

Interconnection Agreement for Small Generator Facility Tier 1, Tier 2, Tier 3 or Tier 4 Interconnection

(Small Generator Facilities with Electric Nameplate Capacities or 10 MW or smaller)

This Interconnection Agreement (sometimes also referred to as “Agreement”) is made and entered into this ___ day of _____ by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer”) and Idaho Power Public Utility, a corporation existing under the laws of the State of Idaho, (“Public Utility”). The Interconnection Customer and Public Utility each may be referred to as a “Party,” or collectively as the “Parties.”

Recitals:

Whereas, the Interconnection Customer is proposing to develop a Small Generator Facility, or to add generating capacity to an existing Small Generator Facility, consistent with the Application completed on _____;

Whereas, the Interconnection Customer desires to interconnect the Small Generator Facility with Public Utility’s Transmission and Distribution System (“T&D System”); and

Whereas, the interconnection of the Small Generator Facility and the Public Utility’s T&D System is subject to the jurisdiction of the Public Utility Commission of Oregon (“OPUC” or “Commission”) and governed by OAR 860, Division 082 (“Rule”).

Now, therefore, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

Article 1. Scope and Limitations of Agreement

1.1 Scope

The Agreement establishes standard terms and conditions approved by the Public Utility Commission of Oregon (“OPUC” or “Commission”) under which the Small Generator Facility with a Name Plate Capacity of 10 MW or less will interconnect to, and operate in Parallel with, the Public Utility’s T&D System. Additions, deletions or changes to the standard terms and conditions of an Interconnection Agreement will not be permitted unless they are mutually agreed to by the Parties and/or ordered or approved by the Commission as required by the Rule. Terms with initial capitalization when used in this Agreement, shall have the meanings given in the Rule.

1.2 Power Purchase

The Agreement does not constitute an agreement to purchase, transmit, or deliver the Interconnection Customer’s power nor does it constitute an electric service agreement.

1.3 Other Agreements

Nothing in this Agreement is intended to affect any other agreement between the Public Utility and the Interconnection Customer or another Interconnection Customer. However, in the event that the provisions of the Agreement conflict with the provisions of other Public Utility tariffs, the Public Utility tariff shall control.

1.4 Responsibilities of the Parties

1.4.1 The Parties shall perform all obligations of the Agreement in accordance with all applicable laws.

1.4.2 The Interconnection Customer will construct, own, operate, and maintain its Small Generator Facility in accordance with the Agreement, IEEE Standard 1547 (2003 ed), the National Electrical Code (2005 ed) and applicable standards required by the Commission.

1.4.3 Each Party shall be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the Point of Interconnection. Each Party shall provide Interconnection Facilities that adequately protect the other Parties' facilities, personnel, and other persons from damage and injury. The allocation of responsibility for the design, installation, operation, maintenance and ownership of Interconnection Facilities is prescribed in the Rule.

1.5 Parallel Operation and Maintenance Obligations

Once the Small Generator Facility has been authorized to commence Parallel Operation by execution of the Interconnection Agreement, the Interconnection Customer will abide by all written provisions for operating and maintenance as required by the Rule and detailed by the Public Utility in Form 7, title "Interconnection Equipment As Built Specifications, Initial Settings and Operating Requirements" a copy of which is provided on the Commission's website.

1.6 Metering & Monitoring

The Interconnection Customer will be responsible for metering and monitoring as required by OAR 860-082-0070.

1.7 Power Quality

The Interconnection Customer will design its Small Generator Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection that meets the requirements set forth in IEEE 1547. The Public Utility may, in some circumstances, also require Interconnection Customers to follow voltage or VAR schedules used by similarly situated, comparable generators in the control area. Any special operating requirements will be detailed in Form 4 provided on the Commission website and completed by the Public Utility as required by the Rule. Under no circumstances shall these additional requirements for voltage or reactive power support exceed the normal operating capabilities of the Small Generator Facility.

Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

The Interconnection Customer will test and inspect its Small Generator Facility and Interconnection Facilities prior to interconnection in accordance with IEEE 1547 Standards as provided for in the Rule. The Interconnection will not be final until the Witness Test and Certificate of Completion provisions in the Rule have been satisfied.

