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 IDAHO PUBLIC
 UTILITIES COMMISSION

Attorneys for Greylock Energy Holdings, LLC

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	CASE NO. <i>ATL-E-22-02</i>
GREYLOCK ENERGY HOLDINGS, LLC FOR)	
APPROVAL OF ITS STOCK AND OWNERSHIP)	APPLICATION OF GREYLOCK ENERGY
INTERESTS PURCHASE AGREEMENT WITH)	HOLDINGS, LLC
ISRAEL RAY FOR THE ACQUISITION OF THE)	
ATLANTA POWER COMPANY)	
_____)	

Greylock Energy Holdings, LLC (“Greylock” or “Applicant”), pursuant to the provisions of Idaho Code Section 61-328, hereby makes application to the Idaho Public Utilities Commission (“Commission”) for approval of the Stock and Ownership Interests Purchase Agreement (“Agreement”) between it and Israel Ray as the majority, (and only known) shareowner in the Atlanta Power Company (the “Utility” or the “Company”). The Agreement, attached hereto as Exhibit A, provides for Greylock to purchase all of the assets of the Atlanta Power Company including its certificate of public convenience and necessity for the provision of electric service to the approximately seventy-five (75) individual customers in and around the community of Atlanta, Idaho.

I. Legal Standard

Idaho Code Section 61-328 governs the sale/transfer of electric utility property in the State of Idaho. That Section endows the Commission with the authority to authorize a proposed

sale/transfer; (a) as requested, (b) refuse to authorize the same or (c) to authorize the same with respect to only part of the property involved. In order to authorize the sale or transfer, the

Commission must make the following findings:

- (a) That the transaction is consistent with the public interest.
 - (b) That the cost of and rates for service will not be increased by reason of such transaction.
- and;
- (c) That the applicant has the *bona fide* intent and financial ability to operate and maintain the subject property in the public interest.

Greylock asserts the proposed transaction is consistent with the public interest and that it has both the financial and technical ability as well as the *bona fide* intent to operate and maintain the subject property in the public interest as is explained more fully below.

Upon acquisition of the Utility, Greylock will have, and will be able to maintain, the financial ability to operate the Utility consistent with good utility practices and this Commission's orders. Greylock does not propose any rate increase by reason of this transaction as its owners have personally assumed financial responsibility for all transaction costs associated with Greylock's acquisition of the Atlanta Power Company. Of course, Greylock's *bona fide* intention (a.k.a. *good faith* intention) has already been amply demonstrated by the investments in time, money and energy its owners have financed (with no expected return) to maintain and operate the Utility to date, and also by the time, money and energy to bring this thoughtful and realistic ownership plan/application before the Commission for its consideration.

II. Atlanta Power Company

Atlanta Power Company is an investor-owned electric utility serving approximately 75 customers (many of whom are only part-time residents) in the State of Idaho and is subject to the

regulatory jurisdiction of the Commission. The Company's certificated service territory encompasses the community of Atlanta, Idaho and its immediately surrounding environs.

III. Greylock Energy Holdings, LLC – Personnel Qualifications

Greylock is an Idaho limited liability company formed for the purpose of acquiring, owning and operating the Atlanta Power Company. Greylock has just two owners each with a fifty percent ownership interest who share management duties and both of whom are co-managers. Both the owners of Greylock have significant, relevant and extensive experience running and operating electric utilities. Nick Jones and Gene Haught are the owner/managers. Both Mr. Jones and Mr. Haught are property owners in Atlanta, and both are customers of Atlanta Power Company. Mr. Haught and Mr. Jones are currently, and plan to continue to, share equally the responsibility for the operation, maintenance and ongoing viability of the Atlanta Power Company.

Mr. Haught is a permanent year-round Atlanta resident. He is the Operations Manager of the Atlanta Power Company and he is also the Fire Chief for the Atlanta Rural Fire District. Mr. Jones maintains an Atlanta residence and a second residence in the Boise area where he is also employed as an instructor at the Northwest Lineman College.¹

IV. Demonstrated Ability to Operate and Maintain the Atlanta Power Company

For the past several years, Mr. Haught and Mr. Jones have been on the ground in Atlanta operating, maintaining and servicing the Atlanta Power Company's facilities thereby making possible the delivery of electric services to its ratepayers. Approval of this Application will memorialize that fact in the form of a simple transfer of ownership rights from Mr. Israel Ray.

