

APPLICATION FOR TRANSPORTATION AND  
UTILITY SYSTEMS AND FACILITIES  
ON FEDERAL LANDS

FORM APPROVED  
OMB NO. 1004-0189  
Expires: April 30, 2012

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

FOR AGENCY USE ONLY

Application Number

Date filed

1. Name and address of applicant (include zip code)  <b>Idaho Power Company 1221 West Idaho Street Boise, Idaho 83702</b>	2. Name, title, and address of authorized agent if different from Item 1 (include zip code)  <b>Keith Georgeson Project Manager</b>	3. TELEPHONE (area code)  Applicant <b>Idaho Power Company</b> Authorized Agent <b>Keith Georgeson, 208-388-2034</b>
4. As applicant are you? (check one) a. <input type="checkbox"/> Individual b. <input checked="" type="checkbox"/> Corporation* c. <input type="checkbox"/> Partnership/Association* d. <input type="checkbox"/> State Government/State Agency e. <input type="checkbox"/> Local Government f. <input type="checkbox"/> Federal Agency  * If checked, complete supplemental page	5. Specify what application is for: (check one) a. <input type="checkbox"/> New authorization b. <input type="checkbox"/> Renewing existing authorization No. c. <input type="checkbox"/> Amend existing authorization No. d. <input type="checkbox"/> Assign existing authorization No. e. <input type="checkbox"/> Existing use for which no authorization has been received* f. <input checked="" type="checkbox"/> Other*  *If checked provide details under Item 7	
6. If an individual, or partnership are you a citizen(s) of the United States? <input type="checkbox"/> Yes <input type="checkbox"/> No		
7. Project description (describe in detail): (a) Type of system or facility, (e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications (length, width, grading, etc.); (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction (Attach additional sheets, if additional space is needed.)		

Response to 5f:

This SF-299 revises the original SF-299 applications submitted by Idaho Power Company to BLM on December 19, 2007 (OROR-065375) and to the USFS on March 25, 2008 (FS 2700-4). This revised SF-299 and the supporting Plan of Development (POD) have been modified and supplemented as necessary to explain and support Idaho Power's new proposed route.

Response to 7:

(a) Type of facility: Single-circuit 500-kV transmission line stretching approximately 300 miles between Boardman, Oregon and Hemingway, Idaho. The transmission line will consist of approximately 1,439 galvanized steel lattice towers ranging in height from 135 to 180 feet. The requested right-of-way is for the portions of the proposed transmission line that would cross the BLM Boise District and Vale District; Wallowa-Whitman National Forest; and Bureau of Reclamation Snake River Resources Area (see attached Figure 1).

See continuation sheet for responses to 7b-7h.

8. Attach a map covering area and show location of project proposal
9. State or local government approval: <input type="checkbox"/> Attached <input checked="" type="checkbox"/> Applied for <input type="checkbox"/> Not required
10. Nonreturnable application fee. <input type="checkbox"/> Attached <input checked="" type="checkbox"/> Not required
11. Does project cross international boundary or affect international waterways? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If "yes," indicate on map)
12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.

Idaho Power has successfully constructed operated and maintained similar electrical facilities in Idaho and Oregon for more than 90 years.



13a. Describe other reasonable alternative routes and modes considered.

Idaho Power has evaluated several thousand miles of alternatives. The scope of the analysis and alternative routes considered are described in Section 7 of the POD.

b. Why were these alternatives not selected?

See continuation sheet.

c. Give explanation as to why it is necessary to cross Federal Lands

The project purpose is to connect the southern Idaho load center and the Pacific Northwest and to strengthen the regional grid. To do this, the project must interconnect with a planned substation near Boardman, OR and the existing Hemingway Substation near Melba, Idaho. All of the alternative routes cross BLM and USFS managed lands. Given the distribution of these areas in the project area, it is not possible to avoid public lands. More detail is presented in Section 7 of the POD.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, code, or name)

PGE has submitted an SF-299 to the BLM and USFS for a 500-kV transmission line between the Boardman and Salem areas in Oregon. Idaho Power and PacifiCorp have applied to construct, own and operate 500-kV transmission facilities from Wyoming to southern Idaho. The B2H Project is independent of either of these projects.

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.

Section 2 of POD addresses the Purpose and Need for the project.

15(a) Cost of construction of the entire 300 miles of single-circuit line is estimated at \$600 million. Operation and maintenance is estimated to be \$35,000 annually. See continuation sheet for responses to 15(b) and 15(c).

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

As described more fully in Section 7.2 of the POD, the project area consists of agricultural areas, high desert, and mountainous areas, and the effects of the project on human populations in those areas will vary greatly. A detailed analysis of probable effects will be developed during the NEPA process.

