactions under this schedule.~~

~~1. Balances of generation and usage by the Seller:~~
CONDITIONS OF PURCHASE AND SALE (Continued)

~~a. If electricity supplied by the Company during the Billing Period exceeds the electricity generated by the Seller and delivered to the Company during the Billing Period, the Seller shall be billed for the net electricity supplied by the Company at the Seller's standard schedule retail rate, in accordance with normal metering practices.~~

b. Effective as of the Customer's January 2014 Billing Period, ~~I~~if electricity generated by the ~~Seller~~Customer during the Billing Period exceeds the electricity supplied by the Company during the Billing Period, ~~the Seller:~~

~~i. Shall be billed for the applicable Demand and other non-energy charges for the Billing Period under the Seller's standard service schedule, and~~the Excess Net Energy shall be carried forward into the following Billing Period as a kWh credit to be applied against future usage. Any Excess Net Energy credits remaining after the Customer's bill for the December Billing Period is prepared shall expire.

32. The ~~Seller~~Customer shall never deliver or attempt to deliver energy to the Company's system when the Company's system serving the ~~Seller's~~Customer's Generation Facility is de-energized for any reason.

43. The Company shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a ~~net metering facility~~Net Metering System to the Company's system, or for the acts or omissions of the ~~Seller~~Customer that cause loss or injury, including death, to any third party.

54. The ~~Seller~~Customer is responsible for all costs associated with the Generation Facility and Interconnection Facilities. The ~~Seller~~Customer is also responsible for all costs associated with any Company additions, modifications, or upgrades to any Company facilities that the Company determines are necessary as a result of the installation of the Generation Facility in order to maintain a safe, reliable electrical system.

65. The Company shall not be obligated to accept, and the Company may require the ~~Seller~~Customer to curtail, interrupt or reduce deliveries of ~~E~~energy if the Company, consistent with Prudent Electrical Practices, determines that curtailment, interruption or reduction is necessary because of line construction or maintenance requirements, emergencies, or other critical operating conditions on its system.

~~7~~6. If the Company is required by the Commission to institute curtailment of deliveries of electricity to its customers, the Company may require the ~~Seller~~Customer to curtail its consumption of electricity in the same manner and to the same degree as other Customers ~~within the same customer class who do not own Generation Facilities~~on the Company's standard service schedules.

87. The ~~Seller~~Customer shall grant to the Company all access to all Company equipment and facilities including adequate and continuing access rights to the property of the ~~Seller~~Customer for the purpose of installation, operation, maintenance, replacement or any other service required of said equipment as well as all necessary access for inspection, switching and any other operational requirements of the ~~Seller's~~Customer's Interconnections Facilities.

8. The Customer shall notify the Company immediately if a Net Metering System is permanently removed or disabled. Permanent removal or disablement for the purposes of this Schedule is any removal or disablement of a project lasting longer than six (6) months. Customers with permanently removed systems will be removed from service under this schedule and placed on the appropriate standard service schedule.

SCHEDULE 84
CUSTOMER ENERGY
PRODUCTION NET METERING
(Continued)

CONDITIONS OF PURCHASE AND SALE (Continued)

ii. Shall be financially credited for the Excess Net Energy delivered to the Company during the Billing Period at the Seller's standard service schedule retail rate for Schedule 1 or Schedule 7 service. Sellers taking service under schedules other than Schedule 1 or Schedule 7 will be credited an amount per kWh equal to 85 percent of the most recently calculated monthly per kWh Avoided Energy Cost for the kWh of Excess Net Energy delivered to the Company.

iii. Shall not be financially credited for Excess Net Energy delivered to the Company if taking service under a schedule other than Schedule 1 or Schedule 7 and the qualified Seller is utilizing the One-Meter Option.

iv. Shall, if taking service under a schedule other than Schedule 1 or Schedule 7, be billed the applicable retail rate for any net usage delivered by the Company and recorded on the Seller's generation meter.

2. As a condition of interconnection with the Company, the Seller shall:

a. Complete and maintain all requirements of interconnection in accordance with the applicable portions of Schedule 72.

b. Complete and maintain all requirements of the Company's Generation Interconnection Process.

c. Obtain written confirmation from the Company that all conditions to interconnection have been fulfilled prior to operation of the Generation Facility. Such confirmation shall not be unreasonably withheld by the Company.

3. The Seller shall never deliver or attempt to deliver energy to the Company's system when the Company's system serving the Seller's Generation Facility is de-energized for any reason.

4. The Company shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net metering facility to the Company's system, or for the acts or omissions of the Seller that cause loss or injury, including death, to any third party.

5. The Seller is responsible for all costs associated with the Generation Facility and Interconnection Facilities. The Seller is also responsible for all costs associated with any Company additions, modifications, or upgrades to any Company facilities that the Company determines are necessary as a result of the installation of the Generation Facility in order to maintain a safe, reliable electrical system.

SCHEDULE 84
CUSTOMER ENERGY
PRODUCTION NET METERING
(Continued)

CONDITIONS OF PURCHASE AND SALE (Continued)

6. The Company shall not be obligated to accept, and the Company may require the Seller to curtail, interrupt or reduce deliveries of Energy if the Company, consistent with Prudent Electrical Practices, determines that curtailment, interruption or reduction is necessary because of line construction or maintenance requirements, emergencies, or other critical operating conditions on its system.

7. If the Company is required by the Commission to institute curtailment of deliveries of electricity to its customers, the Company may require the Seller to curtail its consumption of electricity in the same manner and to the same degree as other Customers within the same customer class who do not own Generation Facilities.

8. The Seller shall grant to the Company all access to all Company equipment and facilities including adequate and continuing access rights to the property of the Seller for the purpose of installation, operation, maintenance, replacement or any other service required of said equipment as well as all necessary access for inspection, switching and any other operational requirements of the Seller's Interconnections Facilities.