¹ The Northwest Lineman College is a nationally recognized and accredited college that prepares its students for careers, *inter alia*, as electric utility linemen.

In addition, Mr. Jones and Mr. Haught are acutely aware of the Utility's responsibility to maintain current and appropriate books and accounting procedures as well as to comply with all of the Commission's reporting and ratemaking requirements.

Mr. Jones uses his electric lineman skills to assist Mr. Haught in the current operations and maintenance of the Utility. Both Mr. Jones and Mr. Haught are currently (and have historically) provided basic and essential services to the Atlanta Power Company. Beginning approximately five years ago Mr. Haught began his employment with the Atlanta Power Company as its Operations Manager. As such he assists in maintenance of the power grid and hydroelectric operations. As a local full-time and year-round resident, he effectively deals with customer relations, power outages and near-term system planning. Among other duties, Mr. Haught supervises bookkeeping and billing functions, and he also personally provides maintenance, safety, customer relations contacts and emergency contact services for the Utility. Mr. Haught is also the Fire Chief of the Atlanta Rural Fire District. Mr. Jones is a part-time resident who is also a full-time instructor at the Western Idaho Lineman College in Boise. As such, he is fully qualified, trained and current on all issues related to the day-to-day operation and maintenance of electric utility distribution systems such as the Atlanta Power Company's system. He currently provides line and general system maintenance services as well as supervises long-term utility planning activities.

Mr. Ray is the current owner of the Atlanta Power Company and to the best of Greylock's knowledge is the sole beneficial owner. Atlanta Power Company seeks to sell its assets to Greylock, which has proved to be "an entity that will provide safe and reliable service, and be responsive to customers and the public."² Greylock has been created for that very

² Order No. 35465 at p. 13. IPUC Docket Nos. ATL-E-22-01 and ATL-E-22-01.
Greylock Energy Holdings' Application
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purpose and with the combined abilities and continued efforts of its two member/owners
Greylock is capable of operating and maintaining the Utility in the public interest.

Communications regarding this Application should be addressed to Peter Richardson at
the contact information noted above, and to:

Nick Jones
nickcwp@yahoo.com

Gene Haught
Pgfd247@yahoo.com

With copies to Atlanta Power Company counsel:

Christopher R. Nunez
crn@mcenaney.us

Brad Purdy
bmpurdy@hotmail.com

V. Public Hearing and Modified Procedure

Greylock believes that a full evidentiary hearing complete with pre-file testimonies is not necessary to consider the issues presented herein. Greylock respectfully submits that the costs of conducting such a hearing will needlessly add to the transaction costs for the purchase and economical operation of this extraordinarily small investor-owned electric utility. Greylock therefore respectfully requests the Commission: (1) process this Application under Modified Procedure; (2) issue its final order approving the Agreement; and (3) authorize the transfer of the certificate of public convenience and necessity as described in the Agreement. Nevertheless, Greylock is cognizant of the requirement in Idaho Code Section 61-328 which provides that the

Commission must conduct a “public hearing upon the application.” Greylock is prepared to participate in and provide written and/or oral testimony as the Commission may require, at a public hearing convened for the purpose of satisfying the requirements of Idaho Code Section 61-328.

VI. Five Year Plan

Greylock has demonstrated its present ability to operate and maintain this Utility in the public interest as it is currently configured. However, given the expertise and intimate knowledge that Messrs. Jones and Haught have of the Atlanta Power Company’s system and given their extensive knowledge and skills in operating and maintaining electric utility systems they have constructed a five-year improvement plan for the Commission’s consideration and acknowledgement. A copy of the five-year plan is attached hereto as Exhibit B. It identifies planned upgrades and repairs to the system and anticipated outcomes for each of the next five years.

VII. Summary

All three prerequisites provided for in Idaho Code Section 61-328 for the Commission’s approval of Greylock’s Application have been met, to wit:

(A) The transaction is in the public interest. Although “the public interest” is not quantifiable, allowing the Atlanta Power Company to be acquired by an entity such as Greylock will ensure the ability of this Utility to provide safe and reliable service into the future. Greylock has also demonstrated its ability to be responsive to the Utility’s customers. The proposed transaction is clearly in the public’s interest.

(B) The cost of and rates for supplying service will not be increased by reason of the transaction. Greylock will not be seeking a general rate increase to cover the transaction costs of

this proceeding or of negotiating the purchase agreement. Those costs are being borne personally by Messrs. Jones and Haught. Furthermore, Greylock intends to continue to operate the Utility on a strict cost-of-service basis. Should any return on equity investments be sought, they will be subject to this Commission's approval.³ Hence no rate increase will be imposed on Atlanta's customers by reason of the proposed transaction.