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability.

The proposed project will have varying levels of short-term and long-term impacts on air quality, visual resources, surface water quality, noise levels, and surface of the land including vegetation and soil resources in the study area. There are no impacts anticipated to groundwater quality or quantity or permafrost. To be determined through NEPA analysis (see continuation sheet)

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

In general, the Project will have levels of short-term and long-term impacts on plant life and wildlife, including threatened and endangered species in the study area. Impacts will be determined and addressed through the NEPA analysis and, if applicable, ESA consultation.

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 9601 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

No hazardous materials to be permanently stored on Public Lands. During construction, hazardous materials, principally fuels and lubricants for construction equipment, will be temporarily used, transported, and stored in accordance with an approved Spill Prevention, Containment, and Control Plan and with an approved Stormwater Pollution Prevention Plan. Section 10 of the POD provides additional details regarding environmental protection measures proposed as part of the project.

20. Name all the Department(s)/Agency(ies) where this application is being filed.

Vale District Office, Vale, Oregon. A similar application is also being filed with the Wallowa-Whitman National Forest Supervisor's Office, LaGrande, Oregon, and Bureau of Reclamation Snake River Area Office.

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant



Date

06/21/2010

Title 18, U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 3)

(SF-299, page 2)

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS  
AND FACILITIES ON FEDERAL LANDS

**GENERAL INFORMATION**  
**ALASKA NATIONAL INTEREST LANDS**

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are:

1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.
2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous fuels, and any refined product produced therefrom.
3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
4. Systems for the transmission and distribution of electric energy.
5. Systems for transmission or reception of radio, television, telephone, telegraph, and other electronic signals, and other means of communications.
6. Improved rights-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.
7. Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application must be filed simultaneously with each Federal department or agency requiring authorization to establish and operate your proposal.

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

U.S. Department of Agriculture  
FOREST SERVICE (USFS)  
Alaska Regional Office (Region 10)  
*Physical Address:*  
Federal Office Building  
709 West 9th Street  
Juneau, Alaska 99801  
*Mailing Address:*  
P.O. Box 21628  
Juneau, Alaska 99802  
Telephone: 907-586-8806

U.S. Department of the Interior  
BUREAU OF INDIAN AFFAIRS (BIA)  
Alaska Regional Office (Juneau)  
*Mailing/Physical Address:*  
P.O. Box 25520  
709 West 9th Street  
Juneau, Alaska 99802  
Telephone: 800-645-8397

U.S. Department of the Interior  
BUREAU OF LAND MANAGEMENT (BLM)  
Alaska State Office  
*Mailing/Physical Address:*  
222 West 7th Avenue #13  
Anchorage, Alaska 99513  
Telephone: 907-271-5960

U.S. Department of the Interior  
NATIONAL PARK SERVICE (NPS)  
Alaska Regional Office (Anchorage)  
*Mailing/Physical Address:*  
240 West 5th Avenue, Room 114  
Anchorage, Alaska 99501  
Telephone: 907-644-3501

U.S. Department of the Interior  
FISH AND WILDLIFE SERVICE  
Alaska Regional Office (Region 7)  
*Mailing/Physical Address:*  
1011 East Tudor Road  
Anchorage, Alaska 99501  
Telephone: 907-271-5011

Note: Filings with any Department of the Interior agency may be filed with any office noted above or with the:

U.S. Department of the Interior  
OFFICE OF ENVIRONMENTAL POLICY AND COMPLIANCE  
Alaska Regional Office (Anchorage)  
Regional Environmental Officer  
1689 C Street, Room 119  
Anchorage, Alaska 99501  
Telephone: (907) 271-5011

U.S. Department of Transportation  
FEDERAL AVIATION ADMINISTRATION  
Alaska Regional Office (Anchorage)  
222 West 7th Avenue, #14  
Anchorage, Alaska 99513  
Telephone: 907-271-5269

**NOTE** - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Federal Aviation Administration (FAA), Coast Guard (USCG), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

**OTHER THAN ALASKA NATIONAL INTEREST LANDS**

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency.

**SPECIFIC INSTRUCTIONS**

*(Items not listed are self-explanatory )*

*Item*

- 7 Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.
  - 8 Generally, the map must show the section(s), township(s), and ranges within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
  - 9, 10, and 12 - The responsible agency will provide additional instructions.
  - 13 Providing information on alternate routes and modes in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.
  - 14 The responsible agency will provide instructions.
  - 15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.
  - 16 through 19 - Providing this information in as much detail as possible will assist the Federal agency(ies) in processing the application and reaching a decision. When completing these items, you should use a sound judgment in furnishing relevant information. For example, if the project is not near a stream or other body of water, do not address this subject. The responsible agency will provide additional instructions.
- Application must be signed by the applicant or applicant's authorized representative.