To the extent that the Interconnection Customer decides to conduct interim testing of the Small Generator Facility prior to the Witness Test, it may request that the Public Utility observe these tests. If the Public Utility agrees to send qualified personnel to observe any interim testing proposed by the Interconnection Customer, the Interconnection Customer shall pay or reimburse the Public Utility for its cost to participate in the interim testing. If the Interconnection Customer conducts interim testing and such testing is observed by the Public Utility and the results of such interim testing are deemed acceptable by the Public Utility (hereinafter a "Public Utility-approved interim test"), then the Interconnection Customer may request that such Public Utility-approved interim test be deleted from the final Witness Testing. If the Public Utility elects to repeat any Public Utility-approved interim test as part of the final Witness Test, the Public Utility will bear its own expenses associated with participation in the repeated Public Utility-approved interim test.

2.2 Right of Access:

As provided in OAR 860-082-0020, the Public Utility will have access to the Interconnection Customer's premises for any reasonable purpose in connection with the Interconnection Application and any Interconnection Agreement that is entered in to pursuant to this Rule or if necessary to meet the legal obligation to provide service to its customers. Access will be requested at reasonable hours and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition.

Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

The Agreement shall become effective upon execution by the Parties.

3.2 Term of Agreement

The Agreement will be effective on the Effective Date and will remain in effect for a period of twenty (20) years or the life of the Power Purchase agreement, whichever is shorter or a period mutually agreed to by Parties, unless terminated earlier by the default or voluntary termination by the Interconnection Customer or by action of the Commission.

3.3 Termination

No termination will become effective until the Parties have complied with any applicable requirements for termination contained in OAR 860-082-0075 or this Agreement.

- 3.3.1 The Interconnection Customer may terminate this Agreement at any time by giving the Public Utility twenty (20) Business Days written notice.
- 3.3.2 Either Party may terminate this Agreement after default pursuant to Article 5.6 of this Agreement.
- 3.3.3 The Commission may order termination of this Agreement.
- 3.3.4 Upon termination of this Agreement, the Small Generator Facility will be disconnected from the Public Utility's T&D System at the Interconnection Customer's expense. The termination of this Agreement will not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.
- 3.3.5 The provisions of this Article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

The Public Utility or Interconnection Customer may temporarily disconnect the Small Generator Facility from its T&D System for so long as reasonably necessary, as provided in OAR 860-082-0075 of the Rule, in the event one or more of the following conditions or events occurs:

- 3.4.1 Under emergency conditions, the Public Utility or the Interconnection Customer may, without notice to the Interconnection Customer, immediately suspend interconnection service and temporarily disconnect the Small Generator Facility. The Public Utility shall notify the Interconnection Customer promptly when it becomes aware of an emergency condition that may reasonably be expected to affect the Small Generator Facility operation. The Interconnection Customer will notify the Public Utility promptly when it becomes aware of an emergency condition that may reasonably be expected to affect the Public Utility's T&D System. To the extent information is known, the notification shall describe the emergency condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.
- 3.4.2 For routine Maintenance, Parties will make reasonable efforts to provide five Business Days notice prior to interruption caused by routine maintenance or construction and repair to the Small Generator Facility or Public Utility's T&D system and shall use reasonable efforts to coordinate such interruption.
- 3.4.3 The Public Utility shall make reasonable efforts to provide the Interconnection Customer with prior notice of forced outages to effect immediate repairs to the T&D System. If prior notice is not given, the Public Utility shall, upon request, provide the Interconnection Customer

written documentation after the fact explaining the circumstances of the disconnection.

- 3.4.4 For disruption or deterioration of service, where the Public Utility determines that operation of the Small Generator Facility will likely cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Small Generator Facility could cause damage to the Public Utility's T&D System, the Public Utility may disconnect the Small Generator Facility. The Public Utility will provide the Interconnection Customer upon request all supporting documentation used to reach the decision to disconnect. The Public Utility may disconnect the Small Generator Facility if, after receipt of the notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time which shall be at least five Business Days from the date the Interconnection Customer receives the Public Utility's written notice supporting the decision to disconnect, unless emergency conditions exist, in which case the provisions of 3.4.1 of the agreement apply.
- 3.4.5 If the Interconnection Customer makes any change other than Minor Equipment Modifications without prior written authorization of the Public Utility, the Public Utility will have the right to temporarily disconnect the Small Generator Facility.