(C) The applicant has the *bona fide* intent and financial ability to operate and maintain the Utility in the public interest. *Bona fide* intent, of course, simply means *good faith* intent. Messrs. Jones' and Haught's sole interest in acquiring this Utility is for the purpose of operating and maintaining it in the public interest. Their good faith intent to do so is beyond question. Given their experience in the utility industry they also have amply demonstrated their ability to operate and maintain the property in the public interest. Given their further commitment to prompt billing, collection and strict adherence to accounting conventions, the Utility's financial cash flow (coupled with the new owners' sweat equity investments) will be sufficient to maintain the Utility in the public interest. The Applicant has no current plans to seek a rate increase or changes to the existing tariffs.

WHEREFORE; Greylock Energy Holdings, LLC respectfully requests that the Commission (1) process this Application by Modified Procedure, with a public hearing as necessary; (2) issue its order approving the Agreement; and (3) specifically authorize the transfer of the certificate of public convenience and necessity as provided for in the Agreement.

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³ No such returns are sought or even contemplated at this time.

Dated this 14th day of October 2022.



Peter J. Richardson
Attorney for
Greylock Energy Holdings

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INTERESTS PURCHASE AGREEMENT WITH)	HOLDINGS, LLC
ISRAEL RAY FOR THE ACQUISITION OF THE)	
ATLANTA POWER COMPANY)	
_____)	

Exhibit A

“Stock and Ownership Interests Purchase Agreement”

STOCK AND OWNERSHIP INTERESTS PURCHASE AGREEMENT

between

**Greylock Energy Holdings, LLC,
an Idaho Limited Liability Company**

and

**Israel Ray, an Individual and the Majority
Shareowner of the Atlanta Power Company**

Dated as of August 26, 2022

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STOCK PURCHASE AGREEMENT

ARTICLE 1 PREAMBLE

This **Stock Purchase Agreement** (together with all exhibits appended hereto, ("**Agreement**") dated as of August 26, 2022 (the "**Effective Date**"), is made by and between Greylock Energy Holdings, LLC, an Idaho limited liability company, of Boise, Idaho ("**Buyer**") and Israel Ray of Caldwell, Idaho (Seller). Buyer and Seller each may be referred to herein as a "**Party**", and collectively as the "**Parties**".

ARTICLE 2 RECITALS

WHEREAS, Seller owns, beneficially and of record, and/or equitably the majority of the authorized and outstanding stock and ownership interests ("**Ownership Interests**") of the Atlanta Power Company, Inc., an Idaho Corporation ("**Company**");

WHEREAS, Company is an Electrical Corporation and Regulated Public Utility pursuant to Title 61 of the Idaho Code and is subject to the regulatory jurisdiction of the Idaho Public Utilities Commission ("**Commission**");

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and subject to the conditions of this Agreement, the Ownership Interests of the Company;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 3 DEFINITIONS AND CONSTRUCTION

3.1 Specific Definitions. When used in this Agreement, the following terms shall have the meaning ascribed to them below:

"**Applicable Law**" shall mean laws, ordinances, orders, judgments, rules, regulations, approvals, licenses, permits, and requirements of all regulatory and other Governmental Authorities having jurisdiction, as applicable, over the Seller, the Company, the Company's Assets and or the Site.

"**Assets**" shall mean, all right, title and interest of the Company in and to all rights of any kind, whether tangible or intangible, real or personal, including land and properties, rights-of-way, leaseholds, easements, buildings, equipment, machinery, improvements, fixtures, agreements, Contracts, hydrologic data, reports and studies (including those related to environmental, cultural,

resource and fish-and-wildlife matters), Permits, licenses, inventory, books and records, proprietary rights, cash, accounts receivable, deposits and prepaid expenses. The Assets of the Company included in this sale are described on Exhibit G.

“**Contract**” shall mean any and all agreements, rights-of-way, easements, deeds, understandings or any other material documents, written or oral, entered into by the Seller or the Company that relate in any way to the Company. “Contract” also means all of the material documents relating to the employment of, or the performance of services by, any person or entity on behalf the Company.

“**Governmental Authority**” shall mean any national, state, county, municipal or local government or any political subdivision thereof, or any court or administrative tribunal or any arbitrator with the authority to bind a party at law.