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item".

SUPPLEMENTAL

NOTE: The responsible agency(ies) will provide additional instructions	CHECK APPROPRIATE BLOCK	
	ATTACHED	FILED*
<b>I - PRIVATE CORPORATIONS</b>		
a. Articles of Incorporation	<input type="checkbox"/>	<input type="checkbox"/>
b. Corporation Bylaws	<input type="checkbox"/>	<input type="checkbox"/>
c. A certification from the State showing the corporation is in good standing and is entitled to operate within the State.	<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing	<input type="checkbox"/>	<input type="checkbox"/>
e. The name and address of each shareholder owning 3 percent or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote and the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.	<input type="checkbox"/>	<input type="checkbox"/>
f. If application is for an oil or gas pipeline, describe any related right-of-way or temporary use permit applications, and identify previous applications	<input type="checkbox"/>	<input type="checkbox"/>
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by proposal.	<input type="checkbox"/>	<input type="checkbox"/>
<b>II - PUBLIC CORPORATIONS</b>		
a. Copy of law forming corporation	<input type="checkbox"/>	<input type="checkbox"/>
b. Proof of organization	<input type="checkbox"/>	<input type="checkbox"/>
c. Copy of Bylaws	<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing	<input type="checkbox"/>	<input type="checkbox"/>
e. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.	<input type="checkbox"/>	<input type="checkbox"/>
<b>III - PARTNERSHIP OR OTHER UNINCORPORATED ENTITY</b>		
a. Articles of association, if any	<input type="checkbox"/>	<input type="checkbox"/>
b. If one partner is authorized to sign, resolution authorizing action is	<input type="checkbox"/>	<input type="checkbox"/>
c. Name and address of each participant, partner, association, or other	<input type="checkbox"/>	<input type="checkbox"/>
d. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.	<input type="checkbox"/>	<input type="checkbox"/>

\* If the required information is already filed with the agency processing this application and is current, check block entitled "Filed." Provide the file identification information (e.g., number, date, code, name). If not on file or current, attach the requested information.



## NOTICES

NOTE: This applies to the Department of the Interior/Bureau of Land Management (BLM).

The Privacy Act of 1974 provides that you be furnished with the following information in connection with the information provided by this application for an authorization.

AUTHORITY: 16 U.S.C. 310 and 5 U.S.C. 301.

PRINCIPAL PURPOSE: The primary uses of the records are to facilitate the (1) processing of claims or applications; (2) recordation of adjudicative actions; and (3) indexing of documentation in case files supporting administrative actions.

ROUTINE USES: BLM and the Department of the Interior (DOI) may disclose your information on this form: (1) to appropriate Federal agencies when concurrence or supporting information is required prior to granting or acquiring a right or interest in lands or resources; (2) to members or the public who have a need for the information that is maintained by BLM for public record; (3) to the U.S. Department of Justice, court, or other adjudicative body when DOI determines the information is necessary and relevant to litigation; (4) to appropriate Federal, State, local, or foreign agencies responsible for investigating, prosecuting violation, enforcing, or implementing this statute, regulation, or order; and (5) to a congressional office when you request the assistance of the Member of Congress in writing.

EFFECT OF NOT PROVIDING THE INFORMATION: Disclosing this information is necessary to receive or maintain a benefit. Not disclosing it may result in rejecting the application.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certifications for the use of Federal Lands.

Federal agencies use this information to evaluate your proposal.

No Federal agency may request or sponsor and you are not required to respond to a request for information which does not contain a currently valid OMB Control Number.

**BURDEN HOURS STATEMENT:** The public burden for this form is estimated at 25 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0189), Bureau Information Collection Clearance Officer (WO-630) 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

A reproducible copy of this form may be obtained from the Bureau of Land Management, Division of Lands, Realty and Cadastral Survey, 1620 L Street, N.W., Rm. 1000 LS, Washington, D.C. 20036.

## CONTINUATION SHEET

**7(b). Related structures/facilities:** Access roads 14' wide during construction and 8' wide during operation will be needed to each tower for routine maintenance. Other permanent ancillary facilities, including substations will be located outside BLM and USFS-managed Public Lands boundaries.

**7(c). Physical specifications:** During construction, temporary permission will be required for on-ROW activities, off-ROW access, staging areas, helicopter fly yards, and material storage. During operation, Project land requirements will be restricted to the ROW (this includes the transmission line corridor and access roads outside of the ROW, substations, and communication facilities). Idaho Power proposes to acquire a permanent 250-foot-wide ROW for the Project operation. Table 1 below summarizes the route mileage by land owner/manager and indicates the length of permanent ROW requested for the transmission line corridor. Additional ROW will be required for access roads and staging areas. However, the locations of these facilities are unknown at this time. A revised SF-299 will be submitted when these project details are known.