3.5 Restoration of interconnection:

The Parties shall cooperate with each other to restore the Small Generator Facility, Interconnection Facilities, and Public Utility's T&D System to their normal operating state as soon as reasonably practicable following any disconnection pursuant to this section.

Article 4. Cost Responsibility and Billing:

The Interconnection Customer is responsible for the cost of all facilities, equipment, modifications and upgrades needed to facilitate the interconnection of the Small Generator Facility to the Public Utility's T&D System..

4.1 Minor T&D System Modifications:

Modifications to the existing T&D Systems identified by the Public Utility under a Tier 2 or Tier 3 review, such as changing meters, fuses or relay settings, are deemed Minor Modifications. It is the Public Utility's sole discretion to decide what constitutes a Minor Modification. The Interconnection Customer will bear the costs of making such Minor Modifications as may be necessary to gain approval of an Application.

4.2 Interconnection Facilities:

The Interconnection Customer is responsible for the cost of the Interconnection Facilities identified by the Public Utility in the interconnection studies and reviews.

- 4.3 Interconnection Equipment:** The Interconnection Customer is responsible for all reasonable expenses, including overheads, associated with owning, operating, maintaining, repairing, and replacing its Interconnection Equipment.

4.4 System Upgrades:

The Public Utility will design, procure, construct, install, and own any System Upgrades. The actual cost of the System Upgrades, including overheads, will be directly assigned to the Interconnection Customer. An Interconnection Customer may be entitled to financial compensation from other Public Utility Interconnection Customers who, in the future, benefit from the System Upgrades paid for by the Interconnection Customer. Such compensation will be governed by separate rules promulgated by the Commission or by terms of a tariff filed and approved by the Commission. , Such compensation will only be available to the extent provided for in the separate rules or tariff.

4.5 Adverse System Impact:

The Public Utility is responsible for identifying Adverse System Impacts on any Affected Systems and for determining what mitigation activities or upgrades may be required to accommodate a Small Generator Facility. The actual cost of any actions taken to address the Adverse System Impacts, including overheads, shall be directly assigned to the Interconnection Customer. The Interconnection Customer may be entitled to financial compensation from other Public Utilities or other Interconnection Customers who, in the future, utilize the upgrades paid for by the Interconnection Customer.. Such compensation will only be available to the extent provided for in the separate rules, Commission order or tariff.

4.6 Deposit and Billings:

The Interconnection Customer agrees to pay to the Public Utility a deposit toward the cost to construct and install any required Interconnection Facilities and/or System Upgrades. The amount of the deposit shall be (select one of the following):

4.6.1 The Parties have not agreed to a schedule of progress payments and the Interconnection Customer shall pay a deposit equal to 100 percent of the estimated cost of the Interconnection Facilities and System Upgrades – the amount of the deposit shall be \$_____ ; or

4.6.2 The Parties have agreed to progress payments and final payment under the schedule of payments attached to this Agreement; the Interconnection Customer shall pay a deposit equal to the lesser of (a) 25 percent of the estimated cost of the Interconnection Facilities and System Upgrades, or (b) \$10,000 – the amount of the deposit shall be \$_____.

4.6.3 If the actual costs of Interconnection Facilities and/or System Upgrades are different than the deposit amounts and/or progress and final payments provided for above, then the Interconnection Customer shall pay the Public Utility any balance owing or the Public Utility shall refund any excess deposit or progress payment within 20 days of the date actual costs are determined.

Article 5. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default

5.1 Assignment

The Interconnection Agreement may be assigned by either Party upon fifteen (15) Business Days prior written notice. Except as provided in Articles 5.1.1 and 5.1.2, said assignment shall only be valid upon the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld.

5.1.1 Either Party may assign the Agreement without the consent of the other Party to any affiliate (which shall include a merger of the Party with another entity), of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement;

5.1.2 The Interconnection Customer shall have the right to assign the Agreement, without the consent of the Public Utility, for collateral security purposes to aid in providing financing for the Small Generator Facility. For Small Generator systems that are integrated into a building facility, the sale of the building or property will result in an automatic transfer of this agreement to the new owner who shall be responsible for complying with the terms and conditions of this Agreement.