“**Permits**” shall mean all permits, licenses, approvals, consents, franchises, entitlements and other authorizations issued by Government Authorities.

“**Reports**” shall mean any and all reports and studies related to the development, construction, operation, maintenance, financing or ownership of the Company’s assets prepared, commissioned by, or delivered to, Seller or an affiliate of Seller, including reports and studies related to environmental, cultural resources, natural resources or fish and wildlife.

“**Tax**” shall mean any tax (including income tax franchise tax, capital gains tax, estimated tax, ad valorem tax, sales tax, use tax, property tax, withholding tax or payroll tax) assessment or fee (including related fines, penalties or interest) that is accrued or imposed or assessed against the Company as of the date of Closing.

ARTICLE 4 PURCHASE AND SALE

4.1 Purchase and Sale; Closing. Subject to and upon the terms and conditions of this Agreement, including all Conditions Precedent, unless waived in writing by Buyer, and upon satisfaction of the Conditions Precedent to Closing, Seller shall sell, assign, transfer and deliver to Buyer and Buyer shall purchase, acquire and accept from Seller, all of the Seller’s Ownership Interests including stock certificates in the Company so that Buyer shall directly own all of the Ownership Interests of the Company. Closing shall take place at Pioneer Title Company at 8151 W. Rifleman Street, Boise, Idaho 83704, with any closing costs and escrow fees to be divided equally between the parties.

4.2 Buyer Declaration of Closing Date. Upon the satisfaction of all Conditions Precedent to Closing, or said conditions having been waived by Buyer, Buyer shall declare the Closing Date.

ARTICLE 5
CONDITIONS PRECEDENT TO CLOSING

5.1 Commission Approval. It is a Condition Precedent to closing that the Commission issue its order approving this Agreement and dismissing the fines assessed under Final Order # 35465 with no adverse material condition or qualification and that said order approving this Agreement be final and non-appealable. The determination of what is, or what is not, an adverse material condition or qualification shall be made at the sole discretion of either the Buyer or the Seller and must be communicated prior to the date the Commission's order becomes final and non-appealable.

5.2 Documentation. It is a Condition Precedent to Closing that Seller delivers to Buyer all certificates representing its Ownership Interests in the Company and all executed transfer documentation in respect of Seller's Ownership Interests as may reasonably be required by the Buyer.

ARTICLE 6
PAYMENT TERMS

6.1 Payment

Payment by Buyer will take two distinct forms as detailed in Sections 6.2 and 6.3 below. In combination, the payments in Sections 6.2 and 6.3 comprise the entire purchase price with the payments in Section 6.3 being explicitly contingent upon certain of Seller's conditions antecedent.

6.2 Payment Via Note for \$365,000.

In partial satisfaction of the total purchase price, Buyer shall issue a secured promissory note to Seller for the total purchase price of three hundred sixty-five thousand dollars (\$365,000). The promissory note will have the following terms: (a) the interest rate shall be three percent (3%) which rate shall be fixed until the promissory note is repaid in full; and (b) the promissory note will be amortized with payments by Buyer of equal monthly installments of principal and interest for fifteen (15) years payable on the first day of each succeeding month following the date of Closing, or until paid in full. If the Buyer prepays the promissory note, it will make a final payment of remaining principal and accrued interest to the date of prepayment. There shall be no prepayment penalty if prepayment is made. A copy of the promissory note is attached to this Agreement as Exhibit A.

6.3 Payment Via Power Bill Credit.

In addition to payments on the Note as detailed in Section 6.1, Buyer shall create a contingency liability on the books of the Atlanta Power Company books in an original amount of \$155,000, the sum of which shall escalate at the rate of five percent (5%) annually. The principal and interest on said \$155,000 shall be credited in an amount equal to the monthly electrical bill

(the rates for which bill shall fluctuate with the Atlanta Power Company's general rates) at Seller's residence in Atlanta, Idaho more particularly described as **170 Middle Fork Rd., Atlanta, Idaho 83716**. The monthly credit will apply to all electric consumption up to 6,000 kWh until the corpus of the \$155,000 and accumulated interest, have been fully credited as described herein or until otherwise terminated as described herein. Seller shall be responsible for paying the cost of any electric consumption over the 6,000 kWh monthly limit. Buyer's obligation to credit Seller's electric bill will terminate upon the occurrence of any of the following: (1) the principal and interest are fully credited; or (2) Seller transfers ownership to the property to any third person or entity including Seller's estate in the event of Seller's death; or (3) Seller causes the name on the account to be changed.

