

INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of 2007 by and between _____ a _____ organized and existing under the laws of the State of _____ ("Interconnection Customer,") and Idaho Power Company - Delivery, a Corporation existing under the laws of the State of Idaho, ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____ (date of application in the queue), and

WHEREAS, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility to the Transmission System, and of any Affected Systems;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved Large Generator Interconnection Procedures (LGIP).
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection System Impact Study consistent with Section 7.0 of the LGIP in accordance with the Tariff.

- 3.0 The scope of the Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Customer System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection (POI), Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.
- 5.0 The Interconnection System Impact Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
 - description and non-binding, good-faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.
- 6.0 Interconnection Customer shall provide a deposit of \$50,000 for the performance of the Interconnection System Impact Study. Transmission Provider's good-faith estimate for the time of completion of the Interconnection System Impact Study is 90 days from the date of execution, unless otherwise noted.

Upon receipt of the Interconnection System Impact Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection System Impact Study.

Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.

- 7.0 Effective Date, Duration and Termination. This Agreement becomes effective upon execution by all Parties and shall continue until the work required by the Agreement is completed; provided, however, the Interconnection Customer may terminate this Agreement at any time after providing written notice. In addition, if Interconnecting Customer withdraws its application for interconnection, this Agreement shall terminate effective with the date the application for interconnection is withdrawn.
- 8.0 No Obligation to Complete Generating Facility. Nothing in this Agreement obligates Interconnection Customer to continue or complete development of the Generating Facility or enter into a Large Generator Interconnection Agreement (“LGIA”). A binding agreement and commitment with respect to interconnecting the Large Generating Facility to the Transmission System will only occur upon the execution of an LGIA by Transmission Provider and Interconnection Customer.
- 9.0 Relationship of the Parties. This Agreement is intended to create an independent contractor relationship between the Parties. It is not to be construed as constituting the Parties as partners, as creating a joint venture, or as creating any other form of legal association or arrangement which would impose liability upon a Party for the act or omission of the other Party.
- 10.0 Remedies. In no event will Transmission Provider or its respective agents, employees, officers, directors, affiliates or representatives be liable for incidental, special, punitive or consequential damages including but not limited to lost profits, even if the Parties have been advised of the possibility of such damages. Interconnecting Customer agrees that Transmission Provider’s liability arising out of this Agreement and the services provided under this Agreement, whether under theories of contract, negligence, tort, strict liability, warranty or equity will not exceed the

amounts payable by Interconnecting Customer to Transmission Provider for the services that are the basis of such claim.

- 11.0 **Governing Law.** The validity, interpretation and performance of this Agreement shall be governed by the laws of the State of Idaho, without regard to its conflict of law principles; and in addition, shall be subject to all applicable federal laws, regulations and judicial or administrative orders of the Federal Energy Regulatory Commission. Venue for any action to enforce the terms and conditions of this Agreement shall be in Boise, Idaho.
- 12.0 **Amendment.** This Agreement may not be modified except by mutual agreement by a signed document duly executed by both Parties.
- 13.0 **Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon such Party.
- 14.0 **Severability and Savings Clause.** If any provision of this Agreement is held to be void, voidable, contrary to public policy, or unenforceable, that provision will be deemed severable from the Agreement as to the smallest part so held, and the remainder of the Agreement will continue in full effect as if the severed provision had not been included, in which case the Agreement will be construed and interpreted to implement the objectives of the Parties as stated in this Agreement. The Parties agree that neither Party will be deemed the drafter of any term that may subsequently be found to be ambiguous or vague.
- 15.0 **Survival.** This Agreement shall continue in effect after termination to the extent necessary to provide for final billings and payments and for costs incurred hereunder, to permit the determination and enforcement of liability obligations arising from acts or events that occurred while this Agreement was in effect.
- 16.0 **Assignment and Subcontracts.** This Agreement may not be transferred or assigned by either Party hereto without the prior written consent of the other Party, which such consent will not be unreasonably withheld. Transmission Provider may subcontract any portion of the work required by this Agreement without the permission of the Interconnecting Customer.
- 17.0 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and

permitted assigns. Nothing in this Agreement shall be deemed to confer upon any other person any rights, remedies, obligations or liabilities under or by reason of this Agreement.

18.0 Notices. Any notice required by this Agreement is properly given if submitted in writing and delivered to the individual set forth below in person, delivered to a nationally-recognized overnight courier service properly addressed and with delivery charges prepaid, delivered to the United States Postal Service properly addressed and with proper postage prepaid, transmitted by facsimile with confirmation of successful transmission, or transmitted by email. Either Party may change at any time the individual authorized to receive notice, an address, telephone number or email address by providing notice to the other Party.

If to Interconnecting Customer, to:	If to the Transmission Provider, to:
_____	Idaho Power Company
_____	Delivery Business Unit
_____	1221 West Idaho Street
_____	Boise, ID 83702
_____	Attention: Rowena Bishop
_____	Telephone: 208/388-2658
_____	Fax: 208/388-5504
_____	Email: rbishop@idahopower.com

19.0 Entire Agreement. This Agreement and its Attachments constitutes the complete agreement between the Parties concerning its subject matter and supersedes all previous communications, negotiation, and agreements, whether oral or written, with respect to this Agreement. None of the terms or obligations under this Agreement may be changed or waived in any manner whatsoever by an action or inaction of either Party unless in a writing duly executed by the Parties. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions in any jurisdiction, and shall not invalidate or render unenforceable such provision in any other jurisdiction.

20.0 Dispute Resolution. Any dispute between Transmission Provider and Interconnection Customer involving the provisions of this Agreement shall be referred to a senior representative of Transmission Provider and a senior representative of Interconnection Customer for resolution on an informal basis as promptly as practicable.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly-authorized officers or agents on the day and year first above written.

Transmission Provider: Idaho Power Company - Delivery

By: Signed _____

By: Printed _____

Title: _____

Date: _____

Interconnection Customer: _____

By: Signed _____

By: Printed _____

Title: _____

Date: _____

Attachment A

**ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION SYSTEM IMPACT STUDY**

The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the LGIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied

Designation of alternative Point(s) of Interconnection and configuration

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]