**Table 1.** Route Mileage Summary by Land Manager/Owner

Segment	County	Total Miles	National Forest System	Bureau of Reclamation	BLM Public Lands	Department of Defense	State and Municipal	Private
			Miles	Miles	Miles	Miles	Miles	Miles
1	Morrow	36.2	-	-	-	8.1	-	28.1
2	Umatilla	60.9	-	-	-	-	-	60.9
3	Union	40.3	6.3	-	0.7	-	0.1	33.1
4	Baker	68.2	-	-	16	-	3	49.2
5	Malheur	70.7	-	0.5	46.8	-	-	23.4
6	Owyhee	23.5	-	-	17.3	-	3.5	2.7
	<b>Totals</b>	<b>299.8</b>	<b>5.4</b>	<b>0.4</b>	<b>81.4</b>	<b>8.1</b>	<b>6</b>	<b>200.4</b>

**7(d). Terms of years needed:** Maximum allowable ROW term. Project lifespan is greater than 50 years.

**7 (e). Time of year of use/operation:** Once installed, the transmission line would be in service continuously for at least 50 years. Routine maintenance will be conducted for towers, conductors, and the ROW once a year.

**7(f). Volume or amount of product to be transported:** Electrical energy will be carried at 500-kV. Total MW will be determined by Western Electricity Coordinating Council rating system, but will not be more than 1,500 MW at full buildout.

**7(g). Duration and timing of construction:** Construction is expected to commence in 2013 and be complete by June 1, 2015.

**7(h). Temporary work areas needed for construction:** Staging areas and fly yards (temporary during construction) will be needed near the proposed ROW every 25 miles and every 5 miles, respectively, to temporarily store and protect materials and equipment during construction, and to allow for the assembly and airlifting of tower sections where helicopter assisted construction is indicated. More detail is presented in Sections 3 and 4 of the POD.

**13(b).** After reviewing many alternative routes and route segments developed in the Community Advisory Process described in Section 7 of the POD, Idaho Power has selected the proposed route for numerous reasons, including the following: Requires over 35 fewer miles of new corridor; Parallels existing utility

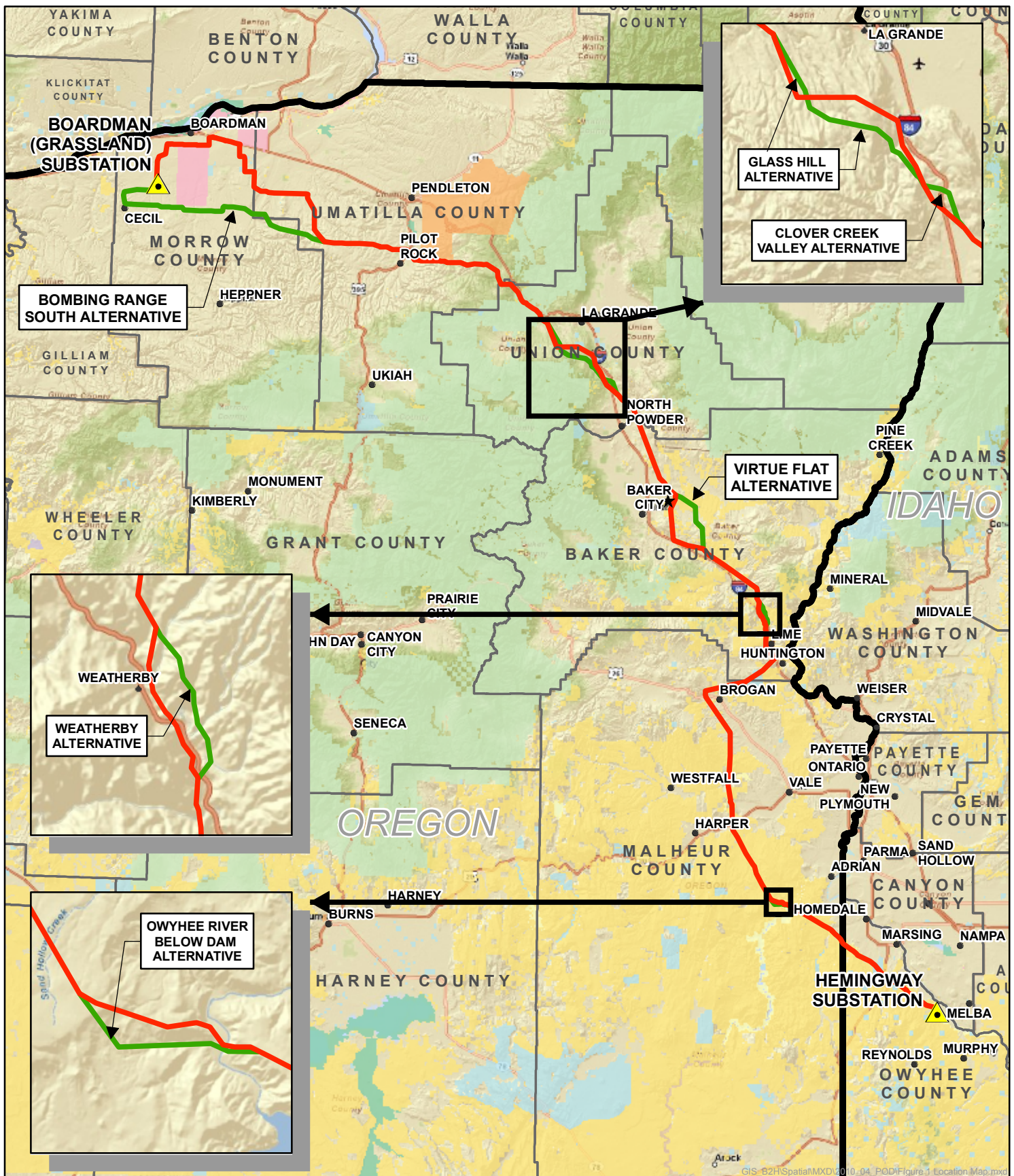
corridors for over 50 miles more; Requires over 1,000 fewer acres of clearing; Will be significantly less difficult to construct; and Will avoid creating a new 30 to 45 mile corridor through one or more National Forests.