6.4 Real Property Exchange

The Parties further agree that a land 'swap' is necessary to complete the consideration of the sale such that Seller will grant title in fee simple to Buyer to a certain portion of that parcel of land which the Atlanta Power Company is currently using for miscellaneous storage more particularly described on Exhibit B, attached hereto and incorporated by this reference, and in exchange for said grant of title, Buyer will grant to Seller in fee simple that parcel of land owned by Atlanta Power Company abutting Seller's residence more particularly described on Exhibit C, attached hereto and incorporated by this reference. Buyer and Seller agree to promptly execute all necessary instruments of conveyance required to complete this Real Property Exchange after the Closing.

6.5 Further Assurances. At any time after the Closing Date, at Buyer's reasonable request, Seller shall promptly execute, acknowledge and deliver all such further acts, assurances and instruments of sale, transfer, conveyance and confirmation as are reasonable required, and take all such other action as Buyer may reasonable request, to transfer, convey, assign and confirm Buyer's right, title and interest to the Ownership Interests and to otherwise effect the intent of this Agreement.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF THE SELLER

7.1 Seller represents, warrants and covenants to Buyer the following, to wit:

7.1.1 That Seller is the sole beneficial and record owner of the Ownership Interests of the Company, and;

7.1.2 That the Company is an Idaho Corporation duly organized, validly existing and in good standing under the laws of the State of Idaho, and that it has all requisite power and authority to own its Assets and to carry on its business as now being conducted.

7.1.3 That Seller and the Company have all requisite power and organizational authority to execute and deliver the documents required to be delivered to consummate the transactions contemplated herein.

7.1.4 That no other Persons own an option or other right (contingent or otherwise), including any right of first refusal or right of first offer, to acquire the Ownership Interests of the Company or any equitable or other ownership interest in the Company.

7.1.5 That this Agreement has been duly authorized, executed and delivered by Seller.

7.1.6 That, to Seller's knowledge, there are no facts, circumstances, proposals, plans, or investigations which could reasonably be expected to have an adverse effect on the Company's continued operation, maintenance and use of the Company's Assets, including, but not limited to the Company's hydroelectric generating asset.

7.1.7 That each Tax required to have been paid, or claimed by any Governmental Authority to be payable, by the Company or in respect of any Assets or activities of the Company, have been duly paid in full and no claim or other administrative or judicial proceeding is pending or has been threatened against or with respect to the Company in respect of any Tax, save those fines suspended by the Idaho Public Utilities Commission contingent on this sale, described in Final Order #35465.

7.1.8 Notwithstanding the above Section 7.1.7, Seller makes no representation or warranty regarding the Company's tax filings, and agrees that any tax liability, including fines, interest, and penalties, relating to the Company prior to Closing shall be subject to the indemnification provisions of Section 11.2.

7.1.9 That the Company has one employee, Gene Haught, and has no unpaid liabilities or outstanding liabilities associated with any former employee.

ARTICLE 8 CONTRACTS AND PERMITS

8.1 Exhibit D contains a true, complete and correct list of all Contracts (including insurance contracts) entered into by the Company including each agreement, contract or understanding relating to the employment of, or the performance of services by, any person or entity on behalf of the Company.

8.2 Exhibit E contains a true, complete and correct list of all Permits related to, associated with, or concerning the Company.

**ARTICLE 9
BANK ACCOUNTS**

9.1 Exhibit F contains a true, complete and correct list of all bank accounts, safe deposit boxes, and related powers of attorney for the Company.

**ARTICLE 10
MATERIAL MISSTATEMENTS OR OMISSIONS**

10.1 None of the representations or warranties given by Seller in this Agreement or any ancillary agreement to which Seller is a party when taken as a whole, contains any untrue statement of a material fact, or omits to state any material fact necessary to make the statements therein not misleading.

**ARTICLE 11
INDEMNIFICATION**

11.1 Seller shall indemnify and hold harmless Buyer together with Buyer's members, managers officers employees agents and advisors (Buyer Indemnified Party) from and against all claims, damages, losses, liabilities and expenses (Losses) to which any Buyer Indemnified Party becomes subject, which Losses arise out of or are incurred in connection with any breach by Seller of this Agreement or of Seller's covenants in this Agreement, and/or any fraud or intentional misrepresentation or willful misconduct by Seller or the Company associated with this Agreement.