5.1.3 Any attempted assignment that violates this Article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same obligations as the Interconnection Customer.

5.2 Limitation of Liability and Consequential Damages

A Party is liable for any loss, cost claim, injury, or expense including reasonable attorney's fees related to or arising from any act or omission in its performance of the provisions of an Interconnection Agreement entered into pursuant to the Rule except as provided for in ORS 757.300(4)(c). Neither Party will seek redress from the other Party in an amount greater than the amount of direct damage actually incurred.

5.3 Indemnity

5.3.1 Liability under this Article 5.3 is exempt from the general limitations on liability found in Article 5.2.

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

- 5.3.3 If an indemnified person is entitled to indemnification under this Article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this Article, to assume the defense of such a claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- 5.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this Article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.
- 5.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.
- 5.3.6 The indemnifying Party shall have the right to assume the defense thereof with counsel designated by such indemnifying Party and reasonably satisfactory to the indemnified person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an indemnified person or indemnified persons having such differing or additional legal defenses.
- 5.3.7 The indemnified person shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the indemnifying Party. Notwithstanding the foregoing, the indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the indemnified person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the indemnified person, which shall not be reasonably withheld, conditioned or delayed.

5.4 Consequential Damages

Neither Party shall be liable to the other Party, under any provision of the Agreement, for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

5.5 Force Majeure

5.5.1 As used in this Agreement, a Force Majeure Event shall mean “any act of God, labor disturbance, act of the public enemy, war, acts of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment through no direct, indirect, or contributory act of a Party, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party’s control. A Force Majeure Event does not include an act of negligence or intentional wrongdoing.”

5.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance, and if the initial notification was verbal, it should be promptly followed up with a written notification. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends the Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be reasonably mitigated. The Affected Party will use reasonable efforts to resume its performance as soon as possible. The Parties shall immediately report to the Commission should a Force Majeure Event prevent performance of an action required by Rule that the Rule does not permit the Parties to mutually waive.

5.6 Default

5.6.1 No default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement, or the result of an act or omission of the other Party. Upon a default, the non-defaulting Party shall give written notice of such default to the defaulting Party. Except as provided in Article 5.6.2, the defaulting Party shall have sixty (60) Calendar Days from receipt of the default notice within which to cure such default; provided however, if such

default is not capable of cure within 60 Calendar Days, the defaulting Party shall commence such cure within twenty (20) Calendar Days after notice and continuously and diligently complete such cure within six months from receipt of the default notice; and, if cured within such time, the default specified in such notice shall cease to exist.

- 5.6.2 If a default is not cured as provided for in this Article, or if a default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate the Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates the Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. Alternately, the non-defaulting Party shall have the right to seek dispute resolution with the Commission in lieu of default. The provisions of this Article will survive termination of the Agreement.

Article 6. Insurance

Pursuant to OPUC Order No. 05-584, pages 48 and 49, the Public Utility may not require the Interconnection Customer to maintain general liability insurance for a Small Generator Facility with an Electric Nameplate Capacity of 200 KW or less. All other Interconnection Customers must obtain a prudent amount of general liability insurance to protect any person who may be affected by their facility and its operation.

- 6.1** Pursuant to the Rule adopted by the Commission, the Public Utility may not require the Interconnection Customer to maintain general liability insurance in relation to the interconnection of a Small Generator Facility with an Electric Nameplate Capacity of 200 KW or less. With regard to the interconnection of a Small Generator Facility with an Electric Nameplate Capacity equal to or less than 10 MW but in excess of 200 KW, the Interconnection Customer shall, at its own expense, maintain in force throughout the period of this Agreement general liability insurance sufficient to protect any person (including the Public Utility) who may be affected by the Interconnection Customer's Small Generation Facility and its operation and such insurance shall be sufficient to satisfy the Interconnection Customer's indemnification responsibilities under Article 5.3 of this Agreement.
- 6.2** Within ten (10) days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, the Interconnection Customer shall provide the Public Utility with certification of all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.
- 6.3** All insurance required by this Article 6 shall name the Public, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation against the Other Party Group and provide thirty (30) Calendar Days

advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition. The Interconnection Customer's insurance shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. The insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.