**15(b).** Estimating the cost of the next best alternative is not practicable because of the large number of variables and potential alternatives. Factors that can affect costs include construction difficulty and costs associated with mitigation of environmental resource impacts.

**15(c).** In general, the project will meet projected loads by providing additional capacity to import generation as identified in Idaho Power's 2009 Integrated Resources Plan. This project will serve as a core component of the regional transmission infrastructure by increasing capacity and reliability in the transmission system between southern Idaho and the Pacific Northwest.

**17. (Continued)**

and other applicable regulatory processes (e.g., Clean Water Act Section 404 permitting). Sections 10 and 11 of the POD provide more details on the likely environmental impacts.



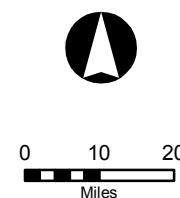
**FIGURE 1  
LOCATION MAP**

**IDAHO POWER COMPANY  
BOARDMAN TO HEMINGWAY  
500kV TRANSMISSION LINE PROJECT**

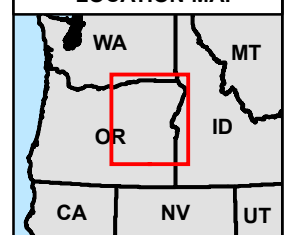
**JUNE 2010**



- |  |                              |
|--|------------------------------|
| Substation   | Indian Reservation           |
| Proposed Route                                     | Military                     |
| Alternative Route                                  | National Park Service        |
| Oregon National Historic Trail Interpretive Center | Other Federal                |
| State Boundary                                     | Private                      |
| County Boundary                                    | State                        |
| Bureau of Land Management                          | US Fish and Wildlife Service |
| Bureau of Reclamation                              | US Forest Service            |



**LOCATION MAP**





## **EXHIBIT A – Information Concerning Use of ROW**

The MOU on the following page provides information regarding plans, contracts, agreements, or other information concerning Idaho Power's use of the right-of-way and its effect on competition.

**SUMMARY OF MEMORANDUM OF UNDERSTANDING**  
**BETWEEN PACIFICORP AND IDAHO POWER**  
**REGARDING TRANSMISSION PROJECTS**

PacifiCorp and Idaho Power have entered into a Memorandum of Understanding (“MOU”) on March 5, 2010. This is a summary of some of the significant terms of the MOU.