11.2 Seller's indemnification obligations shall be secured by the promissory note by Buyer to Seller described in Section 6.2. Buyer shall have the right to offset Seller's indemnification obligations against Buyer's payment obligations under said promissory note.

11.3 The indemnification obligations contained in this Article 10 shall survive the Closing or any termination of this Agreement.

**ARTICLE 12
MISCELLANEOUS**

12.1 This Agreement shall be binding upon each of the Parties hereto and each of their permitted successor and assigns.

12.2 No failure on the part of a Party to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Person in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy.

12.3 This Agreement and all exhibits hereto, represents the entire understanding and agreement between the Parties with respect to the subject matter hereof and supersedes all prior oral and written commitments and/or understandings between the Parties.

12.4 This Agreement shall be governed by and construed in accordance with the laws of the State of Idaho, excluding any laws thereof which would direct application of the law of another jurisdiction.

12.5 This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be one and the same document.

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties hereto as of and on the date first written above.

BUYER

SELLER

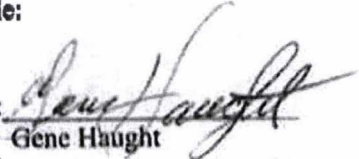
Greylock Energy Holdings, LLC

Israel Ray

By: _____
Nick Jones

President and owner, Atlanta Power Company

Title:

By: 
Gene Haught

Title:

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BUYER

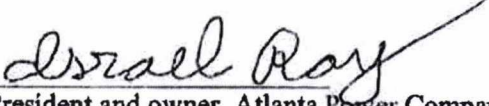
Greylock Energy Holdings, LLC

By: _____
Nick Jones
Title:

By: _____
Gene Haught
Title:

SELLER

Israel Ray



President and owner, Atlanta Power Company

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BUYER

Greylock Energy Holdings, LLC

By:  _____
Nick Jones

Title:

By: _____
Gene Haught

Title:

SELLER

Israel Ray

President and owner, Atlanta Power Company

EXHIBIT A
PROMISSORY NOTE

Stock Purchase Agreement
Greylock Energy Holdings, LLC (Buyer)
Israel Ray (Seller)
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PROMISSORY NOTE

\$365,000.00

August 26, 2022
Boise, Idaho

FOR VALUE RECEIVED, **Greylock Energy Holdings, LLC**, an Idaho limited liability company, its heirs, successors, and assigns (the "Maker"), promises to pay to the order of **Israel Ray**, his heirs, successors, and assigns (the "Holder"), at **11140 Chicken Dinner Road, Caldwell, Idaho 83607**, or at such other address as may be specified, the principal sum of Three Hundred Sixty-Five Thousand and 00/100 Dollars (\$365,000.00) in lawful money of the United States, together with interest at three percent (3%) per annum on the unpaid principal balance from _____, 2022, until paid in full.

1. **Payment.** This Note shall be paid in equal payments consisting of principal and interest, amortized over fifteen (15) years (the "Term"), in the amount of Two Thousand Five Hundred Twenty Dollars and Sixty-Two Cents (\$2,520.62) per month, commencing _____, 2022, and continuing on the first (1st) day of each calendar month thereafter until paid in full.

2. **Secured Interest.** This Note is secured by the security interest, granted to Holder by Maker under the Pledge and Security Agreement (the "Security Agreement"), a copy of which is attached hereto as **Exhibit A**, securing all income in excess of Idaho Public Utility Commission approved expenses derived from the Company's sales of electricity referred to therein. Maker warrants and represents to and covenants to Holder that the security interest granted pursuant to this Note is now and at all times hereafter shall be perfected and have a first priority and there are no other liens on said property that have an equal or superior right to Holder, the foregoing notwithstanding, all future security issuances, indebtedness or financial obligation of any nature incurred by the Company and approved by the Idaho Public Utilities Commission shall have a first priority position over the Holder's security interest created herein.

3. **Pre-payment.** The Maker may pre-pay this Note in its entirety at any time without penalty. The amount to be paid by Maker for any pre-payment of the entire Note will consist only of the outstanding principal and accrued interest then due and owing.

(a) In the event Maker pre-pays any portion of the unpaid principal, the monthly payment shall remain the same, but the Term shall be shortened commensurately.

4. **Waiver by Holder of Note.** The failure of Holder to enforce his rights upon any default shall not constitute a waiver of any such rights or operate, or prospectively operate, to release or discharge any maker, guarantor or endorser hereof.