- 6.4** The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.
- 6.5** The requirements contained herein as to insurance are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

Article 7. Dispute Resolution

Parties will adhere to the dispute resolution provisions in OAR 860-082-0080.

Article 8. Miscellaneous

8.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of the Agreement and each of its provisions shall be governed by the laws of the State of Oregon, without regard to its conflicts of law principles. The Agreement is subject to all applicable laws. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a governmental authority.

8.2 Amendment

The Parties may mutually agree to amend the Agreement by a written instrument duly executed by both Parties in accordance with provisions of the Rule and applicable Commission Orders and provisions of the laws of the State of Oregon.

8.3 No Third-Party Beneficiaries

The Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

8.4 Waiver

8.4.1 The failure of a Party to the Agreement to insist, on any occasion, upon strict performance of any provision of the Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

8.4.2 The Parties may agree to mutually waive a section of this Agreement so long as prior Commission approval of the waiver is not required by the Rule.

8.4.3 Any waiver at any time by either Party of its rights with respect to the Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of the Agreement. Any waiver of the Agreement shall, if requested, be provided in writing.

8.5 Entire Agreement

The Interconnection Agreement, including any supplementary Form attachments that may be necessary, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of the Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under the Agreement.

8.6 Multiple Counterparts

The Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

8.7 No Partnership

The Agreement will not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

8.8 Severability

If any provision or portion of the Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority; (1) such portion or provision shall be deemed separate and independent; (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling; and (3) the remainder of the Agreement shall remain in full force and effect.

8.10 Subcontractors

Nothing in the Agreement shall prevent a Party from utilizing the services of any subcontractor, or designating a third party agent as one responsible for a specific obligation or act required in the Agreement (collectively subcontractors), as it deems appropriate to perform its obligations under the Agreement; provided, however, that each Party will require its subcontractors to comply with all applicable terms and conditions of the Agreement in providing such services and each Party will remain primarily liable to the other Party for the performance of such subcontractor.



8.10.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under the Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made. Any applicable obligation imposed by the Agreement upon the hiring Party shall be equally binding upon, and will be construed as having application to, any subcontractor of such Party.

8.10.2 The obligations under this Article will not be limited in any way by any limitation of subcontractor's insurance.

8.11 Reservation of Rights

Either Party will have the right to make a unilateral filing with the Commission to modify the Interconnection Agreement. This reservation of rights provision will include but is not limited to modifications with respect to any rates terms and conditions, charges, classification of service, rule or regulation under tariff rates or any applicable State or Federal law or regulation. Each Party shall have the right to protest any such filing and to participate fully in any proceeding before the Commission in which such modifications may be considered.

Article 9. Notices and Records

9.1 General

Unless otherwise provided in the Agreement, any written notice, demand, or request required or authorized in connection with the Agreement shall be deemed properly given if delivered in person, delivered by recognized national courier service, or sent by first class mail, postage prepaid, to the person specified below:

9.2 Records

The utility will maintain a record of all Interconnection Agreements and related Form attachments for as long as the interconnection is in place as required by OAR 860-082-006. The Public Utility will provide a copy of these records to the Interconnection Customer or Interconnection Customer within 15 Business Days if a request is made in writing.

If to the Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____ E-mail _____

If to Public Utility:

PUBLIC UTILITY _____
Attention: _____
Address: _____



City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____ E-mail _____

9.3 Billing and Payment

Billings and payments shall be sent to the addresses set out below: (complete if different than article 9.2 above)

If to the Interconnection Customer

Interconnection Customer: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____

If to Public Utility

PUBLIC UTILITY: _____
Attention: _____
Address: _____
City: _____ State: _____ Zip: _____

9.4 Designated Operating Representative

The Parties will designate operating representatives to conduct the communications which may be necessary or convenient for the administration of the operations provisions of the Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities (complete if different than article 9.2 above).