**Background**

- A. PacifiCorp owns and operates facilities for the transmission of electric power and energy in interstate commerce (“PacifiCorp Transmission System”).
- B. Idaho Power owns and operates facilities for the transmission of electric power and energy in interstate commerce (“Idaho Power Transmission System”; each of the PacifiCorp Transmission System and the Idaho Power Transmission System, a “Transmission System” and, collectively, the “Transmission Systems”).
- C. Each of PacifiCorp and Idaho Power have an independent obligation pursuant to their respective Open Access Transmission Tariff to plan for and expand their respective Transmission System based upon the needs of their native load customers, network customers, and eligible customers that agree to expand the Transmission System.
- D. Idaho Power has developed an integrated resource plan for service to its native load customers, and received network load and resource forecasts from its network customers that collectively demonstrate the need to evaluate expansion of Idaho Power’s Transmission System.
- E. PacifiCorp has developed an integrated resource plan for service to its native load customers, and received network load and resource forecasts from its network customers that collectively demonstrate the need to evaluate expansion of PacifiCorp’s Transmission System.
- F. The Parties are committed to the development of transmission facilities to fulfill their service obligations and to operate reliable Transmission Systems.
- G. The Parties are also committed to engaging potential stakeholders in this development process through the Northern Tier Transmission Group’s planning workgroup and other appropriate forums.
- H. The Parties have been involved in the joint development and expansion of major electric transmission facilities known as the Gateway West Project.
- I. The Parties are considering whether to modify schedules of portions of the

Gateway West Project to recognize significant capital savings through participation in a combined set of projects.

- J. The Parties are also considering whether to construct new projects into Oregon, specifically the Hemingway to Boardman Project.
- K. These projects are expected to meet, in part, both Parties' long term integrated resource planning needs.
- L. Idaho Power and PacifiCorp are parties to certain legacy agreements which grant to one another certain transmission capacity rights over portions of the other Party's existing Transmission System. The Parties desire to consider whether to terminate these legacy agreements and replace the transmission arrangements contemplated therein with joint ownership transmission arrangements and other alternative transmission arrangements.
- M. The proposed transaction will be subject to applicable federal and state regulatory approvals and is premised upon the preservation of the Parties' rights on behalf of, and for the benefit of, their native load customers, and to satisfy their capacity expansion responsibilities under their respective OATT.

The MOU contains some of the principal elements of the proposed transaction as currently contemplated by the Parties, which, if agreed to by the Parties, will include the following:

#### SUMMARY OF CERTAIN KEY TERM SHEET ELEMENTS

Parties:	Idaho Power Company, an Idaho corporation (" <u>Idaho Power</u> ") PacifiCorp, an Oregon corporation (" <u>PacifiCorp</u> ")
Legacy Agreements:	The following agreements entered into between PacifiCorp and Idaho Power and/or on file with FERC:  Idaho Power Rate Schedules 67, 87, and 149  (a) Second Restated and Amended Transmission Facilities Agreement, dated as of February 9, 2009;  (b) Restated Transmission Service Agreement, to be filed by the Parties in FERC docket number ER09-1335;  (c) Agreement for Interconnection and Transmission Services, to be filed by the Parties in FERC docket number ER09-1335;  (d) Memorandum of Understanding Between Idaho Power Company and PacifiCorp Concerning Electric Transmission



	<p>Development, dated May 7, 2007; and</p> <p>(e) First Amended and Restated Agreement to Share Permitting Costs for Gateway West in Support of the National Environmental Policy Act (“NEPA”) Process, dated September 5, 2008;</p> <p>PacifiCorp Rate Schedules 257, 293, 294, and 427.</p> <p>(a) Antelope Substation Capacity Entitlement, Operation and Maintenance Agreement, dated October 17, 1989;</p> <p>(b) Transmission Facilities, dated as of June 1, 1974;</p> <p>(c) Agreement for Interconnection and Transmission Services, dated as March 19, 1982; and</p> <p>(d) Draft Transmission Services Agreement, dated as of June 28, 1995.</p> <p>Other legacy agreements may be identified and added by mutual agreement of the Parties.</p>
Settlement Agreement	<p>A settlement agreement to be entered into between PacifiCorp and Idaho Power, pursuant to which the Legacy Agreements will be terminated and the Parties will be released from all obligations and liabilities thereunder.</p>
Purchase and Sale Agreement(s)	<p>One or more purchase and sale agreements to be entered into between PacifiCorp and Idaho Power pursuant to which certain transmission facilities will become jointly owned by the Parties. Each Party’s allocable transmission capacity in these transmission facilities is expected to satisfy, in part, its obligation for transmission capacity as evaluated under the termination of the Legacy Agreements and capacity expansion responsibilities under their respective OATT.</p> <p>(a) PacifiCorp will sell to Idaho Power and Idaho Power will purchase from PacifiCorp an undivided ownership interest in the following transmission facilities:</p> <p>(i) Goshen to Kinport 345 kV;</p> <p>(ii) Antelope Substation to INL, the 230/161 kV transformer and the 161 kV bus;</p> <p>(iii) Goshen 161kV and 345 kV Substations;</p> <p>(iv) Summer Lake to Hemingway section of the existing Midpoint-Summer Lake 500 kV line;</p>