5. **Late Fee.** If a payment is more than fifteen (15) days late, Maker will be charged a late payment fee of five percent (5%) of the regularly scheduled payment.

6. **Default.** Maker will be in default of the terms of this Note if:

(a) Maker fails to make a payment when due;

(b) Maker fails to perform promptly at the time and strictly in the manner provided in this Note or any agreement related to this Note;

(c) any representation or statement made or furnished to the Holder of this Note by Maker is false or misleading in any material respect;

(d) Maker becomes insolvent, a receiver is appointed for any part of Maker's property, Maker makes an assignment for the benefit of creditors, or any proceeding is commenced by or against Maker under bankruptcy or insolvency laws;

(e) any creditor tries to take any of the property on or in which the Holder of this Note has a pledge and/or security interest; or

(f) any of the events described in this section occur with respect to any guarantor of this Note.

Upon the occurrence of an event of default, Holder shall provide written notice to Maker that a default has occurred and request that the default be cured. After receiving such written request, the default shall be cured by Maker within thirty (30) days. In the event Maker does not cure a default within said thirty (30) day period, Holder of this Note may declare the entire unpaid principal and interest immediately due and payable.

7. **Remedies.** Upon the occurrence of an Event of Default, Holder shall have the option, without demand or notice, to:

(a) Declare the unpaid principal balance of this Note, all interest accrued thereon and any other amounts due and payable under the terms of this Note to be immediately due and payable, and the same shall thereupon become and be immediately due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Maker;

(b) Foreclose, execute and/or levy upon the liens or security interests securing the payment of this Note; and

(c) Exercise any and all other rights and remedies available at law or in equity.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, and may be exercised as often as occasion therefor shall arise.

No act, omission, or other failure on the part of Holder or any holder of this Note to exercise any right, remedy, or recourse hereunder with respect to Maker, whether before or after the occurrence of an Event of Default, shall constitute waiver or release of any such right, remedy, recourse, Event of Default or of any other Event of Default by such holder or on behalf of any other holder; such waiver or release to be effected only through written document executed by Holder or such holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or

release of, any subsequent right, remedy or recourse as to a subsequent event. No failure to accelerate the debt of Maker evidenced hereby by reason of an Event of Default or indulgence granted from time to time shall be construed to be a waiver of the right to insist upon prompt payment thereafter, or shall be deemed to be a novation of this Note or a reinstatement of such debt evidenced hereby or a waiver of such right of acceleration or any other right, or be construed so as to preclude the exercise of any right any holder of this Note may have, whether by the laws of the jurisdiction governing this Note, by agreement or otherwise.

8. **Additional Acts.** Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed, and/or delivered by any party, the parties hereto agree to perform, execute and/or deliver, or cause to be performed, executed, and/or delivered, any and all such further acts, deeds, and assurances that any party may reasonably require to consummate the transaction contemplated hereby.

9. **Attorney's Fees.** In any action brought to enforce the terms and conditions of this Note, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party.

10. **Assignment.** The parties agree that this Note is not assignable unless mutually agreed to in writing by the parties. Written notice of any assignment will be given by the assigning party to the other party.

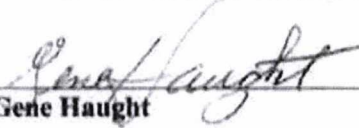
11. **Applicable Law.** This Note shall be governed by the laws and decisions of the state of Idaho. Maker and Holder each hereby waive trial by jury in any action or proceeding to which Maker or Holder may be parties, arising out of, or in any way pertaining to this Note.

IN WITNESS WHEREOF, the undersigned has executed and made effective this Promissory Note on _____, 2022.

MAKER

**GREYLOCK ENERGY HOLDINGS, LLC, an
Idaho limited liability company**

By: _____
Nicholas Jones
Its: _____

By:  _____
Gene Haught
Its: _____

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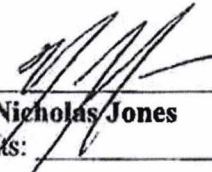
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11. **Applicable Law.** This Note shall be governed by the laws and decisions of the state of Idaho. Maker and Holder each hereby waive trial by jury in any action or proceeding to which Maker or Holder may be parties, arising out of, or in any way pertaining to this Note.

IN WITNESS WHEREOF, the undersigned has executed and made effective this Promissory Note on _____, 2022.