Interconnection Customer's Operating representative:

Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____ E-Mail _____

Public Utility's Operating Representative:

Attention: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____

9.5 Changes to the Notice Information

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



Article 10. Signatures

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

For Public Utility:

Name: _____

Title: _____

Date: _____

For the Interconnection Customer:

Name: _____

Title: _____

Date: _____

Attachment 1

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

In this attachment the Interconnection Equipment Interconnection Facilities, and System Upgrades, are itemized and identified as being owned by the Interconnection Customer or the Public Utility.

Interconnection Details

Point of Interconnection

A drawing identifying the point of interconnection is included in the Single Line drawing as Attachment 2.

General Facility Description

Description	Ownership	Cost
Interconnection Equipment		
[Interconnection Customer to Provide]	Interconnection Customer	N/A
Interconnection Facilities		
	Public Utility	
	Public Utility	
	Public Utility	
Total		
System Upgrades		
	Public Utility	
	Public Utility	
	Public Utility	
Total		



Interconnection Agreement for Small Generator

Form 8
8-12-2009 rev.

Attachment 2

Interconnection Facility Electrical Diagram



Attachment 3

Milestones

Date	Milestone
	Design completion
	Construction completion
	Commissioning completion
	Commercial Operation

Public Utility's billing for its construction activities will be based upon actual expenditures.

Agreed to by:

For the Interconnection Customer _____ Date _____

For the Transmission Provider _____ Date _____

Attachment 4

Additional Operating Requirements for the Public Utility's Transmission System and Affected Systems Needed to Support the Interconnection Customer's Needs

The Public Utility shall also provide requirements that must be met by the Interconnection Customer prior to initiating parallel operation with the Public Utility System.

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. All Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System will to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

Reliability Management System

1. Definitions:

1.1 Member: Any party to the WECC Agreement.

1.2 Reliability Management System or RMS: The contractual reliability management program implemented through the WECC Reliability Criteria Agreement, Section 2 of Appendix H Under Idaho Power Company's Open Access Transmission Tariff ("OATT") FERC Electric Tariff Revised Volume No. 5.¹ and any similar contractual arrangement.

1.3 Western Interconnection: The area comprising those states and provinces, or portions thereof, in Western Canada, Northern Mexico and the Western United States in which Members of the WECC operate synchronously connected transmission systems.

1.4 WECC: The Western Electricity Coordinating Council or any successor entity.

1.5 WECC Agreement: The Western Electricity Coordinating Council Agreement dated March 20, 1967, as such may be amended from time to time.

1.6 WECC Reliability Criteria Agreement: The Western Electricity Coordinating Council Reliability Criteria Agreement among the WECC and

¹ Idaho Power Company applies the same technical standards to all generators connecting to the electrical system.

certain of its member Transmission Providers, as such may be amended from time to time.

1.7 WECC Staff: Those employees of the WECC, including personnel hired by the WECC on a contract basis, designated as responsible for the administration of the RMS.

2. Terms and Conditions

2.1 Purpose. In order to maintain the reliable operation of the transmission grid, the WECC Reliability Criteria Agreement sets forth reliability criteria adopted by the WECC to Interconnection Customer and Idaho Power Company (“Transmission Owner”) shall be required to comply.

2.2 Compliance. Interconnection Customer shall comply with the requirements of the WECC Reliability Criteria Agreement, including the applicable WECC reliability criteria set forth in Section IV of Annex A thereof, and, in the event of failure to comply, agrees to be subject to any sanctions applicable to such failure assessed by WECC under its RMS so long as the Interconnection Customer is solely responsible for the resulting failure. Such sanctions shall be assessed pursuant to the procedures contained in the WECC Reliability Criteria Agreement. Each and all of the provisions of the WECC Reliability Criteria Agreement are hereby incorporated by reference into this Attachment 4 as though set forth fully herein, and Interconnection Customer shall for all purposes be considered a Participant, and shall be entitled to all of the rights and privileges and be subject to all of the obligations of a Participant, under and in connection with the WECC Reliability Criteria Agreement, including but not limited to the rights, privileges and obligations set forth in Sections 5, 6 and 10 of the WECC Reliability Criteria Agreement.