	<p>(v) Midpoint to Hemingway section of the existing Midpoint-Summer Lake 500 kV line;</p> <p>(vi) Jim Bridger to Kinport and Jim Bridger to Borah 345 kV transmission lines;</p> <p>(vii) 3 Mile Knoll Substation 345 kV bus;</p> <p>(viii) PacifiCorp's Populus Substation now under construction;</p> <p>(ix) PacifiCorp's Jefferson Substation 161 kV bus; and</p> <p>(x) PacifiCorp's Big Grassy Substation 161 kV bus.</p> <p>(b) Idaho Power will sell to PacifiCorp and PacifiCorp will purchase from Idaho Power an undivided ownership interest in the following transmission facilities:</p> <p>(i) Borah to Midpoint and Kinport to Midpoint 345 kV lines (including 400 MW of eastbound capacity);</p> <p>(ii) Borah to Kinport 345 kV line;</p> <p>(iii) Borah to Brady to Kinport 230 kV and 345 kV facilities;</p> <p>(iv) Jim Bridger to Goshen 345 kV line;</p> <p>(v) Goshen to Big Grassy 161 kV line;</p> <p>(vi) Jim Bridger Substation 230 kV transmission facilities; and</p> <p>(vi) Idaho Power's Hemingway Substation 500 kV bus now under construction.</p>
Joint Ownership, Operation and Maintenance Agreements ("JOOMs")	<p>One or more joint ownership, operation and maintenance agreements to be entered into by PacifiCorp and Idaho Power which will govern the ownership, operation and maintenance of one or more jointly owned transmission facilities. Under each JOOM, the Parties will designate one of the Parties to serve as operator to provide for the operation, maintenance, and capital improvements and upgrades to the respective transmission facilities, with cost sharing of these services based upon the Parties' ownership interests unless provided otherwise in the JOOM. The Parties will establish procedures for expansion and provide for cost sharing in each JOOM.</p>
Projects	<p>Collection of individual transmission projects referred to below, which will be jointly owned by the Parties. Each Party's allocable transmission capacity in these facilities is expected to satisfy, in part, its obligation for transmission capacity as evaluated under</p>

	<p>capacity expansion responsibilities under their respective OATT:</p> <p>(a) 500 kV transmission line from Boardman to Hemingway, including a substation expansion at Hemingway and Boardman and/or a new substation at North East Oregon (NEO) (“<u>Boardman to Hemingway Line</u>”);</p> <p>(b) 500 kV transmission line from Populus to Cedar Hill to Hemingway, including a new Cedar Hill 500 kV station (“<u>Populus to Hemingway Line</u>”); and</p> <p>(c) 500 kV transmission line from Midpoint to Cedar Hill (“<u>Midpoint to Cedar Hill Line</u>”).</p>
Joint Development and Construction Agreement	<p>An agreement to be entered into between PacifiCorp and Idaho Power, pursuant to which:</p> <p>(a) PacifiCorp and Idaho Power will jointly develop and construct the Projects; and</p> <p>(b) PacifiCorp and Idaho Power will be responsible for ownership share in the following transmission facilities as stated in the final JOOM(s):</p> <p style="padding-left: 40px;">(i) Boardman to Hemingway Line;</p> <p style="padding-left: 40px;">(ii) Hemingway to Cedar Hill Line; and</p> <p style="padding-left: 40px;">(iii) Midpoint to Cedar Hill Line;</p>
Other Arrangements	<p>In addition to the other arrangements in the Definitive Agreements described herein, PacifiCorp and Idaho Power will agree to certain other transmission arrangements which will be included in the appropriate Definitive Agreement.</p>
Interconnection Agreements	<p>One or more interconnection agreements to be entered into between PacifiCorp and Idaho Power, which will govern the interconnection of the transmission facilities of the Parties subject to the Definitive Agreements.</p>
Definitive Agreements	<p>The following agreements to be entered into by PacifiCorp and Idaho Power:</p> <p>(a) Settlement Agreement;</p> <p>(b) Purchase and Sale Agreements;</p> <p>(c) JOOMs;</p> <p>(d) Interconnection Agreements; and</p>



	(e) Joint Development and Construction Agreement:
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## **EXHIBIT B – AUTHORIZATION TO CONDUCT BUSINESS IN OREGON**

The document on the following page was obtained from the Oregon Secretary of State Corporate Division website. It indicates that Idaho Power is a registered with the Secretary of State to do business in the State of Oregon.