MAKER

GREYLOCK ENERGY HOLDINGS, LLC, an
Idaho limited liability company

By:  _____ Aug 26, 2022
Nicholas Jones
Its: _____

By: _____
Gene Haught
Its: _____

EXHIBIT A – PLEDGE AND SECURITY AGREEMENT

PROMISSORY NOTE - 4

M:\Clients\Ray, Israel - 22055\22055.002 - Sale of Business (Atlanta Power Co.)\Drafts\2022.08.26 - Promissory Note - FINAL.docx

EXHIBIT B

DESCRIPTION OF LAND FROM SELLER TO BUYER



EXHIBIT C

DESCRIPTION OF LAND FROM BUYER TO SELLER

Elmore County Parcel No. RPM5N11E03110C

EXHIBIT D
CONTRACTS

None.

EXHIBIT E

PERMITS

The Certificate of Public Convenience and Necessity (CPCN) in the name of Atlanta Power Company, Inc;

FERC License issued to Project No. 11541-001 issued on May 9, 2002;

Water Right # 63-206.

EXHIBIT F

BANK ACCOUNTS

U.S. Bank Acct. # 1533-0243-4367

EXHIBIT G
COMPANY ASSETS

Water Right # 63-2063;

ITEM	STATUS	COUNT	NOTES
Poles			
	Inservice	26	less than 10 yrs
	Inservice	77	more than 10 yrs
	Inservice	54	needs replaced
	Missing poles	?	utilizing tree as pole currently
	Inventory	?	
Cut outs			
	Inservice	26	
	Inservice	5	needs replaced
Transformers			
	15's	9	
	10's	4	
	5's	2	
	Unmarked/Unknown	17	
Meters			
	Working	75	
	Currently reading	74	
	Inventory	4	
Computer			w/ all software and related licenses
Office Supplies			all office supplies purchased by Atlanta Power Company

	COUNT	SERIAL #
Hydro Generator	1	LM-239206-0501
Diesel Generator	1	
Turbine	1	
Wikki Gate Computer	1	
Control Panel	1	
7 hp Compressor	1	
1 set Dam Gates	1	

Stock Purchase Agreement
Greylock Energy Holdings, LLC (Buyer)
Israel Ray (Seller)
Page 17

Peter J. Richardson ISB # 3195
RICHARDSON ADAMS, PLLC
515 N. 27th Street
Boise, Idaho 83702
Telephone: (208) 938-7901
peter@richardsonadams.com

Attorneys for Greylock Energy Holdings, LLC

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	CASE NO.
GREYLOCK ENERGY HOLDINGS, LLC FOR)	
APPROVAL OF ITS STOCK AND OWNERSHIP)	APPLICATION OF GREYLOCK ENERGY
INTERESTS PURCHASE AGREEMENT WITH)	HOLDINGS, LLC
ISRAEL RAY FOR THE ACQUISITION OF THE)	
ATLANTA POWER COMPANY)	
_____)	

Exhibit B

“Atlanta Power 5 Year Plan”

Atlanta Power 5 Year Plan

2023

2024

2025

2026

2027

	Upgrades & Repairs	Upgrades & Repairs	Upgrades & Repairs	Upgrades & Repairs	Upgrades & Repairs
	List of system upgrades	List of system upgrades	List of system upgrades	List of system upgrades	List of system upgrades
Upgrades	Pine Street Extension	Main Line from Generator to Beaver Lodge	Yuba Vista Drive Extension	Quartz Street to Alturas Line Replacement	
	Digital gauges and recordings of hydroplant	Extend Main Street to Mine Hill Road	Alturas Street Line Replacement	Replace Mine Hill Road line	
	Address items lists in previous PUC orders	Place cutouts in strategic locations			
	Clear Trees from lines	Install Equipment to address Voltage & Frequency Issues			
	Funding through sale of power	Funding through sale of power	Funding through sale of power	Funding through sale of power	Funding through sale of power

	Outcomes	Outcomes	Outcomes	Outcomes	Outcomes
Outcomes	Pine Street Customers on proper sized transformers. Allow removal of powerline through field	Move main line into town to road. Improve reliability for all residents	Reduce distance of secondary runs.		
	Provide realtime information and recordings of events on system	Move line out to road and out of field and woods	Move line to road and replace poles. Improve reliability		
	Ensure Atlanta Power is meeting PUC expectations & National Electric Safety Code standards	Reduce number of customers affected during outages. Not disconnect the entire town for maintenance or outages			