2.3 Payment and Sanctions. Interconnection Customer shall be responsible for reimbursing Transmission Owner for any monetary sanctions assessed by WECC against Transmission Owner due solely to the action or inaction of Interconnection Customer, pursuant to the WECC Reliability Criteria Agreement. Interconnection Customer also shall be responsible for payment of any monetary sanction due solely to the action or inaction of Interconnection Customer assessed against Interconnection Customer by WECC pursuant to the WECC Reliability Criteria Agreement. Any such payment shall be made pursuant to the procedures specified in the WECC Reliability Criteria Agreement.

2.4 Condition to Effectiveness of Agreement. This Agreement shall be void *ab initio* if Interconnection Customer is not afforded all rights and privileges to contest any purported violation or sanctions before WECC, NERC, the Federal Energy Regulatory Commission or any court of competent jurisdiction, which rights and privileges to contest any violation or sanction would be available to Transmission Owner if the act(s) constituting the purported violation had been taken by Transmission Owner.

2.5 Publication. Interconnection Customer consents to the release by the WECC of information related to Interconnection Customer's compliance with this Agreement only in accordance with the WECC Reliability Criteria Agreement; provided however that no information will be released until after the final resolution of any dispute or challenge to any alleged compliance violation.

2.6 Third Parties. Except for the rights and obligations between the WECC and Interconnection Customer specified in this Attachment 4, this Agreement creates contractual rights and obligations solely between the Parties. Nothing in this Agreement shall create, as between the Parties or with respect to the WECC: (a) any obligation or liability whatsoever (other than as expressly provided in this Agreement), or (b) any duty or standard of care whatsoever. In addition, nothing in this Agreement shall create any duty, liability, or standard of care whatsoever as to any other party. Except for the rights, as a third-party beneficiary under this Attachment 4, of the WECC against Interconnection Customer, no third party shall have any rights whatsoever with respect to enforcement of any provision of this Agreement. Transmission Owner and Interconnection Customer expressly intend that the WECC is a third-party beneficiary to this Attachment 4, and the WECC shall have the right to seek to enforce against Interconnection Customer any provision of this Attachment 4 provided that specific performance shall be the sole remedy available to the WECC pursuant to Attachment 4 of this Agreement, and Interconnection Customer shall not be liable to the WECC pursuant to this Agreement for damages of any kind whatsoever (other than the payment of sanctions to the WECC, if so construed), whether direct, compensatory, special, indirect, consequential, or punitive.

2.7 Reserved Rights. Nothing in the RMS or the WECC Reliability Criteria Agreement shall affect the right of Transmission Owner, subject to any necessary regulatory approval, to take such other measures to maintain reliability, including disconnection, that Transmission Owner may otherwise be entitled to take.

2.8 [Intentionally left blank]

2.9 Termination. Interconnection Customer may terminate its obligations pursuant to this Attachment 4 at any time for any reason upon written notice.

2.10 Mutual Agreement. This Attachment 4 may be amended or terminated at any time by mutual agreement of Transmission Owner and Interconnection Customer.

Attachment 5

Reactive Power Requirements

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

Interconnection Requirements for a Wind Generating Plant

- A. Technical Standards Applicable to a Wind Generating Plant
- i. Low Voltage Ride-Through (LVRT) Capability

A wind generating plant shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the standard below.

All wind generating plants must meet the following requirements:

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 — 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to pre-fault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission

system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.

2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAr Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

ii. Power Factor Design Criteria (Reactive Power)

A wind generating plant shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this agreement, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability 606 (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Transmission Provider, or a combination of the two. The Interconnection Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the System Impact Study shows this to be required for system safety or reliability.

iii. Supervisory Control and Data Acquisition (SCADA) Capability

The wind plant shall provide SCADA capability to transmit data and receive instructions from the Transmission Provider to protect system reliability. The Transmission Provider and the wind plant Interconnection Customer shall determine what SCADA information is essential for the proposed wind plant, taking into account the size of the plant and its characteristics, location, and importance in maintaining generation resource adequacy and transmission system reliability in its area.



Interconnection Agreement for Small Generator Form 8

Attachment 6

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

Interconnection Customer Construction Responsibility and Transfer of Ownership

1. Interconnection Facilities:

Interconnection Facilities

Description	Owner	Estimated Cost
Total		

2. System Upgrades

System Upgrades

Description	Owner	Estimated Cost
Total		