# Business Registry Business Name Search

[New Search](#)

## Business Entity Data

05-19-2010

07:24

Registry Nbr	<a href="#">Entity Type</a>	<a href="#">Entity Status</a>	<a href="#">Jurisdiction</a>	Registry Date	Next Renewal Date	Renewal Due?
165219-81	FBC	ACT	IDAHO	08-03-1989	08-03-2010	
<b>Entity Name</b>	IDAHO POWER COMPANY					
<b>Foreign Name</b>						

[New Search](#)

## Associated Names

<b>Type</b>	PPB	PRINCIPAL PLACE OF BUSINESS		
<b>Addr 1</b>	1221 W IDAHO ST			
<b>Addr 2</b>				
<b>CSZ</b>	BOISE	ID	83702	<b>Country</b> UNITED STATES OF AMERICA

Please click [here](#) for general information about registered agents and service of process.

Type	AGT	REGISTERED AGENT	Start Date	01-27-1998	Resign Date	
Of Record	003292-27	C T CORPORATION SYSTEM				
Addr 1	388 STATE ST STE 420					
Addr 2						
CSZ	SALEM	OR	97301	3581	Country	UNITED STATES OF AMERICA

<b>Type</b>	MAL	MAILING ADDRESS		
<b>Addr 1</b>	LEGAL DEPARTMENT			
<b>Addr 2</b>	PO BOX 70			
<b>CSZ</b>	BOISE	ID	83707	<b>Country</b> UNITED STATES OF AMERICA

<b>Type</b>	PRE	PRESIDENT		<b>Resign Date</b>	
<b>Name</b>	J	LAMONT	KEEN		
<b>Addr 1</b>	PO BOX 70				
<b>Addr 2</b>					
<b>CSZ</b>	BOISE	ID	83707	0070	<b>Country</b> UNITED STATES OF AMERICA

<b>Type</b>	SEC	SECRETARY		<b>Resign Date</b>	
<b>Name</b>	PATRICK	A	HARRINGTON		
<b>Addr 1</b>	PO BOX 70				
<b>Addr 2</b>					
<b>CSZ</b>	BOISE	ID	83707	0070	<b>Country</b> UNITED STATES OF AMERICA



## **EXHIBIT C – IDAHO POWER REAL PROPERTY RESOLUTIONS**

### Real Property Resolutions – passed July 13, 1995

RESOLVED, That the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees or agents of the Company as may be so designated by them in writing, are authorized on behalf of the Company to purchase or otherwise acquire by bequest, gift, devise, or other means, and to sell, convey, exchange, option or otherwise dispose of real and personal property of every class and description and any estate or interest therein, as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation as to amount or value, in any and all states, subject to the laws of any such state; provided, however, that the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees or agents of the Company as may be so designated by them in writing, are authorized on behalf of the Company to acquire from others or to grant to others easements, permits and licenses as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation as to the extent or cost, in any and all states, subject to the laws of any such state; and be it

FURTHER RESOLVED, That the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees or agents of the Company as may be so designated by them in writing, are authorized on behalf of the Company to lease real and personal property of the Company or from others, as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation as to the extent or cost, in any and all states, subject to the laws of any such state; and be it

FURTHER RESOLVED, That the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees or agents of the Company as may be so designated by them in writing, are authorized on behalf of the Company to lease real and personal property of the Company or from others, as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation as to amount or value, in any and all states, subject to the laws of any such state; and be it

FURTHER RESOLVED, That the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees or agents of the Company as may be so designated by them in writing, are hereby authorized on behalf of the Company to file for all permits, licenses or other authorizations with state, federal or other entities owning or controlling lands as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation with respect to the construction of power lines, structures, buildings or other facilities.

#### **EXHIBIT D – NAMES AND ADDRESSES OF SHAREHOLDERS OWNING 3 PERCENT OR MORE**

As indicated in Exhibit F, IDACORP owns all 39,150,812 outstanding shares of Idaho Power Company common stock, representing 100% of the voting stock of Idaho Power Company.

#### **EXHIBIT E – NAME AND ADDRESS OF EACH AFFILIATE**

- IDACORP, Inc. (1221 W. Idaho St., Boise, ID 83702)
- Idaho Energy Resources Co. (1221 W. Idaho St., Boise, ID 83702)
- IDACORP Financial Services, Inc. (205 N. Tenth Street Suite 510 Boise, ID 83702)
- Ida-West Energy Company (205 N. Tenth Street Suite 540 Boise, ID 83702)
- IDACORP Energy L.P. (1221 W. Idaho St., Boise, ID 83702)
- IDACORP Energy Services Co. (1221 W. Idaho St., Boise, ID 83702)

#### **EXHIBIT F – NUMBER OF SHARES AND PERCENTAGES**

- Idaho Power Company owns all 10 shares of outstanding common stock of Idaho Energy Resources Co., representing 100% of the voting stock of Idaho Energy Resources Co.
- IDACORP owns all 39,150,812 outstanding shares of Idaho Power Company common stock, representing 100% of the voting stock of Idaho Power Company.